L-1/0152/JG/PD

November 2, 2026

To,

**BSE Limited** : **Code No. 500031**
Department of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street Mumbai 400 001

**National Stock Exchange of India Limited** : **BAJAJELEC - Series: EQ**
Listing Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051

**Sub: Submission of the Transcript of the 'Q2FY27 Earnings Call' of Bajaj Electricals Limited ("Company")**

Dear Sir/Madam,

Further to our letters bearing sr. no.- L-1/0140/PG/PD dated October 12, 2026, sr. no. L-1/0143/PG/PD dated October 27, 2026, and L-1/0147/PG/PD dated October 28, 2026, and pursuant to the provisions of Regulation 30 (read with Sub-para 15 of Para A, Part A, Schedule III) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), we are hereby enclosing the Transcript of the 'Q2FY27 Earnings Call' (Post Earnings/Quarterly Call) organised by ICICI Securities Limited, on Wednesday, October 28, 2026, at 4:30 P.M. (IST), wherein, inter-alia, the Unaudited Financial Results of the Company for the second quarter and half year ended September 30, 2026, were discussed.

The transcript is also hosted on the Company's website at: https://cdn.shopify.com/s/files/1/0881/0849/9244/files/Transcript_of_the_Earnings_Call_for_Q2FY27.pdf?v=1793606974 .

We request you to take the above on record and treat the same as compliance under the applicable provisions of the SEBI Listing Regulations.

Thanking you,

Yours faithfully,
For Bajaj Electricals Limited
Prashant Anant Dalvi
Digitally signed by Prashant Anant Dalvi
Date: 2026.11.02 16:17:59 +05'30'
Prashant Dalvi
Chief Compliance Officer & Company Secretary
(ICSI Membership No.: A51129)

Encl.: as above.

# “Bajaj Electricals Limited

# Q2 FY27 Earnings Conference Call”

# October 28, 2026

**MANAGEMENT:** **MR. SHEKHAR BAJAJ – CHAIRMAN – BAJAJ ELECTRICALS LIMITED**
**MR. SANJAY SACHDEVA – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – BAJAJ ELECTRICALS LIMITED**
**MR. VISHAL CHADHA – CHIEF OPERATING OFFICER - CONSUMER PRODUCTS – BAJAJ ELECTRICALS LIMITED**
**MS. ASHWEEN ANAND – CHIEF FINANCIAL OFFICER - LIGHTING SOLUTIONS – BAJAJ ELECTRICALS LIMITED**
**MR. RAJESH NAIK – CHIEF OPERATING OFFICER - LIGHTING SOLUTIONS – BAJAJ ELECTRICALS LIMITED**

**MODERATOR:** **MR. MANAN GOYAL – ICICI SECURITIES**

**Moderator:** Ladies and gentlemen, good day, and welcome to Bajaj Electricals Limited Q2 FY '27 Earnings Conference Call hosted by ICICI Securities Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Manan Goyal from ICICI Securities Limited. Please go ahead, sir.

**Manan Goyal:** Thank you. On behalf of ICICI Securities, we welcome you all to Q2 FY '27 results conference call of Bajaj Electricals Limited. Today, we have with us senior management represented by Mr. Shekhar Bajaj, Chairman; Mr. Sanjay Sachdeva, Managing Director and CEO; Ms. Ashween Anand, CFO; Mr. Vishal Chadha, COO, Consumer Products; and Mr. Rajesh Naik, COO, Lighting Solutions.

Now I hand over the call to the management for their initial comments on the quarterly performance. Then we will open the floor for Q&A session. Thank you, and over to you, Shekhar, sir.

**Shekhar Bajaj:** Thank you very much, Manan. Thank you. Good evening, ladies and gentlemen. I'm Shekhar Bajaj. It's a pleasure to welcome you to our Q2 FY '27 earnings call. We hope you have had an opportunity to review our financial results and earnings presentation, both of which are now available on the stock exchanges. Before discussing the quarter, I would like to share a personal note. After several decades of having had the privilege of leading and serving Bajaj Electricals, I will be stepping down from my executive responsibility at the end of this calendar year as part of our planned leadership succession.

Subject to the requisite approval, I will continue to remain associated with the company as a Non-Executive Director and Chairman Emeritus. As part of this transition, Sudarshan Sampathkumar, who currently serves as an Independent Director on our Board, will assume the role of Non-Executive Independent Chairman from 1st January, 2027. I have full confidence in Sudarshan, Sanjay Sachdeva and the management team and take the company forward.

I remain deeply committed to Bajaj Electricals, its people and its long-term success. I believe this is the right time to evolve our governance model and enable the Board to play an even stronger collective role. I see this as a natural evolution of my role, ensuring continuity in our values and purpose while further strengthening the governance and leadership framework for the future. As a shareholder and Board member, I look forward to continuing to support the company and its management as they take Bajaj Electricals forward on its next phase of growth.

Lastly, the Bajaj family is not stepping away. The family remains the promoter and majority shareholder. I will remain on the Board and also Pooja Bajaj and Nirav Bajaj will continue in their present Board roles. Now let me start with a brief overview of the broader operating environment before taking you through our performance for the quarter and the key development across our businesses.

During the quarter, commodity costs remained elevated. The broader geopolitical environment also remained uncertain. Against this environment, our team stays laser-focused on execution, consolidating the channel, driving cost efficiencies and strengthening the foundation we built through financial year '26. We delivered modest revenue growth of hardly 1.5%. While our revenue growth was modest, we were able to maintain our gross margin of 31.9%.

We've also improved our EBIT margin by 140 basis points from 3% to 4.4%. The profit before tax has more than doubled from INR15 crores to INR35 crores on a year-to-year basis. I would say this is a positive step towards implementing our learnings through last year's actions. The Board and I remain confident in the direction we have set and are excited about the momentum we are building.

With that, let me hand over to Sanjay Sachdeva, our MD, to take you through the operational and financial performance in detail. Thank you.

**Sanjay Sachdeva:** Thank you, Chairman, sir, and good evening, everybody. Thank you for joining the call. I'm pleased to walk you through our results in quarter 2, which, like Chairman said, were modest on top line, but had significant improvement on the quality of gross margins, EBIT and PBT. But before I start that, I would like to take a moment to express my deep gratitude to our Chairman, sir, Mr. Shekhar Bajaj.

His leadership, vision and unwavering commitment have shaped Bajaj Electricals into an institution of today. Under his stewardship, the company has grown more than 200x, but his contribution goes well beyond that scale. He has laid the foundation, values and strategic direction that continue to guide us. The new structure provides greater clarity of roles while preserving continuity and long-term stewardship.

The management team remains fully accountable for developing and executing the company's strategy and delivering sustainable performance, supported by the collective guidance oversight of the Board. We remain deeply inspired by Chairman's leadership and vision he has laid out and are privileged to continue benefiting from his guidance. As management team, we carry the responsibility of building on this strong foundation and taking Bajaj Electricals forward with the same values, ambition and commitment to long-term value creation.

Now with that, let me begin with a few highlights and provide greater context to our performance this quarter. This quarter, revenue growth was led by growth in Consumer Products. Our gross margin for quarter 2 improved by 10 bps. This is incredible given the inflation headwinds that we have been facing. On a year-to-year basis, our gross margin has improved to 32.1% versus 31.4%, which is about 70 bps more than last year. This clearly shows that our cost efficiency program is yielding results and that we have been able to manage the input commodity inflation pretty well.

Our brand investments for the quarter stood at 3.8% of revenues, up 150 bps year-on-year. This is reflecting in our continued commitment to strengthening the Bajaj brand. As communicated earlier, we see brand building as a strategic investment for the future. Our association with

programs like Big Boss is another step in this journey, enabling us to deepen consumer engagement and enhance visibility across the touch points.

Our cost control initiatives all across all lines are yielding results. Our EBIT margins improved by 140 bps from 3% to 4.4%. Adjusted for incremental brand investments that we have done, our margins on a like-to-like basis was 5.9% versus 3%, which is quite encouraging. Lastly, the profit before tax has more than doubled from INR15 crores to INR35 crores on a Y-to-Y basis. Again, adjusted for incremental investment behind the brands, the PBT margin would have been 4.5%.

Now let me dive deeper into Consumer Products. This vertical has grown by 2.4%, supported by growth mainly in kitchen and domestic appliances due to categories like induction cookers, water heaters, steam irons, which all have grown in high double digits. While fans have degrown in this quarter, the premium BLDC growth have been phenomenal. In fact, BLDC fans for us have grown more than 56% and is now close to 17% of our portfolio.

This is not enough. We know that, and we have plans to take it further. This vertical has delivered a consistent EBIT margin of 4% again in this quarter, which while still lower is encouraging. Adjusted for incremental brand investments, we have delivered and on a like-to-like basis, we have delivered 5.6% EBIT versus 2.8% last year. We endeavor to continue this momentum while also keep investing behind the brands.

Now coming to the Lighting Solutions vertical. The vertical has degrown by 1.3%, mainly due to the revenue contraction in professional lighting. The consumer lighting business has done well with a double-digit growth, mainly fueled by wires and switchgears. Switchgear has grown by 28%, although on a smaller -- on a small base. And we are seeing good traction on wires. Vertical has delivered EBIT of 3.1%.

From a channel perspective, our e-commerce has grown in double digits this quarter and focus on exports are also yielding results with growth -- with very strong growth. Looking ahead, our priorities remain clear: driving premiumization and innovations, optimizing the distribution, strengthening consumer engagement and continue to invest in our business with discipline.

As we move through the festive season and into second half of the year, we remain confident in our outlook, supported by strengthening brand preference and focus on consumer-centric portfolio across key categories. With that, I would like to wish all of you and your family a very happy Diwali and joyous festive season ahead.

Thank you for your continued interest and support in Bajaj Electricals and we will now open the floor for questions. Thank you.

**Moderator:** Thank you very much. The first question is from the line of Sameer Gupta from IIFL Capital. Please go ahead.

**Sameer Gupta:** Sir, just wanted to understand when I compare the growth performance of the Consumer Product business versus, let's say, peers like Havells and Crompton to the respective relevant categories, almost all have recorded a double-digit growth and they have also called out pricing tailwinds.

Even in appliances, a player like TTK has recorded 30%-plus in the previous quarter, they are yet to report for this quarter. So why is Bajaj an outlier here, at least at a net sales growth perspective?

And I believe we have been doing some channel consolidation exercise. How do you evaluate the success of that? Any numbers or qualitative commentary that you can share which can give us confidence that we are in that right direction will be helpful. And if any data you can share on the secondary revenues, that would also be helpful. That would be my first question, sir.

**Vishal Chadha:** So on Consumer Products, which is your question, we don't really share product category-wise, but I can say fans have declined more than double digit for us. While BLDC has grown on a smaller base very well and the premium fans have also done well. So it's a fan, which is bringing the averages down. Net of fans, we've also done double-digit growth across categories. So it's a fan, just to give you -- because you need to know what's happening, it's a fan. So if you turn around fan, then you will see a very different number.

Now what's going to make that happen is BLDC, as you know we are a little late versus competition. We recognize that and we are working on plans to sort of accelerate our innovations in the market. So we are building innovation and also building capacities. The one innovation which we have launched in the market, which we have now taken to various states has done very well.

We are building capacities now multifold versus where we are right now. And once those capacities are in place, which will be in the next 3 to 6 months, fans should start building rapidly in terms of turnover and growth. So then you will see a very different number. And that's what I can tell you right now.

**Sameer Gupta:** Got it, sir. Any particular reason why the non-BLDC category is showing such a sharp decline? Is it just got out of focus? Is it the market is moving towards BLDC and we probably will take some time to ramp up? Because I believe that even the non-BLDC portion, should there be a reason for it to decline so sharply?

**Vishal Chadha:** So in terms of the growth rates for BLDC, they are obviously much faster than it is for the induction, fans. And in that, our portfolio was highly skewed towards entry-level subeconomy fans where we have not seen this kind of growth in the industry. So that's probably the reason why our entire focus now is in terms of driving growth and innovation around BLDC, which as Mr. Sachdeva pointed out, has done quite well with growths excess of albeit on a small base, what the industry growth is, and you will see more action on this front going forward.

**Sameer Gupta:** Got it, sir. And you believe that in the next 3 to 6 months, you should be in that position to grow in line with the category at least?

**Vishal Chadha:** That is what we are working towards and we are confident of it.

**Moderator:** The next question comes from the line of Praveen Sahay from PL Capital.

**Praveen Sahay:** My question is related to the consumer lighting. As you had mentioned even in the opening remarks and the presentation, this double-digit growth in the consumer lighting is backed by the new category, wire and switches, switches also you highlighted about the growth. Can you give some more color on that? How much is the contribution, quantum of these new categories, which geography you are working on? And how you are seeing these categories scale up from here onwards?

**Rajesh Naik:** This is Rajesh. We, as mentioned last quarter itself, we are completely focused on new categories how we can expand that. We have taken -- you must have seen the investment being done for branding for the new categories in ATL. And we are quite focused on 4 states where we trying to have penetration and much faster growth. And that is what is helping consumer lighting as overall to grow. Yes, we are a little soft on consumer lighting as a core category, but this particular new additions is helping us to grow double digit in this particular vertical of consumer lighting.

**Praveen Sahay:** So any color on the quantum, how much is contribution of new businesses right now?

**Sanjay Sachdeva:** So it's about almost 20%, 25% of the total is coming from the new business. We can do more and that's the plan. So already, it's about 20%, 20%, 25%.

**Praveen Sahay:** And which geography you are targeting especially in the wire?

**Sanjay Sachdeva:** So we are looking at those states. We are trying to match where we are strong as a brand and where the market is large. So we are trying to look at -- and those are the states and markets we have taken, which are 4, which is obvious, you can make it out where we are strong if you follow the market, you will find 4 states.

**Praveen Sahay:** Now related to that is also the professional lighting decline and there is a reason for that. So can you give what extent of this decline is?

**Rajesh Naik:** The decline is close to double digit.

**Sanjay Sachdeva:** And it is also very specific to some categories. We lost certain projects in terms of bidding and therefore, we couldn't versus the base. Cost -- we are also very selective because as you know, the inflation is high and therefore, we don't want to win orders at any cost. So we had to let go some orders because of that. And also, there is some slight slowdown in orders, frankly. But I won't say that is a major contributor.

**Praveen Sahay:** Okay. And also because you also alluded that the margin is because of operating deleverage and I believe the new initiative, which is putting the pressure on that. But you also mentioned the product mix in the lighting, especially I'm talking on. So if you are going more on the consumer lighting, I believe that's a good margin business versus the professional lighting. So is that understanding correct or elaborate.

**Sanjay Sachdeva:** No. Professional lighting is more attractive.

**Rajesh Naik:** That's why you have to continue driving professional lighting, whatever we were doing in the past.

**Moderator:** The next question comes from the line of Keshav Garg from CCIPL.

**Keshav Garg:** I wanted to -- I had many questions, but first, I want to start with a bigger picture question. Sir, in your view, what is ailing this company that the Bajaj Group, which is known for being the leader in all the verticals that they are present in, whether it is 2-wheeler, whether it is finance. So why this company despite being -- having such an early beginning, why have we failed and why are we continuously losing market share? Why are we underperforming from even players who are smaller than -- way, way smaller than us? And even with the mediocre competition, we are underperforming. So what exactly is wrong with the company? What is the diagnosis first?

**Sanjay Sachdeva:** So I think it's -- to start with a very general statement you're making, which is difficult to answer on a general basis. Let's go one by one. So we are not losing share across. In fact, most of the categories except for fans, we are either maintaining or gaining share. So factually, that is the truth. Yes. And we are #1 and #2 across categories, that is a fact, and we can't deny that except for fans. So if you're saying anything beyond that, which I'm not aware, then please tell us.

**Keshav Garg:** So let's take it one by one. So for example, in our Consumer Products division, our revenue is totally flat since FY '21, so basically 6 years, whereas our margins have gone down from 10% to low single-digit numbers. Now if we compare to any listed peer, they have outperformed us on the top line growth as well as on the margins. And same is the picture with the Lighting division.

**Sanjay Sachdeva:** Yes. So coming back to that, so one of the key in that is we have lost out on fans. As I said, the issue is fans. So we lost some share in the last first 2, 3 years in '22, '23 because we were at that time changing the entire portfolio. We lost out some distribution on that and some share on that, which we started recovering starting from last year. So that was an important change because we want to revamp the entire portfolio. Now the fan is something which we are working now and we hope to see the acceleration in growth and the market share coming back once our fans act get right.

Yes. And what we understand in case of lighting, actually, we have been consistently growing faster than the market than the rest of the players. Now you may not see numbers in some of the lighting parts because the lighting overall, the price per light is coming down over a period of time. And therefore, that is a headwind we are sitting on, and that is a headwind everybody has. In fact, relatively, lighting has done better. That's the data tells us.

**Rajesh Naik:** You see last year, professional lighting, we were the only company we were growing 2x of what our competition was doing. And that is the base what we just mentioned. On that we are trying to grow the sales.

**Keshav Garg:** I mean I'm just comparing our numbers with the other listed peers which have come out with the Q2 numbers. I can name them for your benefit, Crompton Greaves consumer or even Orient Electric. I mean whether you compare on any product, any segment, they have -- the revenue growth is higher and the margins are way higher despite having a small base in the case of Orient

Electric. So I'm really at a loss to understand and I'm -- even this -- that the fan something went wrong with the fan, does that really explain the whole story that I mean, our stock is at the same level as it was 16 years back. So are you telling me that something went wrong with the fan and that's why our stock is where it was 16 years back in 2010 levels.

**Sanjay Sachdeva:** 16 years, so I don't know, I can talk about last few years. And I can tell you that the entire industry share price is coming down and therefore, it is not to do with one company, yes. And coming back to Consumer Products, as I said, you're talking about Orient, the fan has done very well and we are telling you the fan has not done well for us. And that explains most, can't be entirely, but most of the story is sitting there.

**Keshav Garg:** So now going ahead, what can we expect? What -- how long will it take you to put your house in order as far as fans is concerned? And when can we see some at least the same rate at which the industry is growing?

**Shekhar Bajaj:** I'm Shekhar Bajaj here because I think none of them were there in 2010. So therefore, when you talk about 2010, I think I'm the only one who can respond to you. See, that time, both the EPC business and the consumer business was together. Now the EPC business has been separated as Bajel. And therefore, when you are looking at the business, today, when you compare the Bajaj Electricals, that time, it was both EPC and this. So therefore, it is now from 2010, if you want, then you must add Bajel to it and then compare how it is compared to 2010. So there is a clear-cut improvement.

But what you're asking is something that we are already -- you see the numbers in the first 2 quarters. I think in the coming years also, you see a lot of correction has taken place and we expect that the growth will continue and we've got a very good management team in place. So you see every quarter, this quarter, you've seen the growth, last quarter also you saw the growth. I hope that in the coming quarters also, we'll continue to see the growth.

**Sanjay Sachdeva:** On your particular question of when do you see better numbers in terms of fans. As I told in the beginning in some of the -- related to some other question, we are ramping up production. We are building the new tech BLDC capability in our factories and that's going to take another 4 to 5 months.

**Moderator:** The next question comes from the line of Rabindra Nath from Nirmal Bang.

**Rabindra Nath:** In your fan portfolio, what is the premium fan's contribution in this quarter? If you can say it in the first half, what is the contribution of the premium fans in terms of percentage. In quarter-to-quarter basis in the second quarter, what is the BLDC fans' growth in this quarter as compared to first quarter?

**Sanjay Sachdeva:** So on a -- our BLDC fans' growth over last year has been 56%. That is last year. YTD basis it is 26%. In terms of our contribution of premium and I include premium induction plus BLDC, overall, it is in excess of 30%.

**Rabindra Nath:** It is 30%.

**Sanjay Sachdeva:** As a contribution to total ceiling fans in quarter terms.

**Rabindra Nath:** Sir, in fans portfolio, it is -- how much is it percentage. Okay, totally you are talking about 30%, premium fans.

**Sanjay Sachdeva:** In terms of ceiling, if you want to know for the total fans, give me a second. 30%.

**Rabindra Nath:** And sir, what is the growth of BLDC fans on a quarter-to-quarter basis?

**Ashween Anand:** 56%.

**Sanjay Sachdeva:** It's 56%.

**Rabindra Nath:** 56%. Got it.

**Moderator:** The next question comes from the line of Manoj Gori from Equirus Capital.

**Manoj Gori:** My question is that now if you look at we're just getting into winter and if you look at next say couple challenges into fans portfolio. So can we see some disruption into water heaters as well and probably if you elaborate a bit, probably some measures that we are taking for sustainable double-digit growth that the company aspires to do and probably how should we look at on the margin side, probably from FY '27 second half as probably from FY '28 view and probably how should we factor in the margins for CP business for modeling purpose?

**Sanjay Sachdeva:** Water heaters typically have a better margin profile than fans for us. And as has been alluded at the beginning, our domestic appliances portfolio, which includes water heaters has been growing by double digit. So in terms of the coming quarters, which is -- I won't give a forward-looking statement, but we remain optimistic in terms of the improvement in margin profile.

**Manoj Gori:** Right. And sir, if we look at from a pricing point of view on Y-o-Y basis, our gross margins have held very strong. So do we see any price hikes further, have initiated any price hikes during the quarter and probably, so anything on price hikes?

**Sanjay Sachdeva:** On the prices, as you know, we take prudent price hikes as a last resort when there is an input cost which goes up. So we look at all other towards and then in the end we look at price. Also and our attempt is that less than half of our inflation should be in price and more than half should be absorbed by productivity improvement. Now as we are entering the quarter, starting with last quarter, we are seeing inflation on both metal front and the plastic front. And that we have -- a lot has been absorbed by productivity improvement, but some it will be done through pricing.

So to answer your question, we have taken one round of price increase in lighting in October. And we are evaluating if we need to take a price increase in Consumer Products, which at this stage seems to be the case, yes. And therefore, in the quarter there will be evaluation to see how much it is and when do we have to take.

**Manoj Gori:** Sure. And sir, last question, probably if you can throw some light because if you look at though we have touched double digit decline due to fans portfolio, whether rest of the portfolio has seen

very strong performance. But if we look at probably, as I envisage we would have taken double digit kind of price increase or high single-digit price increase across product portfolio.

So are you internally satisfied with the volume performance that the industry is seeing today. Because if we look at, if we adjust to the price increases, probably volume growth are likely to be into single digits or even low -- as low as low single digits. And that is on a base where last year most of the product categories were impacted. So any outlook or probably your view with how you read on the volume front for the industry and for Bajaj in specific?

**Sanjay Sachdeva:** So growth is a combination of value and volume and it is actually varying by category. So as you mentioned, pricing premiumization as we saw in some of the fans categories, our premiumization is on an upward trend in some of our core categories also and it's a mix. So yes, there is volumes which remain soft in some core category. But our longer-term priority is quality of growth rather than pursuing just top line through excessive discounting or channel loading. So it's a mixed bag. In some categories, we have seen volume and value growth. In some categories, it's more pricing hit.

**Moderator:** The next question comes from the line of Manan Goyal from ICICI Securities Limited.

**Manan Goyal:** 2 questions from my side. So the first, so that given the macro environment, how do the current inventory levels look at the distribution and dealer touch points? So are we comfortable with the channel hygiene heading into the peak winter flying season? Second is given that the wires launched in Feb 2026, what is the current revenue run rate? And what is our target for FY '27 or FY '28? And are we growing faster or slower than the industry? And how is the price hike, how much price hike or how is the pricing impact do we see in wires?

**Vishal Chadha:** So on the Consumer Product side, the channel health has improved materially and we remain quite disciplined on inventory. Over time, primary and secondary sales are tracking each other more closely but it's not necessarily every month because there are factors like seasonality. Now for example, you would have some preseason loading. This time, Diwali is in November. So festive then starts making a difference, channel mix, et cetera. So our focus remains on sellout and healthy channel inventories.

**Sanjay Sachdeva:** So to answer your question, last year, we had to take up inventory correction in quarter 3, which is the quarter we are running now because we exited quarter 2 with higher than desired inventory levels in the channel. We have no such plan.

**Rajesh Naik:** Talking about the wires, as we want to have more and more distribution to be taken place for this particular wire volumes. And what we are seeing that month-on-month, we are growing. Acceptance is good, but we want to have the quality distribution for that. We are working on the combination of this particular wire business along with the wholesale as well as the distribution business so that we can capture both the segments where we want to grow.

**Sanjay Sachdeva:** Yes. Also, given size of the wire business, it is still small. Our ambition is to accelerate further. So that's where we are going with a focused approach in a few states where we have strength and the market is large. And within that, we are building our distribution right now with a combination of our current distribution structure and our incremental consumer structure. We

are also, along with that, building our capabilities, sales capabilities and structure to support that. So all that is work in progress. And given the potential of this category, it will require a continuous investments.

**Moderator:** The next question comes from the line of Rabindra Nath from Nirmal Bang.

**Rabindra Nath:** Sir, you said about the BLDC fan quarter-to-quarter there is increase of 56%. So you have launched a fan last quarter at INR1,999, BLDC fan. So can you please tell me, what is the value and volume growth for quarter-to-quarter?

**Vishal Chadha:** Response has been good of that. And like was mentioned, we are augmenting our capacity because that's been a limited market launch. We are augmenting our production capacity and we'll be able to expand over a period of time. So yes, that's our plans around this BLDC fan.

**Sanjay Sachdeva:** It will be in -- I don't know whether it will be, correct me, so quarter-to-quarter because quarter 3 is not the peak fan period and quarter 2 is. And also remember, BLDC, we have launched in very selective markets. So -- but we are gradually expanding to other markets. So this -- in 2 quarters' time, we'll have a picture which is a normal national level picture. So we will be at that time see that.

**Rabindra Nath:** Okay. In the BLDC portfolio, what would be our average pricing in fan, sir?

**Vishal Chadha:** See the -- it would be between around INR2,500 to INR3,000 would be the kind of average pricing of BLDC portfolio. Again, it depends which price are you talking about. Are you talking about the market operating price or...

**Rabindra Nath:** No, no. I'm talking operating price.

**Vishal Chadha:** I'm talking in context of more in terms of the market operating price.

**Moderator:** The next question comes from the line of Keshav Garg from CCIPL.

**Keshav Garg:** For FY '28, do you have any targets in terms of EBITDA margin or in terms of aspiration for revenue growth? Like any ballpark number that can we -- do we hope to grow in double digit our top line? And can we expect our operating margins? First, when can they exceed 5%? And maybe is it possible to expect EBITDA margins in double digits, which our competitors are already doing in the same business?

**Sanjay Sachdeva:** FY '28 is next year. So we stay with what we have said. We want to grow double digit ahead of the market. If the market is growing at 8%, we want to grow at 10%. If it's growing at 6%, we want to grow at 8%. So that we stay. We want to grow there and we have building blocks which will make it happen. Our market gives a double-digit margin, we will reach there. Now will it be FY '28 may or may not be because if the inflation is too high. And if we see the growth we can accelerate with the activities and innovation, we may decide to invest behind that growth rather than build everything down to the margin.

So to answer your question, we want to be in that bracket of double -- on growth faster than the market and we want to be in that bracket where we are close to double-digit profitability. But as

I said, whether it will be FY '28, depends upon if we get good opportunity, we may go for a high double-digit turnover with a lower profitability because we want to invest behind that growth. So it will be dynamic.

**Keshav Garg:** Understood. But at least sir, when can we expect to surpass our earlier EBITDA that we did, which I believe was around INR320 crores in FY '21. So when in your judgment, can we reach that number?

**Sanjay Sachdeva:** That was with Bajel. You're talking with Bajel or only Bajaj Electrical?

**Keshav Garg:** No, sir, there was no -- I'm talking about the Consumer Product division. And sir, since Mr. Bajaj alluded to Bajel project, erstwhile EPC division, I remember a few years back, the issue used to be that, okay, that EPC business is making losses, so once we get rid of that, then I mean, we'll be good. And since then, after that EPC has gone out and now we are hearing that some fan is not working out. So I mean, it is something or the other?

**Shekhar Bajaj:** I'm glad that you're keeping a track of how Bajaj Electrical is doing. I think management team is very much focused to see that in next 2 to 3 years, we will surpass that number, which was the highest ever. We don't remember at this moment, whether its INR320 crores or INR300 crores, but whatever it is in the next 2 to 3 years, we'll definitely cross that.

**Keshav Garg:** Great, sir. Sir, also, sir, are we thinking about pruning our SKUs and verticals, like, for example, the kitchen segment, either people are in the lighting fan or then they are in the kitchen segment, which is a separate altogether. I mean there might be some overlap, especially in mixers. But I mean, I don't think Nirlep anybody knows it is -- I mean maybe it's not even in the top 10. So I mean, what's the point in just keeping that as a category and underperforming? I mean, do we have enough focus? Why not focus on a few things and really push them?

**Sanjay Sachdeva:** So I think it's a good question. So the answer is simple. Nirlep is right now at a level and the size, which does not impact our either the turnover or the growth or the bottom line. So we are focused on 2 brands and that's where we stand. Bajaj and Morphy Richards, as you know. Morphy Richards at premium end, Bajaj at middle of the market masthead.

And similarly for factories, we don't see any reason at this stage why we can't be both in fans, lighting or kitchen appliances. They -- some of the channel synergies are there, and this is all around home care and they are all under the electric, electricals segment. So I personally don't support that moving out of these categories make sense.

**Keshav Garg:** So I understand that...

**Moderator:** I'm sorry to interrupt. Ladies and gentlemen, we will take this as the last question for today. I now hand over to the management for closing comments. Over to you, sir.

**Shekhar Bajaj:** Thank you very much for all those who could attend this conference. You must be happy that after a good first quarter, even the second quarter, bottom line is better. Now our whole emphasis in the next few quarters is going to be how to improve our top line because our costs and everything is under control. Our margins are also under control. So therefore, once we get our

top line, you see our bottom line will improve substantially. And thank you very much, and hope to see you again after this quarter. Thank you.

**Moderator:** Thank you. On behalf of ICICI Securities Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.