



**Date: 09<sup>th</sup> November, 2021.**

To,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001.

**Dear Sir,**

**Ref : Script Id "BAJAJHCARE", Script Code "539872".**  
**Sub : Earning Updates for the Quarter and Half year ended 30<sup>th</sup> September, 2021.**

In terms of regulation 30 of SEBI (LODR) Regulations, 2015, please find attached herewith Earning Updates for the Quarter and half year ended 30<sup>th</sup> September, 2021.

Kindly take the same on record.

Thanking you,

**For and on behalf of Board of Directors of  
Bajaj Healthcare Limited**

A handwritten signature in black ink, appearing to read 'Aakash Keshari', enclosed in a hand-drawn oval.

**Aakash Keshari  
Company Secretary**

**Encl: a/a**

**BAJAJ HEALTHCARE LIMITED**

**Registered Office:** 602-606, Bhoomi Velocity Infotech Park, Plot No: B-39, B-39A, B-39A/1, Road No. 23, Wagle Ind. Estate, Thane (West), Thane - 400604

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**CIN No. L99999MH1993PLC072892**



**BAJAJ HEALTHCARE LIMITED**

**CIN:** L99999MH1993PLC072892

**Registered Office:** 602-606, Bhoomi Velocity Infotech Park, Plot No. B-39, B-39A, B-39 A/1, Rd No.23, Wagle Ind. Estate Thane West, Mumbai – 400604.

**Q2 & H1 FY22 – Earning Updates**

Revenue from Operations reported at **Rs. 1509.13 Mn in Q2** and **Rs. 3366.01 MN for H1 FY22**

EBITDA stands at **Rs. 290.84 MN in Q2** and **Rs. 632.61 MN for H1 FY22**

PAT at **Rs. 172.51 MN in Q2** and **Rs. 364.69 MN for H1 FY22**

**Thane, 9<sup>th</sup> November 2021:** Bajaj Healthcare Limited (BHL) one of the India's leading manufacturers of APIs, Intermediates and Formulations, in its board meeting held on 2<sup>nd</sup> November 2021 has inter-alia considered and approved the Unaudited Financial Results of the Company for the Second Quarter & first half year ended on 30th September 2021.

**Financial Statement Highlights for Q2 FY22 v/s Q2 FY21**

Particulars (INR MN)	Q2 FY22	Q2 FY 21
Revenue from Operations	1,509.13	2,066.35
Other Income	1.18	20.95
<b>Total Revenue</b>	<b>1,510.31</b>	<b>2,087.30</b>
Total Expenses	1,288.54	1,804.73
<b>EBITDA</b>	<b>290.84</b>	<b>344.04</b>
<b>EBITDA Margin (%)</b>	<b>19.26%</b>	<b>16.48%</b>
Depreciation	44.07	39.75
Finance Cost	25.00	21.72
<b>PBT with Exceptional Item</b>	<b>221.77</b>	<b>282.56</b>
<b>Exceptional Items</b>	-	-
<b>PBT</b>	<b>221.77</b>	<b>282.56</b>
Current Tax	45.40	82.66
Earlier Years	0.21	(1.26)
Deferred Tax	3.64	-
<b>Tax</b>	<b>49.25</b>	<b>81.40</b>
<b>PAT</b>	<b>172.51</b>	<b>201.17</b>
Other comprehensive profit / loss		
<b>Net PAT</b>	<b>172.51</b>	<b>201.17</b>
<b>PAT Margin %</b>	<b>11.42%</b>	<b>9.64%</b>
<b>Diluted EPS</b>	<b>6.25</b>	<b>7.29</b>

**Q2 & H1 FY22 Earning Updates**

### **Financial Performance Comparison – Q2 FY22 v/s Q2 FY21**

- Revenue from Operations **De-grown by 27% from Rs. 2066.35 Mn in Q2 FY21 to Rs. 1509.13 Mn in Q2 FY22** mainly due to decline in sales volume of Ascorbic Acid & CH Base.
- Though The EBITDA has **De-grown by 15.46% from Rs. 344.04 Mn in Q2 FY 21 to Rs. 290.84 Mn in Q2 FY22**, The EBITDA margins have **improved to 19.26% in Q2 FY22** from 16.48% in Q2 FY21 due to implementation of better stock management policies by management and increase in selling prices of products.
- Net profit fell by 14.24% from **Rs. 201.17 Mn in Q2 FY21 to Rs. 172.51 in Q2 FY22**, however Net Profit Margins **increased to 11.42% in Q2 FY22** from 9.64% in Q2 FY21 as a result of implementation of new tax regime to the company.

### **Financial Statement Highlights for H1 FY22 v/s H1 FY21**

<b>Particulars (INR MN)</b>	<b>H1 FY 22</b>	<b>H1 FY 21</b>
Revenue from Operations	3,366.01	3,464.68
Other Income	7.98	29.97
<b>Total Revenue</b>	<b>3,373.99</b>	<b>3,494.65</b>
Total Expenses	2,879.69	3,007.74
<b>EBITDA</b>	<b>632.61</b>	<b>606.52</b>
<b>EBITDA Margin (%)</b>	<b>18.75%</b>	<b>17.36%</b>
Depreciation	85.38	77.40
Finance Cost	52.93	42.20
<b>PBT with Exceptional Item</b>	<b>494.30</b>	<b>486.91</b>
<b>Exceptional Items</b>	-	-
<b>PBT</b>	<b>494.30</b>	<b>486.91</b>
Current Tax	126.80	140.00
Earlier Years	0.20	-
Deferred Tax	2.61	(7.17)
<b>Tax</b>	<b>129.61</b>	<b>132.83</b>
<b>PAT</b>	<b>364.69</b>	<b>354.08</b>
Other comprehensive profit / loss	-	-
<b>Net PAT</b>	<b>364.69</b>	<b>354.08</b>
<b>PAT Margin %</b>	<b>10.81%</b>	<b>10.13%</b>
<b>Diluted EPS</b>	<b>13.21</b>	<b>12.83</b>

### **Financial Performance Comparison – H1 FY22 v/s H1 FY21**

- Income from Operation declined by 2.85% from Rs. 3,464.68 Mn in H1 FY21 to Rs. 3,366.01 Mn in H1 FY22.
- The EBITDA has **increased by 4.03%** from Rs. 606.51 Mn in H1 FY21 to Rs. 632.61 Mn in H1 FY22 and there is a **gain in the EBITDA margins from 17.36% in H1 FY21 to 18.75% in H1 FY22.**
- Net profit stood at Rs. 364.69 Mn in H1 FY22, compared to Rs. 354.08 Mn in H1 FY21 **recorded a growth of 3%**
- Total Fixed Asset grew by 26.78% from Rs. 1,786 Mn in H1 FY21 to Rs. 2,264.27 Mn in H1 FY22.
- Current Asset stood at Rs. 3720.39 Mn in H1 FY22, compared to Rs. 2192.32 Mn in H1 FY21
- Long term borrowing stood at Rs. 762.88 Mn in H1 FY22, compared to Rs. 378.4 Mn in H1 FY21 and Short term borrowing at Rs. 1355.65 Mn in H1 FY22, compared to Rs. 731.90 Mn in H1 FY21
- Finance Cost increased by 25.42% from Rs. 42.2 MN in H1 FY21 to Rs. 52.93 MN in H1 FY22 on account of increase in the long term & short term borrowing.

### **Business Updates:-**

- BHL has commenced commercial production of Nimesulide API at Plot No. N-92, MIDC, Tarapur, "Nimesulide API" which is used for relief from pain and prevention of fever.
- BHL has commenced manufacturing of API and Formulation of "DGJAJ" (2-Deoxy-D-Glucose), an antiviral drug used for treating COVID patients, in collaboration with Defence Research and Development Organisation (DRDO).

### **Commercial Updates:-**

- Pursuant to approval of shareholders by way of postal ballot on September 17, 2021, one equity share of Rs. 10/- each fully paid up was sub-divided into two Equity shares of Rs. 05/- each fully paid up
- BHL has recommended final dividend of Re. 0.5/- and Special Dividend of Re. 0.5/- per equity share with face value of Rs. 10 each for FY 2020-21. The total dividend for the financial year 2020-21 amounts to Rs. 2.75/- (Rupees Two and Seventy five paise only) (27.50%) per equity share of the face value of Rs. 10/- (Rupees Ten only) each including special dividend.

### **Management Comments**

**Commenting on the performance of H1 FY22, Mr. Sajankumar Bajaj (Chairman) said:**

***"Bajaj Healthcare Limited delivered a moderate second quarter, driven by the momentum of consistent revenue generated by our key brands. Our APIs business segment & formulation segment has marginally de-grown on a half yearly basis as compared to H1 FY 21. With a fall in the level of Covid-19 cases across the nation and globe, The API segment has degrown due to fall in sales volumes of Ascorbic Acid & CH Base, which were widely used during the pandemic. The Formulation business also experienced a de-acceleration due to similar reasons, however we expect a considerable rise in our***

*formulation segment revenue as we anticipate to increase our presence in the government tender business Q3 of FY22.*

*One of the key challenges faced by the pharma sector in the 2<sup>nd</sup> half of FY 22 is that of increasing prices of raw materials due to production disruptions in China. In order to mitigate this increased cost, the management increased the level of inventory holding of raw materials in Q2 FY22 to ensure uninterrupted production for balance period of FY 22. An increase in prices of raw materials was complemented by an increase in the selling prices of final products. BHL's policy of maintaining increased inventory enabled us to earn higher EBITDA margins vis-à-vis the previous quarter, in spite of fall in sales revenues in Q2 FY22. In continuance of this, Our PAT margins also grew stronger supported by the new tax regime from current quarter.*

*The Net Cash flow from operation has fallen during the half year ended 30<sup>th</sup> September, 2021 mainly due to considerable increase in inventory and receivables during the period. Increase in inventory can be mainly attributed to raw material pricing issues, which are procured from China. The company has made an effort to mitigate this issue by increasing inventory levels to ensure smooth production. The additional capital required to hold inventories has been raised by availing additional working capital limits.*

*We continue to make progress by adding 3 to 4 additional APIs through reverse engineering; to our current repertoire, which will be further supported by our strong in-house R&D team. We firmly believe that BHL is well on its way to achieve its projections in terms of revenue and margins.*

#### **Guidance for FY22**

- The management has provided guidance to post growth of 18 to 22% for FY22, mainly driven by growth in the formulation business, addition of new capacities through acquired assets, and with the introduction of reverse engineering APIs launched in the last financial year.
- The management believes that the margins will moderate minutely in some segments specifically in some key products.

#### **About Bajaj Healthcare Limited**

Bajaj Healthcare Limited a **leading Manufacturer of APIs, Intermediates and Formulations established in the year 1993**. It specializes in manufacturing of intermediates, API, formulations & Nutraceuticals. The Company has **state-of-art manufacturing facilities, of which 6 units are dedicated to APIs, 2 units to intermediates and 1 unit formulations**. These facilities are designed to meet the requirements of both advanced as well as emerging market opportunities. BHL has a **strong presence globally in countries like Europe, USA, Australia, Middle East and South America**.

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For further information on the Company, please visit [www.bajajhealth.com](http://www.bajajhealth.com)

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