



Bajaj Holdings & Investment Limited
(formerly Bajaj Auto Limited)

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Press release Financial results – Q3 FY19

Consolidated profit after tax : ₹ 781 crore ↑ 18%

A meeting of the Board of Directors of Bajaj Holdings & Investment Limited (BHIL) was held today to consider and approve the results for Q3 FY19.

As required by regulations, BHIL has adopted Indian Accounting Standards (Ind AS) for FY19 with Ind AS compliant comparatives for FY18. Accordingly, figures for previous year / period have been recast and reviewed by statutory auditors as per new accounting standards.

1. Standalone results

Details of standalone financials are given below:

₹ In Crore	Q3 FY19	Q3 FY18	9M FY19	9M FY18	FY18
Dividend received	8	7	607	569	571
Profit on fixed income securities (net) / fair value change on mutual fund investments	2	7	7	36	43
Interest on investments and other income	100	90	301	242	340
Total income	110	104	915	847	954
Profit after tax	61	55	764	709	800
Other comprehensive income, net of tax Fair value change of equity investments(net)	181	458	176	839	786
Total comprehensive income	242	513	940	1,548	1,586

Other comprehensive income (OCI), primarily represents mark to market gain / loss on investments during the period.

Since equities had a very good run during the nine months ended 31 December 2017, mark to market gain on investments stood at ₹ 871 crore in 9 months of FY18. During the nine months ended 31 December 2018, further increase in equity markets was not so significant, hence mark to market gain was ₹ 172 crore in 9 months of FY19. These numbers net of deferred tax impacts are reflected in OCI numbers above.

2. Consolidated results

Bajaj Holdings & Investment Limited holds strategic stakes of 31.54% in Bajaj Auto Ltd. (BAL), 39.29% in Bajaj Finserv Ltd. (BFS) and 24% in Maharashtra Scooters Ltd. (MSL), the results of which it consolidates.

Bajaj Auto consolidates its 48% stake in KTM AG, Austria.

Bajaj Finserv's consolidated results include its 55% stake in lending arm Bajaj Finance Limited (BFL) and its 74% stake in two insurance subsidiaries - Bajaj Allianz General Insurance Company Limited (BAGIC) and Bajaj Allianz Life Insurance Company Limited (BALIC).

- ✓ BAL's (consolidated) profit after tax increased by 21% to ₹ 1,221 crore in Q3 FY19 v/s ₹ 1,013 crore in Q3 FY18.
- ✓ BFS (consolidated) profit after tax increased by 16% to ₹ 851 crore in Q3 FY19 v/s ₹ 731 crore in Q3 FY18.
- ✓ Consequently, BHIL's consolidated profit after tax increased by 18% to ₹ 781 crore in Q3 FY19 v/s ₹ 661 crore in Q3 FY18.

Summary of consolidated financials of BHIL is as under:

₹ In Crore	Q3 FY19	Q3 FY18	9M FY19	9M FY18	FY18
Total income	111	104	347	318	424
Share of profits of associates and joint venture	720	607	2,060	1,764	2,385
Profit after tax	781	661	2,257	1,943	2,655
Other comprehensive income, net of tax	589	350	523	1,163	992
Total comprehensive income	1,370	1,011	2,780	3,106	3,647

3. Investments

The cost and market value of the investment portfolio is as under:

₹ In Crore	31-Dec-18		31-Mar-18	
	Cost	Market value	Cost	Market value
Strategic equity investments in group companies	1,232	67,019	1,232	58,962
Equity shares – others	1,643	2,999	1,322	2,470
Fixed income securities	4,895	4,826	5,072	5,032
Investment property	188	188	191	191
Total	7,958	75,032	7,817	66,655

As against a book value of ₹ 955 per share, NAV of the above investments stood at ₹ 6,742 per share as on 31 December 2018.

4. Outcome of litigation with WMDC regarding MSL stake sale

WMDC (Western Maharashtra Development Corporation), co-promoter in the Company's joint venture in MSL (Maharashtra Scooters Limited) had filed SLP in the matter of 27% stake sale in MSL to the Company. The Honorable Supreme Court (SC) dismissed WMDC's SLP on 9 January 2019. SC ordered that BHIL shall pay ₹ 232 per share along with interest at the rate of 18% p.a. from the date of Arbitral Award (14 January 2006) and that as soon as payment is made by BHIL, shares shall be transferred to BHIL.

Accordingly, on 14 January 2019 the Company has tendered an amount ₹ 72 crore towards purchase price and ₹ 168 crore towards interest, aggregating to ₹ 240 crore to WMDC. The transfer of 3,085,712 shares of MSL is awaited.

Sanjiv Bajaj
Managing Director & CEO
30 January 2019

Annexure - Consolidated results of BHIL

₹ In Crore)		Q3 FY19	Q3 FY18	9M FY19	9M FY18	FY18
1	Income					
	(a) Revenue from operations	109.61	102.59	343.68	313.96	419.67
	(b) Other income	1.17	1.04	3.47	3.68	4.74
	Total income	110.78	103.63	347.15	317.64	424.41
2	Expenses					
	(a) Employee benefits expense	6.89	5.88	20.62	17.65	23.78
	(b) Depreciation and amortisation expense	0.87	1.30	3.22	3.91	5.24
	(c) Other expenses	8.47	12.04	27.02	28.90	40.82
	Total expenses	16.23	19.22	50.86	50.46	69.84
3	Share of profits of associates and joint venture	720.40	606.69	2,060.41	1,763.51	2,384.88
4	Profit before tax (1-2+3)	814.95	691.10	2,356.70	2,030.69	2,739.45
5	Tax expense					
	(a) Current tax	33.32	63.20	107.37	140.24	183.55
	(b) Deferred tax	0.53	(33.35)	(7.61)	(52.13)	(98.85)
	Total tax expense	33.85	29.85	99.76	88.11	84.70
6	Profit after tax (4-5)	781.10	661.25	2,256.94	1,942.58	2,654.75
7	Profit attributable to non-controlling interests	-	-	-	-	-
8	Profit for the period (6-7)	781.10	661.25	2,256.94	1,942.58	2,654.75
9	Other comprehensive income, net of tax (including share of associates and joint venture)					
	(a) Items that will not be reclassified to profit or loss	384.21	466.82	566.03	1,233.90	1,092.16
	(b) Items that will be reclassified to profit or loss	205.07	(117.19)	(42.77)	(70.46)	(100.06)
	Total other comprehensive income, net of tax	589.28	349.63	523.26	1,163.44	992.10
10	Total comprehensive income (6+9)	1,370.38	1,010.88	2,780.20	3,106.02	3,646.85
11	Profit attributable to:					
	Owners of the company	781.10	661.25	2,256.94	1,942.58	2,654.75
	Non-controlling interests	-	-	-	-	-
12	Total comprehensive income attributable to:					
	Owners of the company	1,370.38	1,010.88	2,780.20	3,106.02	3,646.85
	Non-controlling interests	-	-	-	-	-
13	Paid-up equity share capital (Face value of ₹10)	111.29	111.29	111.29	111.29	111.29
14	Other equity					25,089.93
15	Basic and diluted earnings per share (₹) (not annualised)	70.2	59.4	202.8	174.5	238.5