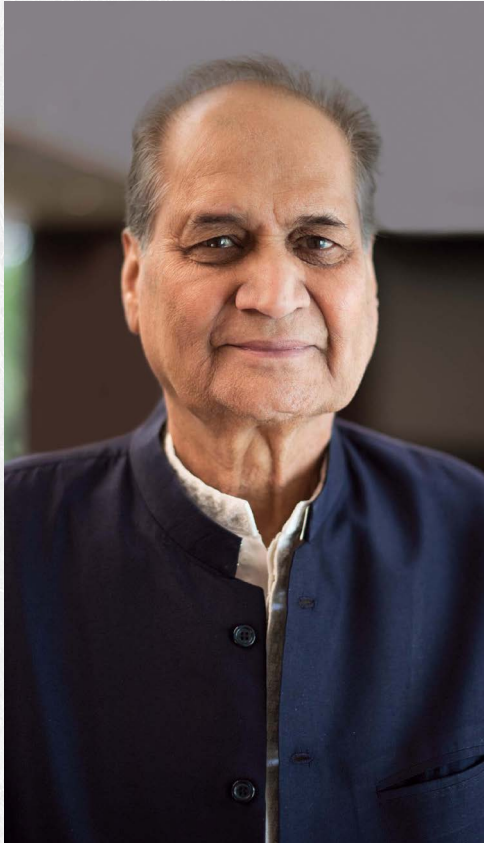




BAJAJ HOLDINGS & INVESTMENT LIMITED
HALF YEARLY REPORT 2018-19

BAJAJ
BAJAJ HOLDINGS & INVESTMENT LIMITED



Dear Shareholder,

I am happy to share with you the financial results of your Company for the half year ended 30 September 2018.

As required by regulations, Bajaj Holdings & Investment Limited (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.

As a result of good performance of the underlying companies, BHIL's consolidated profit after tax for H1/2018-19 stood at ₹ 1,476 crore v/s ₹ 1,281 crore in H1/2017-18 – an increase of 15%.

1. Consolidated results

As a holding company, BHIL holds strategic stakes of 31.54% in Bajaj Auto Limited (BAL), 39.29% in Bajaj Finserv Limited (BFS) and 24% in Maharashtra Scooters Limited (MSL), the results of which it consolidates.

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

Bajaj Finserv consolidates its 55% holding

in its lending arm Bajaj Finance Limited (BFL) and its 74% holding in two insurance subsidiaries - Bajaj Allianz General Insurance Company Limited (BAGIC) and Bajaj Allianz Life Insurance Company Limited (BALIC).

Summary of consolidated financials of BHIL is as under:

Particulars	₹ In Crore)		
	H1 2018-19	H1 2017-18	Full Year 2017-18
Total income	236	214	424
Share of profits of associates and joint venture	1,340	1,157	2,385
Profit after tax	1,476	1,281	2,655
Other comprehensive income	(66)	814	992
Total comprehensive income	1,410	2,095	3,647

A synopsis on the performance of the individual companies is given below:

a. Bajaj Auto Limited (BAL)

- Riding on excellent growth across all its business verticals, BAL has delivered its best ever half-yearly results.
- During H1/2018-19, Bajaj Auto recorded its highest ever

✓ Volumes	—	2,566,085	↑ 31%
		(₹ In Crore)	
✓ Turnover	—	16,192	↑ 27%
✓ Operating EBITDA	—	2,831	↑ 19%
✓ Profit after tax	—	2,268	↑ 11%
- BAL's share in the domestic motorcycle market increased to 17.5% in H1/2018-19 as against 15.5% in H1/2017-18.
- The Company continues to be a market leader in the domestic three wheelers segment with a market share of 59%.
- Growth in international business was witnessed across most geographies with overall growth of 32%.

b. Bajaj Finserv Limited (BFS)

- Bajaj Finserv yet again reported a good performance in H1/2018-19, aided by best ever half yearly results of Bajaj Finance, strong core business growth of BAGIC and strong growth in rated individual premium of BALIC.
- During H1/2018-19, on a consolidated basis, BFS recorded

		(₹ In Crore)	
✓ Total income	—	18,469	↑ 17%
✓ Profit after tax	—	1,530	↑ 19%
- Bajaj Finance continued its strong growth.

Total income increased by 40% to ₹ 8,238 crore.

Profit after tax increased even higher by 66% to ₹ 1,759 crore during H1/2018-19.
- BAGIC's* gross written premium from core business (excluding crop) increased by 28% to ₹ 4,662 crore. BAGIC's overall gross written premium (including crop) was ₹ 5,148 crore – an increase of 7%. Profit after tax remained unchanged at ₹ 473 crore during H1/2018-19 due to impact of Kerala floods and lesser quantum of crop insurance written.
- BALIC's* gross written premium increased by 9% to ₹ 3,444 crore. Profit after tax decreased to ₹ 278 crore in H1/2018-19, impacted mainly by lower realised gains on sale of investments.

2. Standalone results

BHIL is essentially an investment company. Its focus is on earning income through dividends, interest and profits on investments held. It is largely dependent on the equity and debt markets for its income.

* BAGIC and BALIC's numbers are as per erstwhile Indian GAAP.

Details of standalone financials are given below:

(₹ In Crore)

Particulars	H1	H1	Full Year
	2018-19	2017-18	2017-18
Dividend	598	561	571
Profit on fixed income securities (net)/fair value change on mutual fund investments	5	30	43
Interest on investments and other income	201	153	340
Total income	804	744	954
Profit after tax	704	655	800
Other comprehensive income	(5)	380	786
Total comprehensive income	699	1,035	1,586

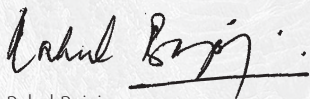
3. Investments

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

(₹ In Crore)

Particulars	30 Sep 2018		31 Mar 2018	
	Cost	Market value	Cost	Market value
Strategic equity investments in group companies	1,232	63,570	1,232	58,962
Equity shares - others	1,415	2,621	1,322	2,470
Fixed income securities	5,191	5,053	5,072	5,032
Investment property	189	189	191	191
Total	8,027	71,433	7,817	66,655

On this happy note, I wish you and your family a very happy Diwali and a prosperous New Year.



Rahul Bajaj
Chairman

24 October 2018

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Bajaj Holdings & Investment Limited

CIN: L65993PN1945PLC004656

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