

**BAJAJ HOLDINGS
& INVESTMENT
LIMITED**

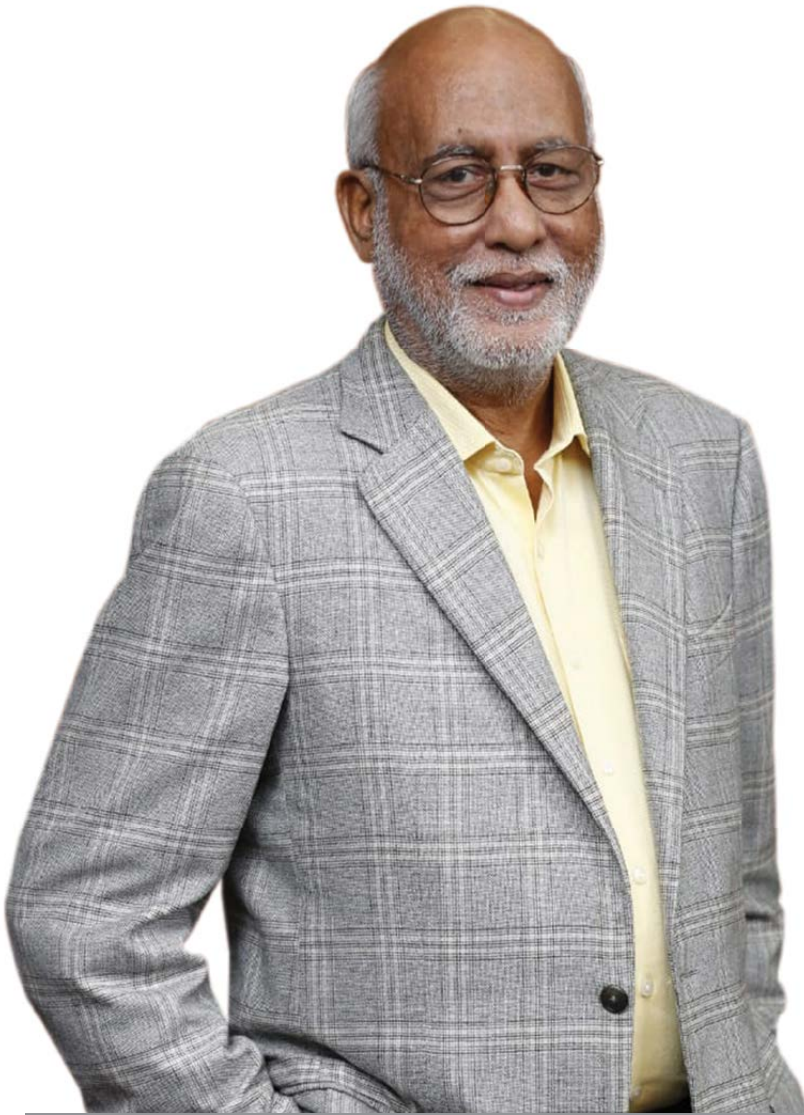
HALF YEARLY REPORT

2021-22

BAJAJ

BAJAJ HOLDINGS & INVESTMENT LIMITED





Dear Shareholder,

“ This is my first letter to you as the Chairman of your Company, a position that I assumed on 1 May 2021. I am truly proud of how well Bajaj Holdings & Investment Ltd. (BHIL) and Bajaj Group have fared over the years and I am pleased to be associated with them. ”

Shekhar Bajaj
Chairman

An interim dividend of ₹ 90 per equity share (900%) was declared on 17 September 2021 and paid on 11 October 2021, amounting to ₹ 1,002 crore.

Details about BHIL and companies consolidated in it, are included separately at the end of this letter.

Economic conditions were mixed during the past six months. During the first quarter, conditions were not favourable for growth as the second wave of COVID-19 spread across the country accompanied by localised lockdowns in many states. Sales of consumer durables and motor vehicles were affected in many states and, consequently, risk levels remained elevated in that quarter. However, economic recovery gathered momentum in Q2/2021-22 on the back of reopening of the economy in most states, rapid vaccination and continued policy support. By the end of the half year, most parts of the economy are back to pre-COVID levels of activity and the mood is one of cautious optimism.

The Company, its subsidiaries and associates took the initiative in arranging vaccinations for employees and their families.

BHIL's consolidated profit after tax for H1/2021-22 stood at ₹ 1,910 crore v/s ₹ 1,551 crore in H1/2020-21 – reflecting strong performance of underlying companies.

1. Consolidated results

Summary of consolidated financials of BHIL is as under:

Particulars	(₹ In Crore)		
	H1 2021-22	H1 2020-21	Full Year 2020-21
Total income	271	237	463
Share of profits of associates	1,846	1,435	3,446
Profit after tax	1,910	1,551	3,650

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

a. Bajaj Auto Ltd. (BAL)

- During H1/2021-22, BAL recorded
 - ✓ Volumes – 2,150,421
- (₹ In Crore)
 - ✓ Turnover – 16,796
 - ✓ EBITDA – 2,587
 - ✓ Profit after tax – 2,336
- BAL's share in the domestic motorcycle market increased by 90 bps to 19.1% in H1/2021-22 as against 18.2% in H1/2020-21.
- The Company continues to be a market leader in the domestic three-wheeler segment with a market share of 67.6%.
- Exports, by volume, was in excess of 200,000 units every month.

b. Bajaj Finserv Ltd. (BFS)

- During H1/2021-22, on a consolidated basis, BFS recorded
 - (₹ In Crore)
 - ✓ Total income – 31,958
 - ✓ Profit after tax – 1,955
- BFL's total income stood at ₹ 14,475 crore.
Profit after tax increased by 29% to ₹ 2,483 crore in H1/2021-22.
- BAGIC's* overall gross written premium increased by 17% to ₹ 7,529 crore.
Profit after tax increased by 8% to ₹ 788 crore during H1/2021-22.
- BALIC's* gross written premium increased by 45% to ₹ 6,329 crore.
Profit after tax was ₹ 188 crore in H1/2021-22.

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

2. Standalone results

Dividends received from corporates in H1/2021-22 boosted standalone total income and profit after tax (PAT) of the Company. PAT was also boosted on account of lower tax expense pursuant to the deduction under section 80M of the Income Tax Act, 1961 on dividend distributed by the Company.

Details of standalone financials are given below:

(₹ In Crore)

Particulars	H1	H1	Full Year
	2021-22	2020-21	2020-21
Dividend	1,449	22	40
Profit on fixed income securities (net)	37	39	66
Interest on investments and other income	153	164	325
Total income	1,639	225	431
Profit after tax	1,535	114	199
Other comprehensive income, net of tax	1,374	1,267	3,125
Total comprehensive income	2,909	1,381	3,324

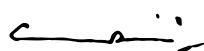
3. Investments

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

(₹ In Crore)

Particulars	30-Sep-21		31-Mar-21	
	Cost	Market value	Cost	Market value
Strategic equity investments in group companies	3,135	153,275	3,135	99,806
Equity shares - others	2,678	5,861	2,772	5,241
Fixed income securities	4,047	4,114	3,832	3,888
Investment properties	179	274	181	274
Total	10,039	163,524	9,920	109,209

On this hopeful note, I would like to thank you for your continued support, and I wish you and your family a very happy Diwali and a prosperous New Year. The battle against COVID-19 is not completely over and I urge everyone to get vaccinated, continue wearing masks and practise social distancing as appropriate.



Shekhar Bajaj
Chairman
28 October 2021

About BHIL:

BHIL is essentially a holding and investment company.

BHIL holds strategic stakes in Bajaj Auto Ltd., Bajaj Finserv Ltd. and Maharashtra Scooters Ltd., which it consolidates and other investments of over ₹ 12,000 crore (at market value).

BHIL also has a wholly owned subsidiary viz. Bajaj Auto Holdings Ltd., which has investments only in group companies, though insignificant.

As required by regulation, BHIL has adopted Indian Accounting Standards (Ind AS) from 2018-19 and the previous period figures are comparable.

The details of major group companies consolidated in BHIL have been given below:

Stake consolidated	Explanation	Consolidation method
Bajaj Auto Ltd. (BAL) * 35.77%	BHIL's direct stake in BAL 33.43% + MSL's 2.34% stake in BAL	Equity pick-up
Bajaj Finserv Ltd. (BFS) @41.63%	BHIL's direct stake in BFS 39.29% + MSL's 2.34% stake in BFS	Equity pick-up
Maharashtra Scooters Ltd. (MSL) 51%	BHIL's direct stake in MSL 51%	Full line by line consolidation
* BAL comprises of	49.90% stake in Pierer Bajaj AG Equity pickup of BHIL share in BAL's profit is net of elimination of cross-holding of BAL in BHIL of 3.14%	
@ BFS comprises of	53% stake in Bajaj Finance Ltd. (BFL) 74% stake in Bajaj Allianz General Insurance Company Ltd. (BAGIC) 74% stake in Bajaj Allianz Life Insurance Company Ltd. (BALIC)	

BHIL is part of BSE 200 and Nifty 200 index of top 200 companies listed in India. BAL, BFS and BFL are included in the benchmark BSE Sensex and Nifty 50 index of large cap stocks. MSL is listed too.

BAJAJ

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