



**Bajaj Holdings & Investment Limited**  
(formerly Bajaj Auto Limited)

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**Press release**  
**Financial results – Q2 FY20**  
**Consolidated profit after tax ↑ 35%**

A meeting of the Board of Directors of Bajaj Holdings & Investment Limited (BHIL) was held today i.e. 23 October 2019 to consider and approve the results for Q2 FY20.

**1. Highlights**

**Q2 FY20 v/s Q2 FY19**

- ✓ Consolidated profit after tax - ₹ 1,029 crore v/s ₹ 765 crore ↑ 35%
- ✓ Standalone profit after tax - ₹ 667 crore v/s ₹ 646 crore

**H1 FY20 v/s H1 FY19**

- ✓ Consolidated profit after tax - ₹ 1,698 crore v/s ₹ 1,476 crore ↑ 15%
- ✓ Standalone profit after tax - ₹ 689 crore v/s ₹ 704 crore

**2. Acquisition of 27% stake in MSL**

Consequent upon the acquisition of 27% stake of MSL from WMDC, BHIL holds 51% shareholding in MSL. MSL has hence become a subsidiary of BHIL with effect from 17 June 2019.

**3. Consolidated results**

The consolidated financials of BHIL include stakes of major group companies as 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. 51%	BHIL's direct stake in MSL 51%	Full line by line consolidation

* BAL comprises of	48% stake in KTM AG, Austria
@ BFS comprises of	55% 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)

- ✓ BAL's (consolidated) profit after tax increased by 21% to ₹ 1,523 crore in Q2 FY20 v/s ₹ 1,257 crore in Q2 FY19, supported by stable operating performance in a challenging business environment and lower corporate tax rate.
- ✓ BFS (consolidated) profit after tax increased by 71% to ₹ 1,204 crore in Q2 FY20 v/s ₹ 704 crore in Q2 FY19, due to all-round performance by its subsidiaries and lower corporate tax rate.
- ✓ Consequently, BHIL's consolidated profit after tax increased by 35% to ₹ 1,029 crore in Q2 FY20 v/s ₹ 765 crore in Q2 FY19.

Summary of consolidated financials of BHIL is as under:

₹ In Crore	Q2 FY20	Q2 FY19	H1 FY20	H1 FY19	FY19
<b>Total income</b>	131	131	220	236	431
Share of profits of associates and joint venture	994	687	1,640	1,340	2,827
<b>Profit after tax</b>	<b>1,029</b>	<b>765</b>	<b>1,698</b>	<b>1,476</b>	<b>3,048</b>
Other comprehensive income, net of tax					
Net gain on acquisition of MSL	-	-	3,153	-	-
Other items of OCI	455	-131	1,082	-66	1,128
Non-controlling interests in OCI	-300	-	-475	-	-
<b>Total comprehensive income attributable to BHIL</b>	<b>1,184</b>	<b>634</b>	<b>5,458</b>	<b>1,410</b>	<b>4,176</b>

Upon MSL becoming a subsidiary on the abovementioned acquisition of stake and on application of the Indian Accounting Standards thereto, BHIL has recorded a one-time net gain of ₹ 3,153 crore in Other Comprehensive Income in H1 FY20.

#### 4. Standalone results

Details of standalone financials are given below:

₹ In Crore	Q2 FY20	Q2 FY19	H1 FY20	H1 FY19	FY19
Dividend received	642	594	648	598	609
Profit on fixed income securities (net)	9	3	12	5	6
Interest on investments and other income	73	102	148	201	383
<b>Total income</b>	<b>724</b>	<b>699</b>	<b>808</b>	<b>804</b>	<b>998</b>
<b>Profit after tax (a)</b>	<b>667</b>	<b>646</b>	<b>689</b>	<b>704</b>	<b>788</b>
Other comprehensive income, net of tax (b) Fair value change of investments (net of deferred tax) *	-155	-37	-200	-5	516
<b>Total comprehensive income (a) + (b)</b>	<b>512</b>	<b>609</b>	<b>489</b>	<b>699</b>	<b>1,304</b>

\* Mark to market gains / losses on equity and fixed income securities of BHIL are routed through Other Comprehensive Income (OCI) and not Profit & Loss Account, as required by Ind AS considering the Company's business model.

#### 5. Investments

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

₹ In Crore	30-Sept-19		31-Mar-19	
	Cost	Market value	Cost	Market value
Strategic equity investments in group companies	3,071	84,863	2,831	74,031
Equity shares – others	2,189	3,850	1,741	3,343
Fixed income securities	3,104	3,110	3,228	3,209
Investment properties	186	281	187	281
<b>Total</b>	<b>8,550</b>	<b>92,104</b>	<b>7,987</b>	<b>80,864</b>

As against a book value of ₹ 993 per share, NAV of the above investments was ₹ 8,276 per share as on 30 September 2019.

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23 October 2019

Annexure - Consolidated results of BHIL

(₹ In Crore)		Q2 FY20	Q2 FY19	H1 FY20	H1 FY19	FY19
<b>1</b>	<b>Income</b>					
	Interest income	61.50	96.57	126.10	189.45	360.99
	Dividend income	38.70	25.05	43.94	29.73	40.36
	Rental income	4.38	4.70	8.68	9.53	18.12
	Net gain on fair value changes	10.12	3.04	13.20	5.36	7.23
	Revenue from contracts with customers - Sale of goods	2.90	-	4.27	-	-
	Others	-	-	0.04	-	-
	Total revenue from operations	117.60	129.36	196.23	234.07	426.70
	Other income	13.06	1.14	23.56	2.30	4.65
	<b>Total income</b>	<b>130.66</b>	<b>130.50</b>	<b>219.79</b>	<b>236.37</b>	<b>431.35</b>
<b>2</b>	<b>Expenses</b>					
	Employee benefits expense	10.98	6.84	21.78	13.73	28.13
	Finance costs - Interest on operating lease liability	2.58	-	5.16	-	-
	Cost of raw materials consumed	2.26	-	3.35	-	-
	Changes in inventories of finished goods, work-in-progress	(1.01)	-	(1.75)	-	-
	Depreciation, amortisation and impairment	8.25	1.10	16.50	2.35	4.10
	Other expenses	15.64	11.16	38.01	18.55	56.43
	<b>Total expenses</b>	<b>38.70</b>	<b>19.10</b>	<b>83.05</b>	<b>34.63</b>	<b>88.66</b>
<b>3</b>	Share of profits of associates and joint venture	994.35	686.51	1,639.67	1,340.01	2,827.33
<b>4</b>	<b>Profit before tax (1-2+3)</b>	<b>1,086.31</b>	<b>797.91</b>	<b>1,776.41</b>	<b>1,541.75</b>	<b>3,170.02</b>
<b>5</b>	Tax expense					
	Current tax	23.10	36.05	42.49	74.05	130.27
	Deferred tax	0.80	(2.73)	1.40	(8.14)	(8.63)
	Total tax expense	23.90	33.32	43.89	65.91	121.64
<b>6</b>	<b>Profit after tax (4-5)</b>	<b>1,062.41</b>	<b>764.59</b>	<b>1,732.52</b>	<b>1,475.84</b>	<b>3,048.38</b>
<b>7</b>	Profit attributable to non-controlling interests	33.75	-	34.58	-	-
<b>8</b>	<b>Profit for the period (6-7)</b>	<b>1,028.66</b>	<b>764.59</b>	<b>1,697.94</b>	<b>1,475.84</b>	<b>3,048.38</b>
<b>9</b>	<b>Other comprehensive income, net of tax</b> (including share of associates and joint venture)					
	(a) Items that will not be reclassified to profit or loss	438.82	(88.98)	4,229.61	181.82	1,100.71
	(b) Items that will be reclassified to profit or loss	16.25	(41.33)	5.49	(247.84)	27.24
	Total other comprehensive income, net of tax	455.07	(130.31)	4,235.10	(66.02)	1,127.95
<b>10</b>	<b>Total comprehensive income (6+9)</b>	<b>1,517.48</b>	<b>634.28</b>	<b>5,967.62</b>	<b>1,409.82</b>	<b>4,176.33</b>
<b>11</b>	<b>Profit attributable to:</b>					
	Owners of the company	1,028.66	764.59	1,697.94	1,475.84	3,048.38
	Non-controlling interests	33.75	-	34.58	-	-
<b>12</b>	<b>Total comprehensive income attributable to:</b>					
	Owners of the company	1,183.93	634.28	5,457.60	1,409.82	4,176.33
	Non-controlling interests	333.55	-	510.02	-	-
<b>13</b>	Paid-up equity share capital (Face value of ₹ 10)	111.29	111.29	111.29	111.29	111.29
<b>14</b>	Other equity					26,841.01
<b>15</b>	<b>Basic and diluted earnings per share (₹) (not annualised)</b>	<b>92.4</b>	<b>68.7</b>	<b>152.6</b>	<b>132.6</b>	<b>273.9</b>