



Bajaj Holdings & Investment Limited
(formerly Bajaj Auto Limited)

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Press release

Financial results – Q2 FY21

A meeting of the Board of Directors of Bajaj Holdings & Investment Limited (BHIL) was held today i.e. 22 October 2020 to consider and approve the results for Q2 FY21.

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

1. Highlights

Q2 FY21 v/s Q2 FY20

- ✓ Standalone profit after tax - ₹ **71 crore** v/s ₹ 667 crore
- ✓ Consolidated profit after tax - ₹ **872 crore** v/s ₹ 1,029 crore

H1 FY21 v/s H1 FY20

- ✓ Standalone profit after tax - ₹ **114 crore** v/s ₹ 689 crore
- ✓ Consolidated profit after tax - ₹ **1,551 crore** v/s ₹ 1,698 crore

2. Standalone results

BHIL is essentially an investment company. Its focus is on earning income through dividends, interest and profits on investments held.

The results of BHIL on standalone basis for Q2 FY21 are strictly not comparable with results of Q2 FY20 since the company received significant amount of interim dividends in Q4 FY20 and much lower final dividends in Q2 FY21.

As a result, BHIL's dividend income for Q2 FY21 stood at ₹ 18 crore v/s ₹ 643 crore in Q2 FY20 and consequently BHIL's standalone profit after tax stood at ₹ 71 crore in Q2 FY21 v/s ₹ 667 crore in Q2 FY20.

Details of standalone financials are given below:

₹ In Crore	Q2 FY21	Q2 FY20	H1 FY21	H1 FY20	FY20
Dividend received	18	643	22	648	1,885
Profit on fixed income securities (net)	27	9	42	12	30
Interest on investments and other income	80	72	161	148	291
Total income	125	724	225	808	2,206
Profit after tax (a)	71	667	114	689	1,827
Other comprehensive income, net of tax (b)	478	(155)	1,267	(200)	(1,161)
Total comprehensive income (a) + (b)	549	512	1,381	489	666

Since equity markets recovered significantly from steep fall in March 2020, mark to market gain on equity investments for H1 FY21 stood at ₹ 1,301 crore as compared to mark to market loss of ₹ 1,248 crore for FY20. These gains/losses are reflected in other comprehensive income.

3. Consolidated results

- ✓ Bajaj Auto's sales in numbers registered a strong turnaround in Q2 FY21. As compared to corresponding quarter of last year, sales were lower by 10% during Q2 FY21 (as against 64% decline in Q1 FY21). As a result, BAL (consolidated) profit after tax stood at ₹ 1,194 crore in Q2 FY21 v/s ₹ 1,523 crore in Q2 FY20.
- ✓ BFS (consolidated) profit after tax stood at ₹ 986 crore in Q2 FY21 v/s ₹ 1,204 crore in Q2 FY20. This was due to additional provision for loan losses by BFL, but also partially helped by mark-to-market gains on equity investments held by two insurance companies.
- ✓ Consequently, BHIL's consolidated profit after tax stood at ₹ 872 crore in Q2 FY21 v/s ₹ 1,029 crore in Q2 FY20.

Summary of consolidated financials of BHIL is as under:

₹ In Crore	Q2 FY21	Q2 FY20	H1 FY21	H1 FY20	FY20
Total income	132	131	237	220	436
Share of profits of associates	800	994	1,435	1,640	3,058
Profit after tax	872	1,029	1,551	1,698	2,992

4. Investments

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

₹ In Crore	30-Sep-20		31-Mar-20	
	Cost	Market value	Cost	Market value
Strategic equity investments in group companies	3,135	67,043	3,135	49,914
Equity shares – others	2,585	4,069	2,461	3,225
Fixed income securities	3,706	3,795	3,610	3,650
Investment properties	182	273	184	273
Total	9,608	75,180	9,390	57,062

As against a book value of ₹ 1,085 per share, NAV of the above investments was ₹ 6,755 per share as on 30 September 2020.

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22 October 2020

About BHIL:

BHIL is essentially a holding and investment company.

It holds strategic stakes in Bajaj Auto Ltd., Bajaj Finserv Ltd. and Maharashtra Scooters Ltd., which it consolidates and other investments of over ₹ 8,000 crore (at market value).

As required by regulation, BHIL has adopted Indian Accounting Standards (Ind AS) from FY19 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	48% stake in KTM AG, Austria 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.

Annexure - Consolidated results of BHIL

(^ In Crore)		Q2 FY21	Q2 FY20	H1 FY21	H1 FY20	FY20
1	Income					
	Interest income	63.78	61.50	127.80	126.10	247.19
	Dividend income	18.54	38.70	22.33	43.94	79.11
	Rental income	4.77	4.38	9.46	8.68	18.01
	Net gain on fair value changes	26.93	10.12	43.27	13.20	33.69
	Revenue from contracts with customers - Sale of goods	2.02	2.90	3.43	4.27	15.38
	Total revenue from operations	116.04	117.60	206.29	196.19	393.38
	Other income	15.60	13.06	30.71	23.60	42.31
	Total income	131.64	130.66	237.00	219.79	435.69
2	Expenses					
	Employee benefits expense	10.94	10.98	22.27	21.78	44.54
	Finance costs - Interest on operating lease liability	0.97	2.58	1.92	5.16	12.54
	Cost of raw materials consumed	1.92	2.26	2.42	3.35	9.39
	Changes in inventories of finished goods, work-in-progress	(1.42)	(1.01)	(1.40)	(1.75)	(1.73)
	Depreciation, amortisation and impairment	8.39	8.25	16.78	16.50	33.33
	Other expenses	10.22	15.64	21.02	38.01	81.76
	Total expenses	31.02	38.70	63.01	83.05	179.83
3	Share of profits of associates and joint venture	800.08	994.35	1,434.98	1,639.67	3,057.81
4	Profit before tax (1-2+3)	900.70	1,086.31	1,608.97	1,776.41	3,313.67
5	Tax expense					
	Current tax	11.50	23.10	41.43	42.49	87.44
	Deferred tax (See note 7)	16.12	0.80	14.62	1.40	146.04
	Total tax expense	27.62	23.90	56.05	43.89	233.48
6	Profit after tax (4-5)	873.08	1,062.41	1,552.92	1,732.52	3,080.19
7	Profit attributable to non-controlling interests	0.94	33.75	1.65	34.58	88.19
8	Profit for the period (6-7)	872.14	1,028.66	1,551.27	1,697.94	2,992.00
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	1,159.34	438.82	3,114.91	4,229.61	47.12
	(b) Items that will be reclassified to profit or loss	(20.61)	16.25	44.47	5.49	272.61
	Total other comprehensive income, net of tax	1,138.73	455.07	3,159.38	4,235.10	319.73
10	Total comprehensive income (6+9)	2,011.81	1,517.48	4,712.30	5,967.62	3,399.92
11	Profit attributable to:					
	Owners of the company	872.14	1,028.66	1,551.27	1,697.94	2,992.00
	Non-controlling interests	0.94	33.75	1.65	34.58	88.19
12	Total comprehensive income attributable to:					
	Owners of the company	1,643.12	1,183.93	3,837.42	5,457.60	4,339.89
	Non-controlling interests	368.69	333.55	874.88	510.02	(939.97)
13	Paid-up equity share capital (Face value of ₹ 10)	111.29	111.29	111.29	111.29	111.29
14	Other equity					27,652.25
15	Basic and diluted earnings per share (₹) (not annualised)	78.4	92.4	139.4	152.6	268.8