

Press release
Financial results – Q3 FY21
Consolidated profit after tax ↑ 23%

A meeting of the Board of Directors of Bajaj Holdings & Investment Limited (BHIL) was held today i.e. 21 January 2021 to consider and approve the results for Q3 FY21.

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

1. Highlights

Q3 FY21 v/s Q3 FY20

- ✓ Consolidated profit after tax - ₹ 1,150 crore v/s ₹ 933 crore
- ✓ Standalone profit after tax - ₹ 51 crore v/s ₹ 31 crore

9M FY21 v/s 9M FY20

- ✓ Consolidated profit after tax - ₹ 2,701 crore v/s ₹ 2,631 crore
- ✓ Standalone profit after tax - ₹ 165 crore v/s ₹ 721 crore

2. Consolidated results

- ✓ During Q3 FY21, Bajaj Auto recorded its highest ever quarterly consolidated profit after tax of ₹ 1,716 crore v/s ₹ 1,322 crore in Q3 FY20 – an increase of 30%.
- ✓ BFS (consolidated) profit after tax increased by 15% to ₹ 1,290 crore in Q3 FY21 v/s ₹ 1,126 crore in Q3 FY20, mainly aided by strong performance of Bajaj Allianz General & Life Insurance Companies.
- ✓ Maharashtra Scooters Ltd. profit after tax increased by 19% to ₹ 2.64 crore in Q3 FY21 v/s ₹ 2.21 crore.
- ✓ Consequently, BHIL's consolidated profit after tax increased by 23% to ₹ 1,150 crore in Q3 FY21 v/s ₹ 933 crore in Q3 FY20.

Summary of consolidated financials of BHIL is as under:

₹ In Crore	Q3 FY21	Q3 FY20	9M FY21	9M FY20	FY20
Total income	114	97	351	317	436
Share of profits of associates	1,097	900	2,532	2,540	3,058
Profit after tax	1,150	933	2,701	2,631	2,992

3. Standalone results

BHIL is essentially an investment company. Its focus is on earning income through dividends, interest and profits on investments held. Details of standalone financials are given below:

₹ In Crore	Q3 FY21	Q3 FY20	9M FY21	9M FY20	FY20
Dividend received	14	9	36	656	1,885
Profit on fixed income securities (net)	13	7	55	19	30
Interest on investments and other income	78	72	239	221	291
Total income	105	88	330	896	2,206
Profit after tax (a)	51	31	165	721	1,827
Other comprehensive income, net of tax (b)	1,079	149	2,346	(52)	(1,161)
Total comprehensive income (a) + (b)	1,130	180	2,511	669	666

BHIL received lower final dividends in 9M FY21 after it had received significant amount of interim dividends in Q4 FY20. Hence, dividend income for 9M FY21 stood at ₹ 36 crore v/s ₹ 656 crore in 9M FY20. Consequently, BHIL's standalone profit after tax stood at ₹ 165 crore in 9M FY21 v/s ₹ 721 crore in 9M FY20.

Since equity markets recovered significantly from a steep fall in March 2020, mark to market gain on equity investments for 9M FY21 stood at ₹ 2,498 crore as compared to a mark to market loss of ₹ 1,248 crore for FY20. These gains/losses are reflected in other comprehensive income.

4. Investments

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

₹ In Crore	31-Dec-20		31-Mar-20	
	Cost	Market value	Cost	Market value
Strategic equity investments in group companies	3,135	92,301	3,135	49,914
Equity shares – others	2,634	4,988	2,461	3,225
Fixed income securities	3,804	3,926	3,610	3,650
Investment properties	181	273	184	273
Total	9,754	101,488	9,390	57,062

As against a book value of ₹ 1,186 per share, NAV of the above investments was ₹ 9,119 per share as on 31 December 2020.

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21 January 2021

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 ₹ 10,000 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)		Q3 FY21	Q3 FY20	9M FY21	9M FY20	FY20
1	Income					
	Interest income	64.07	60.84	191.87	186.94	247.19
	Dividend income	13.65	8.79	35.98	52.73	79.11
	Rental income	4.83	4.67	14.29	13.35	18.01
	Net gain on fair value changes	13.52	7.78	56.79	20.98	33.69
	Revenue from contracts with customers - Sale of goods	4.26	4.65	7.69	8.92	15.38
	Total revenue from operations	100.33	86.73	306.62	282.92	393.38
	Other income	13.33	10.70	44.04	34.30	42.31
	Total income	113.66	97.43	350.66	317.22	435.69
2	Expenses					
	Employee benefits expense	11.00	11.10	33.27	32.88	44.54
	Finance costs - Interest on operating lease liability	0.94	2.58	2.86	7.74	12.54
	Cost of raw materials consumed	2.15	3.34	4.57	6.69	9.39
	Changes in inventories of finished goods, work-in-progress	0.33	(0.51)	(1.07)	(2.26)	(1.73)
	Depreciation, amortisation and impairment	8.39	8.28	25.17	24.78	33.33
	Other expenses	13.31	18.51	34.33	56.52	81.76
	Total expenses	36.12	43.30	99.13	126.35	179.83
3	Share of profits of associates and joint venture	1,097.25	900.04	2,532.23	2,539.71	3,057.81
4	Profit before tax (1-2+3)	1,174.79	954.17	2,783.76	2,730.58	3,313.67
5	Tax expense					
	Current tax	24.29	18.36	81.77	60.85	87.44
	Deferred tax	(0.37)	2.10	(1.80)	3.50	146.04
	Total tax expense	23.92	20.46	79.97	64.35	233.48
6	Profit after tax (4-5)	1,150.87	933.71	2,703.79	2,666.23	3,080.19
7	Profit attributable to non-controlling interests	1.29	1.06	2.94	35.64	88.19
8	Profit for the period (6-7)	1,149.58	932.65	2,700.85	2,630.59	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	4,622.35	502.18	7,737.26	4,731.79	47.12
	(b) Items that will be reclassified to profit or loss	27.17	9.99	71.64	15.48	272.61
	Total other comprehensive income, net of tax	4,649.52	512.17	7,808.90	4,747.27	319.73
10	Total comprehensive income (6+9)	5,800.39	1,445.88	10,512.69	7,413.50	3,399.92
11	Profit attributable to:					
	Owners of the company	1,149.58	932.65	2,700.85	2,630.59	2,992.00
	Non-controlling interests	1.29	1.06	2.94	35.64	88.19
12	Total comprehensive income attributable to:					
	Owners of the company	4,142.72	1,289.82	7,980.14	6,747.42	4,339.89
	Non-controlling interests	1,657.67	156.06	2,532.55	666.08	(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)	103.3	83.8	242.7	236.4	268.8