



Bajaj Holdings & Investment Limited
(formerly Bajaj Auto Limited)

CIN: L35911PN1945PLC004656

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Press release
Financial results – Q2 FY17
Consolidated profit after tax : ₹ 698 crore ↑ 23%

A meeting of the Board of Directors of Bajaj Holdings & Investment Limited (BHIL) was held today to consider and approve the results for Q2 FY17.

1. Consolidated results

Bajaj Holdings & Investment Limited, as its name suggests, is a holding company in addition to being an investment company. As a holding company, it holds strategic stakes of 31.49% in Bajaj Auto Ltd. (BAL), 39.29% in Bajaj Finserv Ltd. (BFS) and 24% in Maharashtra Scooters Ltd. (MSL), the results of which it consolidates.

BAL recorded its **highest ever quarterly profit after tax** (consolidated) under Ind AS of **₹ 1,201 crore** in Q2 FY17 v/s ₹ 1,120 crore in Q2 FY16 at an industry leading **EBITDA margin** of **22.3%**.

BHIL, being an NBFC, is not covered under Ind AS and is required to prepare its financials under old Indian GAAP. Accordingly, BAL's consolidated results as prepared under Indian GAAP are consolidated in BHIL. BAL's profit after tax (consolidated) as considered for consolidation stood at ₹ 1,006 crore in Q2 FY17 v/s ₹ 1,001 crore in Q2 FY16.

Bajaj Finserv's consolidated results include results of its lending arm Bajaj Finance Limited (BFL) and its two insurance subsidiaries - Bajaj Allianz Life Insurance Company Limited (BALIC) and Bajaj Allianz General Insurance Company Limited (BAGIC). **BFS** (consolidated) **profit after tax** increased by **31%** to **₹ 576 crore** in Q2 FY17 v/s ₹ 441 crore in Q2 FY16 due to **strong growth** recorded by **BFL** and **BAGIC**.

As a reflection of strong performances of the underlying companies, BHIL's consolidated profit after tax for Q2 FY17 increased by **23%** - **₹ 698 crore** v/s ₹ 568 crore in Q2 FY16.

For H1 FY17, BHIL's consolidated profit after tax stood at **₹ 1,264 crore** v/s ₹ 1,181 crore in H1 FY16.

Summary of consolidated results is given in **Annexure A**.

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 FY17 are strictly not comparable with results of Q2 FY16 since the company received significant amount of interim dividends in Q4 FY16 and much lower final dividends in Q2 FY17.

As a result, BHIL's dividend income for Q2 FY17 stood at ₹ 82 crore v/s ₹ 498 crore in Q2 FY16 and consequently BHIL's standalone profit after tax stood at ₹ 198 crore in Q2 FY17 v/s ₹ 546 crore in Q2 FY16.

Details of standalone financials are given below:

₹ In Crore	Q2 FY17	Q2 FY16	H1 FY17	H1 FY16	FY16
Dividend	82	498	84	524	1,018
Profit on sale of investments (net)	163	12	214	76	114
Interest on investments and other income	70	67	135	140	269
Total revenue	315	577	433	740	1,401
Total expenses	94	10	104	21	42
Profit before tax	221	567	329	719	1,359
Profit after tax	198	546	284	669	1,271

3. Investments

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

₹ In Crore	30-Sep-16		31-Mar-16	
	Cost	Market value	Cost	Market value
Strategic equity investments in group companies	1,188	45,860	1,188	33,356
Equity shares – others	1,566	2,577	1,911	2,705
Fixed income securities	3,961	4,107	3,415	3,444
Investment property	199	199	201	201
Total	6,914	52,743	6,715	39,706

As against a book value of ₹ 636 per share, NAV of the above investments was ₹ 4,739 per share as on 30 September 2016.

Sanjiv Bajaj
Managing Director
28 October 2016

Annexure A - Consolidated results of BHIL

₹ In Crore)		Q2 FY17	Q2 FY16	H1 FY17	H1 FY16	FY16
1	Net Sales and Income from operations	264.49	110.00	382.56	273.35	469.84
2	Expenses					
	(a) Cost of materials consumed	0.35	0.24	0.59	0.55	0.92
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(0.31)	0.13	(0.53)	0.06	0.19
	(c) Employee benefits expense	5.06	4.37	10.07	8.28	16.35
	(d) Depreciation and amortisation	1.34	1.36	2.69	2.73	5.48
	(e) Other expenses	87.99	4.63	92.50	11.27	23.85
	Total expenses	94.43	10.73	105.32	22.89	46.79
3	Profit from operations before other income, finance costs and exceptional items (1-2)	170.06	99.27	277.24	250.46	423.05
4	Other income	7.50	1.08	9.35	2.79	6.85
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	177.56	100.35	286.59	253.25	429.90
6	Finance costs	-	-	-	-	-
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	177.56	100.35	286.59	253.25	429.90
8	Exceptional items	-	-	-	-	-
9	Profit from ordinary activities before tax (7-8)	177.56	100.35	286.59	253.25	429.90
10	Tax expense	22.48	21.01	45.36	50.05	88.31
11	Net profit from ordinary activities after tax (9-10)	155.08	79.34	241.23	203.20	341.59
12	Add: Share of profit after tax of associates	542.84	488.45	1,022.53	977.75	1,923.65
13	Less: Minority interest in net income of subsidiaries	-	-	-	-	-
14	Net profit after tax, minority interest and share of profit of associates (11+12-13)	697.92	567.79	1,263.76	1,180.95	2,265.24
15	Paid-up equity share capital (Face value of ₹ 10)	111.29	111.29	111.29	111.29	111.29
16	Reserves excluding revaluation reserves					15,182.03
17	Basic and diluted earnings per share (₹) before and after extraordinary items (not annualised)	62.7	51.0	113.6	106.1	203.5