

Press release
Financial results – Q1 FY18
Consolidated profit after tax : ₹ 636 crore ↑ 12%

A meeting of the Board of Directors of Bajaj Holdings & Investment Limited (BHIL) was held today to consider and approve the results for Q1 FY18.

1. Highlights - Q1 FY18 v/s Q1 FY17

- ✓ Consolidated profit after tax - ₹ **636 crore** v/s ₹ 566 crore ↑ **12%**
- ✓ Standalone profit after tax - ₹ **111 crore** v/s ₹ 86 crore ↑ **29%**

2. Consolidated results

Bajaj Holdings & Investment Limited is essentially a holding and investment company. As on 30 June 2017, the Company held strategic stakes of 31.54% 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.

Bajaj Auto consolidates its ~ 48% stake in KTM AG, Austria. As per accounting standards, BHIL considers BAL's results under old Indian GAAP (not Ind AS) for the purpose of consolidation.

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).

- ✓ **BAL's profit after tax** (consolidated) **stood at ₹ 847 crore** in Q1 FY18 v/s ₹ 853 crore in Q1 FY17.
- ✓ **BFS** (consolidated) **profit after tax increased** by **22%** to ₹ **655 crore** in Q1 FY18 v/s ₹ 538 crore in Q1 FY17.
- ✓ As explained below, **BHIL's profit after tax** (standalone) **increased** by **29%** to ₹ **111 crore** in Q1 FY18 v/s ₹ 86 crore in Q1 FY17.

As a result, **BHIL's consolidated profit after tax** for Q1 FY18 **increased** by **12%** to ₹ **636 crore** v/s ₹ 566 crore in Q1 FY17. Summary of consolidated financials of BHIL is as under:

₹ In Crore	Q1 FY18	Q1 FY17	FY17
Total revenue	155	120	850
Share of profit after tax of associates	525	480	1,978
Profit after tax	636	566	2,473

3. Standalone results

BHIL is essentially an investment company. Its focus is on earning income through dividends, interest and profits on investments held. It is largely dependent on the equity and debt markets for its income.

Sharply rising equity markets provided an opportunity to realise gains on equity investments. Profit on sale of investments (net) during Q1 FY18 was ₹ 85 crore v/s ₹ 51 crore during Q1 FY17. As a result, BHIL's profit after tax (standalone) increased by 29% to ₹ 111 crore in Q1 FY18 v/s ₹ 86 crore in Q1 FY17.

Details of standalone financials are given below:

₹ In Crore	Q1 FY18	Q1 FY17	FY17
Dividend	-	1	97
Profit on sale of investments (net)	85	51	531
Interest on investments and other income	69	67	260
Total revenue	154	119	888
Total expenses	16	10	216
Profit before tax	138	109	672
Profit after tax	111	86	538

4. Investments

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

₹ In Crore	30-Jun-17		31-Mar-17	
	Cost	Market value	Cost	Market value
Strategic equity investments in group companies	1,232	52,344	1,232	52,351
Equity shares – others	1,378	2,517	1,390	2,501
Fixed income securities	4,367	4,409	4,272	4,304
Investment property	195	195	196	196
Total	7,172	59,465	7,090	59,352

As against a book value of ₹ 669 per share, NAV of the above investments was ₹ 5,343 per share as on 30 June 2017.

Sanjiv Bajaj
Managing Director
20 July 2017

Annexure A - Consolidated results of BHIL

(₹ In Crore)		Q1 FY18	Q1 FY17	FY17
1	Revenue			
	(a) Revenue from operations	153.85	118.07	842.11
	(b) Other income	1.05	1.85	7.97
	Total revenue	154.90	119.92	850.08
2	Expenses			
	(a) Cost of materials consumed	0.34	0.24	1.10
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.02	(0.22)	(0.17)
	(c) Employee benefits expense	6.49	5.01	20.76
	(d) Depreciation and amortisation	1.34	1.35	5.39
	(e) Other expenses	8.54	4.51	192.74
	Total expenses	16.73	10.89	219.82
3	Profit before tax (1-2)	138.17	109.03	630.26
4	Tax expense			
	Current tax (net of MAT credit entitlement)	26.07	21.44	134.37
	Deferred tax	0.88	1.44	0.23
	Total tax expense	26.95	22.88	134.60
5	Profit after tax (3-4)	111.22	86.15	495.66
6	Add : Tax (debits)/credits pertaining to earlier years	-	-	0.03
7	Add: Share of profit after tax of associates	524.54	479.69	1,977.50
8	Net profit for the period after share of profit of associates (5+6+7)	635.76	565.84	2,473.19
9	Paid-up equity share capital (Face value of ₹ 10)	111.29	111.29	111.29
10	Reserves excluding revaluation reserves			17,706.61
11	Basic and diluted earnings per share (₹)			
	before and after extraordinary items (not annualised)	57.1	50.8	222.2