



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

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**Press release**  
**Financial results – Q2 FY18**  
**Consolidated profit after tax : ₹ 834 crore ↑ 19%**

A meeting of the Board of Directors of Bajaj Holdings & Investment Limited (BHIL) was held today to consider and approve the results for Q2 FY18.

**1. Highlights**

**Q2 FY18 v/s Q2 FY17**

- ✓ Standalone profit after tax - ₹ 732 crore v/s ₹ 198 crore
- ✓ Consolidated profit after tax - ₹ 834 crore v/s ₹ 698 crore ↑ 19%

**H1 FY18 v/s H1 FY17**

- ✓ Standalone profit after tax - ₹ 843 crore v/s ₹ 284 crore
- ✓ Consolidated profit after tax - ₹ 1,470 crore v/s ₹ 1,264 crore ↑ 16%

**2. 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.

BHIL's dividend income for Q2 FY18 stood at ₹ 562 crore v/s ₹ 82 crore in Q2 FY17. BHIL received lower dividends in Q2 of FY17 as many companies that normally declare annual dividends in Q2 declared interim dividends in Q4 FY16.

During the quarter, the Company realised profit on sale of equity shares and fixed income securities of ₹ 136 crore v/s ₹ 163 crore in Q2 FY17.

Consequently, BHIL's profit after tax (standalone) increased to ₹ 732 crore in Q2 FY18 v/s ₹ 198 crore in Q2 FY17.

Details of standalone financials are given below:

₹ In Crore	Q2 FY18	Q2 FY17	H1 FY18	H1 FY17	FY17
Dividend from BAL, BFS, MSL and BAHL	531	46	531	46	46
Dividend from other companies	31	36	31	37	51
Profit on sale of investments (net)	136	163	220	214	531
Interest on investments and other income	85	70	154	136	260
<b>Total revenue</b>	<b>783</b>	<b>315</b>	<b>936</b>	<b>433</b>	<b>888</b>
<b>Total expenses</b>	<b>16</b>	<b>94</b>	<b>31</b>	<b>104</b>	<b>216</b>
<b>Profit before tax</b>	<b>767</b>	<b>221</b>	<b>905</b>	<b>329</b>	<b>672</b>
<b>Profit after tax</b>	<b>732</b>	<b>198</b>	<b>843</b>	<b>284</b>	<b>538</b>

### 3. Consolidated results

Bajaj Holdings & Investment Limited holds 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).

The intercompany dividends, which are included in standalone results of BHIL, stood at ₹ 531 crore in Q2 FY18 v/s ₹ 46 crore in Q2 FY17. The intercompany dividends are eliminated in the consolidated results.

Due to all-round performance of BHIL (standalone) and underlying companies, BHIL's **consolidated profit after tax** for Q2 FY18 **increased by 19%** to ₹ 834 crore v/s ₹ 698 crore in Q2 FY17.

- ✓ **BAL's profit after tax** (consolidated) **increased by 14%** to ₹ 1,147 crore in Q2 FY18 v/s ₹ 1,006 crore in Q2 FY17, at an industry leading **EBITDA margin of 20.8%**.
- ✓ **BFS** (consolidated) **profit after tax increased by 13%** to ₹ 652 crore in Q2 FY18 v/s ₹ 576 crore in Q2 FY17.

Summary of consolidated financials of BHIL is as under:

₹ In Crore	Q2 FY18	Q2 FY17	H1 FY18	H1 FY17	FY17
<b>Total revenue</b>	<b>268</b>	<b>272</b>	<b>423</b>	<b>392</b>	<b>850</b>
Share of profit after tax of associates	618	543	1,143	1,023	1,978
<b>Profit after tax</b>	<b>834</b>	<b>698</b>	<b>1,470</b>	<b>1,264</b>	<b>2,473</b>

#### 4. Investments

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

₹ In Crore	30-Sep-17		31-Mar-17	
	Cost	Market value	Cost	Market value
Strategic equity investments in group companies	1,232	62,039	1,232	52,351
Equity shares – others	1,452	2,494	1,390	2,501
Fixed income securities	4,589	4,623	4,272	4,304
Investment property	194	194	196	196
<b>Total</b>	<b>7,467</b>	<b>69,350</b>	<b>7,090</b>	<b>59,352</b>

As against a book value of ₹ 696 per share, NAV of the above investments was ₹ 6,231 per share as on 30 September 2017.

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**Sanjiv Bajaj**  
**Managing Director**  
17 October 2017

Annexure - Consolidated results of BHIL

(₹ In Crore)	Q2 FY18	Q2 FY17	H1 FY18	H1 FY17	FY17
<b>1 Revenue</b>					
(a) Revenue from operations	266.88	267.86	420.73	385.93	842.11
(b) Other income	1.59	4.13	2.64	5.98	7.97
<b>Total revenue</b>	<b>268.47</b>	<b>271.99</b>	<b>423.37</b>	<b>391.91</b>	<b>850.08</b>
<b>2 Expenses</b>					
(a) Cost of materials consumed	0.35	0.35	0.69	0.59	1.10
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.06	(0.31)	0.08	(0.53)	(0.17)
(c) Employee benefits expense	6.45	5.06	12.94	10.07	20.76
(d) Depreciation and amortisation	1.34	1.34	2.68	2.69	5.39
(e) Other expenses	8.69	87.99	17.23	92.50	192.74
<b>Total expenses</b>	<b>16.89</b>	<b>94.43</b>	<b>33.62</b>	<b>105.32</b>	<b>219.82</b>
<b>3 Profit before tax (1-2)</b>	<b>251.58</b>	<b>177.56</b>	<b>389.75</b>	<b>286.59</b>	<b>630.26</b>
<b>4 Tax expense</b>					
Current tax (net of MAT credit entitlement)	36.09	25.15	62.16	46.59	134.37
Deferred tax	(0.64)	(2.67)	0.24	(1.23)	0.23
Total tax expense	35.45	22.48	62.40	45.36	134.60
<b>5 Profit after tax (3-4)</b>	<b>216.13</b>	<b>155.08</b>	<b>327.35</b>	<b>241.23</b>	<b>495.66</b>
<b>6 Add : Tax (debits)/credits pertaining to earlier years</b>	-	-	-	-	0.03
<b>7 Add : Share of profit after tax of associates</b>	618.13	542.84	1,142.67	1,022.53	1,977.50
<b>8 Net profit for the period after share of profit of associates (5+6+7)</b>	<b>834.26</b>	<b>697.92</b>	<b>1,470.02</b>	<b>1,263.76</b>	<b>2,473.19</b>
<b>9 Paid-up equity share capital (Face value of ₹ 10)</b>	111.29	111.29	111.29	111.29	111.29
<b>10 Reserves excluding revaluation reserves</b>					17,706.61
<b>11 Basic and diluted earnings per share (₹)</b>					
<b>before and after extraordinary items (not annualised)</b>	<b>75.0</b>	<b>62.7</b>	<b>132.1</b>	<b>113.6</b>	<b>222.2</b>