

BAJAJ

Bajaj Holdings & Investment Limited

PRESS RELEASE

2ND QUARTER RESULTS : FINANCIAL YEAR 2009-10

A meeting of the Board of Directors of Bajaj Holdings & Investment Limited (BHIL) was held today to consider and approve the results for the 2nd quarter of 2009-10.

1. HIGHLIGHTS OF Q2

- ✓ **Standalone Income from Operations Rs. 308 crores v/s. Rs. 160 crores**
- ✓ **Standalone Profit After Tax Rs. 299 crores v/s. Rs. 151 crores**
- ✓ **Consolidated Profit After Tax Rs. 326 crores v/s. Rs. 106 crores**

2. STANDALONE RESULTS

The performance of the company is directly related to the performance of its investments.

During the current period, equity markets revived and moved upwards in line with positive global cues. Taking this opportunity, the company has booked profits on some of its investments.

During the quarter, income from investments earned by the company was **Rs. 308 crores** as against Rs. 160 crores for Q2/2008-09. This includes a profit on sale of investments (net) of **Rs. 180 crores** as compared to a loss of Rs. 1 crore during corresponding quarter of previous year.

Net profit for the period stood at **Rs. 299 crores** as against Rs. 151 crores for Q2/2008-09.

Income from operations includes dividend received from associates namely, Bajaj Auto Limited and Bajaj Finserv Limited - Rs. 103 crores.

The detailed standalone financial results of Bajaj Holdings & Investment Limited are given in Annexure I.

3. CONSOLIDATED RESULTS

Consolidated financial results of BHIL include results of companies as tabulated below:

Name of the company	% shareholding and voting power of BHIL	Consolidated as
a. Bajaj Auto Limited	30.69%	Associate
b. Bajaj Finserv Limited	34.77%	Associate
c. Bajaj Auto Holdings Limited	100%	Subsidiary
d. Maharashtra Scooters Limited	24%	Joint venture

With each of the group arms performing well, the consolidated results of Bajaj Holdings & Investment Limited have also recorded remarkable growth. The consolidated financials of Bajaj Holdings & Investment Limited are as under:

Rs. in lakhs	Q2 2009-10	Q2 2008-09	H1 2009-10	H1 2008-09	FY 2008-09
Income from operations	21030	7217	51446	9311	14444
Income from associates after tax	12543	4384	21936	7980	18953
Profit before tax	33389	11459	72934	16846	30740
Profit after tax	32588	10629	71096	15766	30295

4. RECEIPT ON ACCOUNT OF PREFERENTIAL ISSUE

As approved by shareholders on 16 July 2009 and after statutory approvals, the company has issued and allotted 10,110,000 preferential warrants to the promoters on 28 July 2009 at an exercise price of Rs. 449.58 per equity share, which was in accordance with SEBI (Disclosure & Investor Protection) Guidelines, 2000. The warrants have to be converted into equity shares within 18 months of issue date. On 28 July 2009, an amount of Rs.113.63 crores was received on account of issuance of preferential warrants to promoter / promoter group. This amount represents 25% of the total proceeds receivable on account of the preferential issue.

5. INVESTMENTS

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

Rs. in crores	30-Sept-09		31-Mar-09	
	Cost	Market Value	Cost	Market Value
Equity shares – Associates	179	8032	179	3613
Equity shares - Others	1197	2733	2020	1667
Fixed income securities	2300	2344	952	983
Total	3676	13109	3151	6263

Sanjiv Bajaj

Director

15th October 2009

BAJAJ

Bajaj Holdings & Investment Limited

(formerly Bajaj Auto Limited)

Mumbai - Pune Road, Akurdi, Pune 411 035

UNAUDITED STAND-ALONE FINANCIAL RESULTS OF BAJAJ HOLDINGS & INVESTMENT LIMITED FOR THE QUARTER ENDED SEPTEMBER 30, 2009

(Rs. in Lakhs)

Particulars	QUARTER ENDED 30.09.2009 (Unaudited)	QUARTER ENDED 30.09.2008 (Unaudited)	HALF YEAR ENDED 30.09.2009 (Unaudited)	HALF YEAR ENDED 30.09.2008 (Unaudited)	YEAR ENDED 31.03.2009 (Audited)
Income from Operations	30756	16011	61070	17983	22156
EXPENDITURE :					
a) Employees Cost	24	23	84	74	127
b) Depreciation	6	5	11	11	22
c) Other expenditure	92	16	230	233	1103
d) Total	122	44	325	318	1252
Profit from operations before Other Income, interest and Extraordinary Item	30634	15967	60745	17665	20904
Other Income	33	17	67	87	1486
Profit before Interest and Extraordinary Item	30667	15984	60812	17752	22390
Interest	-	30	-	30	30
Profit after Interest but before Extraordinary Item	30667	15954	60812	17722	22360
Extraordinary item - One time stamp duty on demerger	-	-	-	-	2500
Profit/(Loss) before tax	30667	15954	60812	17722	19860
Tax expense	775	829	1800	1077	2383
Profit / (Loss) after tax	29892	15125	59012	16645	17477
Tax credits pertaining to earlier years	-	-	-	-	2125
Net Profit / (Loss) for the period	29892	15125	59012	16645	19602
Paid up Equity Share Capital (Face value of Rs 10/-)	10118	10118	10118	10118	10118
Reserves excluding Revaluation Reserves					310497
Basic Earnings Per Share (Rs.) (not annualised)					
before extraordinary item	29.5	14.9	58.3	16.4	21.8
after extraordinary item	29.5	14.9	58.3	16.4	19.4
Diluted Earnings Per Share (Rs.) (not annualised)					
before extraordinary item	27.8	14.9	56.5	16.4	21.8
after extraordinary item	27.8	14.9	56.5	16.4	19.4
Public shareholding					
No. of shares	69,196,009	68,424,768	69,196,009	68,424,768	68,997,792
Percentage of Shareholding	68.39%	67.62%	68.39%	67.62%	68.19%
Promoters & Promoter Group Shareholding					
(a) Pledged/Encumbered					
No. of shares	956,206	NA	956,206	NA	3,703,511
Percentage of shares (as a % of the total shareholding of promoters & promoter group)	3.02%	NA	3.02%	NA	11.75%
Percentage of shares (as a % of the total share capital of the company)	0.95%	NA	0.95%	NA	3.66%
(b) Non-Encumbered					
No. of shares	30,655,970	NA	30,655,970	NA	27,827,765
Percentage of shares (as a % of the total shareholding of promoters & promoter group)	96.98%	NA	96.98%	NA	88.25%
Percentage of shares (as a % of the total share capital of the company)	30.30%	NA	30.30%	NA	27.50%

Notes:

1. The company is essentially a holding and investment company focussing on earning income through dividends, interest and gains on investments held.
2. Net Sales & Income from operations includes profit on sale of investments (net) Rs. 18000 lakhs for the current quarter and Rs. 43544 lakhs for the half year ending 30 September 2009 (corresponding previous year quarter Rs. (76) lakhs, corresponding previous half year Rs. 293 lakhs and previous year Rs. 1038 lakhs).
3. Items exceeding 10% of aggregate expenditure: Other Expenditure includes a) printing charges of Rs. Nil for the current quarter and Rs. 65 lakhs for the half year ending 30 September 2009 (corresponding previous year quarter - Rs. 3 lakhs, corresponding previous half year - Rs. 71 lakhs and previous year - Rs. 71 lakhs) b) demat charges of Rs. 44 lakhs for the current quarter and Rs. 69 lakhs for the half year ending 30 September 2009 (corresponding previous year quarter - Rs. 1 lakh, corresponding previous half year - Rs. 2 lakhs and previous year - Rs. 8 lakhs) c) legal and professional charges of Rs. 23 lakhs for the current quarter and Rs. 30 lakhs for the half year ending 30 September 2009 (corresponding previous year quarter - Rs. 1 lakh, corresponding previous half year - Rs. 2 lakhs and previous year - Rs. 57 lakhs)
4. Since the de-merger of the Manufacturing and Strategic Business undertakings, the company has become an investment company and is categorized as a "Non Banking Financial Company" (NBFC) for which the company has applied for registration, which is pending before the Reserve Bank of India. On registration the company intends to seek exemptions from the prudential norms as regards concentration of investments. The company has complied with the other aspects of the prudential norms as applicable.
5. As approved by shareholders on 16 July 2009 and after statutory approvals, the company has issued and allotted 10,110,000 preferential warrants to the promoters on 28 July 2009 at an exercise price of Rs. 449.58 per equity share, which was in accordance with SEBI (Disclosure & Investor Protection) Guidelines, 2000. The warrants have to be converted into equity shares within 18 months of issue date. On 28 July 2009, an amount of Rs.11363 lakhs was received on account of issuance of preferential warrants to promoter / promoter group. This amount represents 25% of the total proceeds receivable on account of the preferential issue. As the fair value (i.e. average market price from the date of issue) as at 30 September 2009 is higher than the exercise price, the earning per share, at present, is considered to be dilutive and accordingly disclosed.
6. The Company's business activity falls within a single business segment i.e. investment and therefore, segment reporting in terms of Accounting Standard 17 on Segment Reporting is not applicable.
7. The company did not have any investor complaints pending as on 1 July 2009 and as on 30 September 2009. There were four investors' complaints received and disposed of during the quarter ended 30 September 2009.
8. The Company has opted to publish consolidated financial results, pursuant to option made available as per Clause 41 of the Listing Agreement. These stand alone financial results, which have been subjected to a limited review by the auditors, are available on the company's website viz. www.bhil.in and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
9. Figures for previous year / period have been regrouped wherever necessary.
10. The above results have been reviewed by the Audit Committee, approved by the Board of Directors in the meeting held on 15 October 2009 and subjected to a limited review by the auditors.

**BY ORDER OF THE BOARD OF DIRECTORS
FOR BAJAJ HOLDINGS & INVESTMENT LIMITED**

Pune

Date : 15 October 2009

**RAHUL BAJAJ
Chairman**

BAJAJ
Bajaj Holdings & Investment Limited
(formerly Bajaj Auto Limited)
Mumbai - Pune Road, Akurdi, Pune 411 035

UNAUDITED CONSOLIDATED FINANCIAL RESULTS OF BAJAJ HOLDINGS & INVESTMENT LIMITED AND ITS SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES FOR THE QUARTER ENDED SEPTEMBER 30, 2009

Particulars	(Rs. in Lakhs)				
	QUARTER ENDED	QUARTER ENDED	HALF YEAR ENDED	HALF YEAR ENDED	YEAR ENDED
	30.09.2009 (Unaudited)	30.09.2008 (Unaudited)	30.09.2009 (Unaudited)	30.09.2008 (Unaudited)	31.03.2009 (Audited)
Net Sales & Income from operations	21030	7217	51446	9311	14444
Expenditure :					
a) (Increase) / decrease in stock in trade and work in progress	(1)	(13)	(2)	(6)	(7)
b) Consumption of raw materials	6	10	10	12	23
c) Employees Cost	99	95	235	218	436
d) Depreciation	11	11	23	23	46
e) Other expenditure	102	26	249	255	1143
f) Total	217	129	515	502	1641
Profit from operations before Other Income, Interest and Extraordinary item	20813	7088	50931	8809	12803
Other Income	33	17	67	87	1514
Profit before Interest and Extraordinary Item	20846	7105	50998	8896	14317
Interest	-	30	-	30	30
Profit after Interest but before Extraordinary item	20846	7075	50998	8866	14287
Extraordinary item - One time stamp duty on demerger	-	-	-	-	2500
Profit / (Loss) before tax and share of profit on Investments in Associates	20846	7075	50998	8866	11787
Add: Share of Profit after tax on Investments in Associates	12543	4384	21936	7980	18953
Profit / (Loss) before tax	33389	11459	72934	16846	30740
Tax expense	801	830	1838	1080	2571
Profit / (Loss) after tax	32588	10629	71096	15766	28169
Tax (debits)/credits pertaining to earlier years	-	-	-	-	2126
Net Profit / (Loss) for the period	32588	10629	71096	15766	30295
Less: Minority Interest in Net Income of subsidiaries	-	-	-	-	-
Net Profit / (Loss) for the period	32588	10629	71096	15766	30295
Paid up Equity Share Capital (Face value of Rs 10/-)	10118	10118	10118	10118	10118
Reserves excluding Revaluation Reserves					443449
Basic Earnings Per Share (Rs.) (not annualised)					
before extraordinary item	32.2	10.5	70.3	15.6	32.4
after extraordinary item	32.2	10.5	70.3	15.6	29.9
Diluted Earnings Per Share (Rs.) (not annualised)					
before extraordinary item	30.3	10.5	68.1	15.6	32.4
after extraordinary item	30.3	10.5	68.1	15.6	29.9
Public shareholding					
No. of shares	69,196,009	68,424,768	69,196,009	68,424,768	68,997,792
Percentage of Shareholding	68.39%	67.62%	68.39%	67.62%	68.19%
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NOTE:

The consolidated financial results include results of the following companies:

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Notes:

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7. Figures for previous year / period have been regrouped wherever necessary.
8. The above results have been reviewed by the Audit Committee and approved by the Board of Directors in the meeting held on 15 October 2009.

**BY ORDER OF THE BOARD OF DIRECTORS
FOR BAJAJ HOLDINGS & INVESTMENT LIMITED**

Pune

Date : 15 October 2009

RAHUL BAJAJ
Chairman