



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

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## Press release

### Financial results – Q4 and FY19

A meeting of the Board of Directors of Bajaj Holdings & Investment Limited (BHIL) was held today to consider and approve the results for Q4 and FY19.

The Board of Directors recommended a dividend of ₹ 32.50 per share – 325% (previous year – 400%). The total amount of dividend and tax thereon amounts to ₹ 436 crore (previous year ₹ 537 crore).

As required by regulations, BHIL has adopted Indian Accounting Standards (Ind AS) for FY19 with Ind AS compliant comparatives for FY18. Accordingly, figures for previous year / period have been recast and reviewed by statutory auditors as per new accounting standards.

#### 1. Highlights

##### Q4 FY19 v/s Q4 FY18

- ✓ Consolidated profit after tax - ₹ 791 crore v/s ₹ 712 crore ↑ 11%
- ✓ Standalone profit after tax - ₹ 24 crore v/s ₹ 91 crore

##### FY19 v/s FY18

- ✓ Consolidated profit after tax - ₹ 3,048 crore v/s ₹ 2,655 crore ↑ 15%
- ✓ Standalone profit after tax - ₹ 788 crore v/s ₹ 800 crore

#### 2. Consolidated results

Bajaj Holdings & Investment Limited holds strategic stakes of 33.43% in Bajaj Auto Ltd. (BAL) – an increase of 1.89% from 31.54% in previous year, 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.

Bajaj Finserv's consolidated results include its 55% stake in lending arm Bajaj Finance Limited (BFL) and its 74% stake in two insurance subsidiaries - Bajaj Allianz General Insurance Company Limited (BAGIC) and Bajaj Allianz Life Insurance Company Limited (BALIC).

#### Q4 FY19

- ✓ BAL (consolidated) profit after tax increased by 20% to ₹ 1,408 crore in Q4 FY19 v/s ₹ 1,175 crore in Q4 FY18.
- ✓ BFS (consolidated) profit after tax increased by 32% to ₹ 839 crore in Q4 FY19 v/s ₹ 637 crore in Q4 FY18.
- ✓ Consequently, BHIL's consolidated profit after tax increased by 11% to ₹ 791 crore in Q4 FY19 v/s ₹ 712 crore in Q4 FY18.

#### FY19

- ✓ BAL (consolidated) recorded its **highest ever annual profit** of ₹ 4,928 crore in FY19 v/s ₹ 4,219 crore in FY18 – an increase of 17%.
- ✓ BFS (consolidated) recorded its **highest ever annual profit, fifth time in a row** of ₹ 3,219 crore in FY19 as against ₹ 2,650 crore in FY18 – an increase of 21%, driven largely by brilliant performance of BFL.
- ✓ Accordingly, BHIL's consolidated profit after tax increased by 15% to ₹ 3,048 crore in FY19 v/s ₹ 2,655 crore in FY18.

Summary of consolidated financials of BHIL is as under:

₹ In Crore	Q4 FY19	Q4 FY18	FY19	FY18
<b>Total income</b>	<b>84</b>	<b>107</b>	<b>431</b>	<b>424</b>
Share of profits of associates and joint venture	767	621	2,827	2,385
<b>Profit after tax</b>	<b>791</b>	<b>712</b>	<b>3,048</b>	<b>2,655</b>
Other comprehensive income, net of tax	605	(171)	1,128	992
<b>Total comprehensive income</b>	<b>1,396</b>	<b>541</b>	<b>4,176</b>	<b>3,647</b>

### 3. Standalone results

Details of standalone financials are given below:

₹ In Crore	Q4 FY19	Q4 FY18	FY19	FY18
Dividend received	2	2	609	571
Profit on fixed income securities (net) / fair value change on mutual fund investments	(1)	6	6	43
Interest on investments and other income	83	98	383	340
<b>Total income</b>	<b>84</b>	<b>106</b>	<b>998</b>	<b>954</b>
<b>Profit after tax</b>	<b>24</b>	<b>91</b>	<b>788</b>	<b>800</b>
Other comprehensive income, net of tax Fair value change of equity investments(net)	340	(53)	516	786
<b>Total comprehensive income</b>	<b>364</b>	<b>38</b>	<b>1,304</b>	<b>1,586</b>

Under Ind AS, mark to market gain / loss on equity investments of BHIL is routed through Other Comprehensive Income (OCI) and not through Profit & Loss Account.

Since equities had a very good run during FY18, mark to market gain on investments stood at ₹ 824 crore. During FY19, due to further increase in equity markets, mark to market gain was ₹ 542 crore. These numbers net of deferred tax impacts are reflected in OCI numbers above.

#### 4. Investments

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

₹ In Crore	31-Mar-19		31-Mar-18	
	Cost	Market value	Cost	Market value
Strategic equity investments in group companies	2,831	74,031	1,232	58,962
Equity shares – others	1,741	3,343	1,322	2,470
Fixed income securities	3,228	3,209	5,072	5,033
Investment property	187	281	191	273
<b>Total</b>	<b>7,987</b>	<b>80,864</b>	<b>7,817</b>	<b>66,738</b>

As against a book value of ₹ 987 per share, NAV of the above investments stood at ₹ 7,266 per share as on 31 March 2019.

During Q4 FY19, BHIL purchased ~ 54.5 lakh shares of Bajaj Auto Ltd. at an amount aggregating to ₹ 1,599 crore, from secondary market as a part of its investments operations.

#### 5. Outcome of litigation with WMDC regarding MSL stake sale

WMDC (Western Maharashtra Development Corporation), co-promoter in the Company's joint venture in MSL (Maharashtra Scooters Limited), had filed SLP in the matter of 27% stake sale in MSL to the Company. The Hon'ble Supreme Court (SC) dismissed WMDC's SLP on 9 January 2019. The Hon'ble SC ordered that the Company shall pay ₹ 232 per share along with interest at the rate of 18% p.a. from the date of Arbitral Award (14 January 2006) and that as soon as payment is made by the Company, shares in question shall be transferred to the Company.

Accordingly, on 14 January 2019 the Company has tendered cheques amounting ₹ 71.59 crore towards purchase price and ₹ 150.89 crore towards interest, aggregating to ₹ 222.48 crore to WMDC. These cheques have remained unencashed as on 31 March 2019 and have turned stale subsequent to year end on 14 April 2019.

The Company has issued fresh cheques on 12 April 2019. The transfer of 3,085,712 shares of MSL is awaited.

Annexure - Consolidated results of BHIL

(₹ in crore)		Q4 FY19	Q4 FY18	FY19	FY18
<b>1</b>	<b>Income</b>				
	Interest income	77.57	88.11	360.99	314.12
	Dividend income	2.16	1.85	40.36	39.60
	Rental income	4.27	4.87	18.12	17.78
	Net gain on fair value changes	(0.98)	6.81	7.23	44.10
	Others	-	4.07	-	4.07
	Total revenue from operations	83.02	105.71	426.70	419.67
	Other income	1.18	1.06	4.65	4.74
	<b>Total income</b>	<b>84.20</b>	<b>106.77</b>	<b>431.35</b>	<b>424.41</b>
<b>2</b>	<b>Expenses</b>				
	Employee benefits expense	7.51	6.13	28.13	23.78
	Depreciation and amortisation expense	0.88	1.33	4.10	5.24
	Other expenses	29.41	11.92	56.43	40.82
	<b>Total expenses</b>	<b>37.80</b>	<b>19.38</b>	<b>88.66</b>	<b>69.84</b>
3	Share of profits of associates and joint venture	766.92	621.37	2,827.33	2,384.88
<b>4</b>	<b>Profit before tax (1-2+3)</b>	<b>813.32</b>	<b>708.76</b>	<b>3,170.02</b>	<b>2,739.45</b>
5	Tax expense				
	Current tax	22.90	43.31	130.27	183.55
	Deferred tax	(1.02)	(46.72)	(8.63)	(98.85)
	Total tax expense	21.88	(3.41)	121.64	84.70
<b>6</b>	<b>Profit after tax (4-5)</b>	<b>791.44</b>	<b>712.17</b>	<b>3,048.38</b>	<b>2,654.75</b>
7	Profit attributable to non-controlling interests	-	-	-	-
<b>8</b>	<b>Profit for the period (6-7)</b>	<b>791.44</b>	<b>712.17</b>	<b>3,048.38</b>	<b>2,654.75</b>
<b>9</b>	<b>Other comprehensive income, net of tax</b> (including share of associates and joint venture)				
	(a) Items that will not be reclassified to profit or loss	534.68	(141.58)	1,100.71	1,092.32
	(b) Items that will be reclassified to profit or loss	70.01	(29.76)	27.24	(100.22)
	<b>Total other comprehensive income, net of tax</b>	<b>604.69</b>	<b>(171.34)</b>	<b>1,127.95</b>	<b>992.10</b>
<b>10</b>	<b>Total comprehensive income (6+9)</b>	<b>1,396.13</b>	<b>540.83</b>	<b>4,176.33</b>	<b>3,646.85</b>
<b>11</b>	<b>Profit attributable to:</b>				
	Owners of the company	791.44	712.17	3,048.38	2,654.75
	Non-controlling interests	-	-	-	-
<b>12</b>	<b>Total comprehensive income attributable to:</b>				
	Owners of the company	1,396.13	540.83	4,176.33	3,646.85
	Non-controlling interests	-	-	-	-
13	Paid-up equity share capital (Face value of ₹ 10)	111.29	111.29	111.29	111.29
14	Other equity			26,841.01	25,089.94
<b>15</b>	<b>Basic and diluted earnings per share (₹) (not annualised)</b>	<b>71.1</b>	<b>64.0</b>	<b>273.9</b>	<b>238.5</b>