

BAJAJ

Bajaj Holdings & Investment Limited
(formerly Bajaj Auto Limited)

CIN: L65993PN1945PLCO04656

Regd. Office : Bajaj Auto Limited Complex,
Mumbai Pune Road, Akurdi, Pune 411035.
Tel.: 020-27472851, Fax: 020-27407380
Website: www.bhil.in

9 November 2020

| | |
|---|--|
| To Corporate Relations Department. BSE Limited 1 st Floor, New Trading Ring, Rotunda Building, P J Tower, Dalal Street, Mumbai 400 001 | To Corporate Listing Department. National Stock Exchange of India Ltd Exchange Plaza, 5 th Floor Plot No.C-1, G Block Bandra-Kurla Complex Bandra (East), MUMBAI 400 051 |
| BSE Code: 500490 | NSE Code: BAJAJHLDNG |

Subject: Submission of half-yearly communication sent to shareholders for the half-year ended 30 September 2020 under Regulation 30(2)

Dear Sir/Madam,

Pursuant to Regulation 30(2) read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we submit herewith a copy of the communication letter for the half-year ended 30 September 2020 as circulated to the members through electronic mode today.

The same is also placed on the Company's website at <http://www.bhil.in/inv/pdf/BHIL-Hly-Report2020-web-final.pdf>

Kindly take the same on record.

Thanking you,

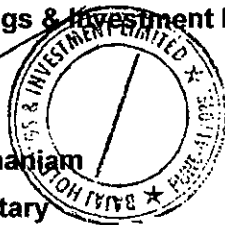
Yours faithfully,

For Bajaj Holdings & Investment Limited


Sriram Subbramaniam

Company Secretary

Encl: as above.



BAJAJ HOLDINGS & INVESTMENT LIMITED
HALF YEARLY REPORT 2020-21

BAJAJ
BAJAJ HOLDINGS & INVESTMENT LIMITED



Dear Shareholder,

I am happy to share with you the financial results of Bajaj Holdings & Investment Ltd. (BHIL) for the half year ended 30 September 2020.

Details about BHIL and companies consolidated in it, are included separately at the end of this letter.

The six months that have passed have been the most challenging in recent memory. The stoppage of economic activity as a result of the national lockdown, the moratorium on repayment of loans announced by the RBI and the stimulus measures announced by the Government and RBI to soften the impact, affected our associate companies. Such a confluence of events impacting almost all sectors has rarely taken place before and businesses needed to adapt quickly to the situation and realign their priorities. For these reasons, GDP growth in Q1/2020-21 contracted sharply by 23.9% over Q1/2019-20. However, economic activity started picking up pace quite well in Q2/2020-21 as evidenced by some high frequency indicators. With

visible growth being witnessed after the process of unlocking started, we are looking forward to the second half of the year with greater optimism.

Under these testing times, the Company, its subsidiaries and associate companies have focused on managing risk with a calibrated approach to growth.

BHIL's consolidated profit after tax for H1/2020-21 stood at ₹ 1,551 crore v/s ₹ 1,698 crore in H1/2019-20 – a reflection of performance of underlying companies.

1. Consolidated results

Summary of consolidated financials of BHIL is as under:

| Particulars | (₹ In Crore) | | |
|--------------------------------|---------------|---------------|----------------------|
| | H1 2020-21 | H1 2019-20 | Full Year 2019-20 |
| Total income | 237 | 220 | 436 |
| Share of profits of associates | 1,435 | 1,640 | 3,058 |
| Profit after tax | 1,551 | 1,698 | 2,992 |

A synopsis on the performance of the individual companies is given below:

a. Bajaj Auto Ltd. (BAL)

- During H1/2020-21, Bajaj Auto recorded

| | | |
|--------------------|---|--------------|
| ✓ Volumes | - | 1,496,440 |
| | | (₹ In Crore) |
| ✓ Turnover | — | 10,859 |
| ✓ EBITDA | — | 1,741 |
| ✓ Profit after tax | — | 1,666 |
- Bajaj Auto's sales in numbers registered a strong turnaround in Q2/2020-21. As compared to corresponding quarter of last year, sales were lower by 10% during Q2/2020-21 (as against 64% decline in Q1/2020-21).
- BAL's share in the domestic motorcycle market was 18.2% in H1/2020-21 v/s 18.1% in H1/2019-20.
- The Company continues to be a market leader in the domestic three wheelers segment with a market share of 51%.
- Exports contribute approximately 46% of sales.

b. Bajaj Finserv Ltd. (BFS)

- During H1/2020-21, on a consolidated basis, BFS recorded

| | | |
|--------------------|---|--------------|
| | | (₹ In Crore) |
| ✓ Total income | — | 29,244 |
| ✓ Profit after tax | — | 2,201 |
- BFL's total income stood at ₹ 13,173 crore. Profit after tax contracted by 29% to ₹ 1,927 crore in H1/2020-21, after taking provision on standard assets of ₹ 2,800 crore. Pre-provision profitability remained strong and is more than adequate to cover expected credit losses.
- BAGIC's* overall gross written premium (including crop) was ₹ 6,445 crore. Profit after tax increased by 44% to ₹ 727 crore during H1/2020-21.
- BALIC's* gross written premium increased by 7% to ₹ 4,377 crore. Profit after tax was ₹ 228 crore in H1/2020-21.

* BAGIC and BALIC's numbers are as per erstwhile Indian GAAP.

2. Standalone results

The results of BHIL on standalone basis for H1/2020-21 are strictly not comparable with results of H1/2019-20 since the Company received significant amount of interim dividends in Q4 of 2019-20 and much lower final dividends in H1/2020-21.

Details of standalone financials are given below:

(₹ In Crore)

| Particulars | H1 | H1 | Full Year |
|---|--------------|------------|--------------|
| | 2020-21 | 2019-20 | 2019-20 |
| Dividend | 22 | 648 | 1,885 |
| Profit on fixed income securities (net) | 42 | 12 | 30 |
| Interest on investments and other income | 161 | 148 | 291 |
| Total income | 225 | 808 | 2,206 |
| Profit after tax | 114 | 689 | 1,827 |
| Other comprehensive income, net of tax [^] | 1,267 | (200) | (1,161) |
| Total comprehensive income | 1,381 | 489 | 666 |

[^]Since equity markets recovered significantly from a steep fall in March 2020, mark to market gain on equity investments for H1/2020-21 stood at ₹ 1,301 crore as compared to mark to market loss of ₹ 1,248 crore for 2019-20. These gains/losses are reflected in other comprehensive income.

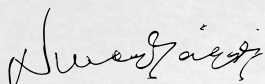
3. Investments

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

(₹ In Crore)

| Particulars | 30 September 2020 | | 31 March 2020 | |
|---|-------------------|---------------|---------------|---------------|
| | Cost | Market value | Cost | Market value |
| Strategic equity investments in group companies | 3,135 | 67,043 | 3,135 | 49,914 |
| Equity shares – others | 2,585 | 4,069 | 2,461 | 3,225 |
| Fixed income securities | 3,706 | 3,795 | 3,610 | 3,650 |
| Investment properties | 182 | 273 | 184 | 273 |
| Total | 9,608 | 75,180 | 9,390 | 57,062 |

On this happy note, I would like to thank you for your continued support and I wish you and your family a very happy Diwali and a prosperous New Year. Stay safe.



Niraj Bajaj
Chairman
22 October 2020

About BHIL:

BHIL is essentially a holding and investment company.

It holds strategic stakes in Bajaj Auto Ltd., Bajaj Finserv Ltd. and Maharashtra Scooters Ltd., which it consolidates and other investments of over ₹ 8,000 crore (at market value).

As required by regulation, BHIL has adopted Indian Accounting Standards (Ind AS) from 2018-19 and the previous period figures are comparable.

The details of major group companies consolidated in BHIL have been given below:

| Stake consolidated | Explanation | Consolidation method |
|-------------------------------------|--|---------------------------------|
| Bajaj Auto Ltd. (BAL)*35.77% | BHIL's direct stake in BAL 33.43% + MSL's 2.34% stake in BAL | Equity pick-up |
| Bajaj Finserv Ltd. (BFS)@41.63% | BHIL's direct stake in BFS 39.29% + MSL's 2.34% stake in BFS | Equity pick-up |
| Maharashtra Scooters Ltd. (MSL) 51% | BHIL's direct stake in MSL 51% | Full line by line consolidation |
| *BAL comprises of | 48% stake in KTM AG, Austria Equity pickup of BHIL share in BAL's profit is net of elimination of cross-holding of BAL in BHIL of 3.14% | |
| @BFS comprises of | 53% stake in Bajaj Finance Ltd. (BFL) 74% stake in Bajaj Allianz General Insurance Company Ltd. (BAGIC) 74% stake in Bajaj Allianz Life Insurance Company Ltd. (BALIC) | |

BHIL is part of BSE 200 and Nifty 200 index of top 200 companies listed in India. BAL, BFS and BFL are included in the benchmark BSE Sensex and Nifty 50 index of large cap stocks. MSL is listed too.



BAJAJ

Bajaj Holdings & Investment Limited

CIN: L65993PN1945PLC004656

Regd. Office: Mumbai-Pune Road, Akurdi, Pune 411 035

Website: www.bhil.in