

# **RESEARCH REPORT**

**BAJAJ HOLDINGS & INVESTMENT LTD**



## **PREPARED BY:**

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# About

Bajaj Holdings & Investment Ltd. operates as an Investment Company and is registered as a Non-Banking Financial Institution – Investment and Credit Company with the Reserve Bank of India. The Co. holds more than 36% stake in both Bajaj Auto Ltd. and Bajaj Finserv Ltd

## Revenue Breakup

Interest Income: 59%

Net gain on fair value changes: 12%

Dividend Income: 20%

## Synopsis of Financials

### Net profit

- In FY24, the net profit was Rs 72,672 million, which is a 49.8% increase from the previous year.

### Quarterly net sales

- In June 2024, the net sales were Rs 125.55 crore, which is a 27.68% increase from June 2023.

### Quarterly net profit

- In June 2024, the net profit was Rs 65.97 crore, which is a 19.38% increase from June 2023.

### Quarterly EBITDA

- In June 2024, the EBITDA was Rs 97.96 crore, which is a 19.84% increase from June 2023.

### Quarterly EPS

- In June 2024, the EPS was Rs 5.90, which is an increase from Rs 5.00 in June 2023.

## Stock data (as 22nd Oct 2024)

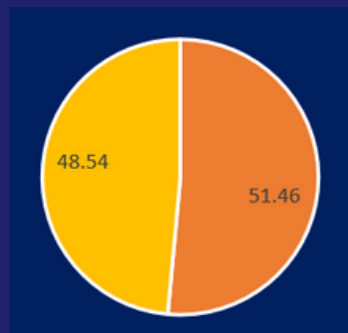
Nifty Price : 25,044.55  
52 week High (in Rs.) : 11,350  
52 week Low (in Rs.) : 6,628  
Market Cap. (in Crore) : ₹ 1,15,185 Cr.  
NSE Code : BAJAJHLDNG

## Stock data



-NIFTY50  
-BAJAJHLDNG

## Shareholding Pattern (March 2024)



-PUBLIC GROUP  
-PROMOTER GROUP

## Financial Summary

Particulars	Mar 2022	Mar 2023	Mar 2024
Sales	484	522	1,702
Sales Growth %	6%	8%	226%
Expenses	117	142	140
Operating Profit	367	380	1,562
OPM %	76%	73%	92%
Net Profit	4,126	4,946	7,365
EPS in Rs	364.41	435.83	652.98

# Quarterly Results



Particular	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Sales	188	98	87	104	225	108	1,212
Expenses	37	37	32	36	33	36	35
Operating Profit	151	62	55	68	192	72	1,177
OPM %	81%	63%	63%	66%	85%	67%	97%
Other Income	1,214	1,252	1,326	1,375	1,479	1,602	1,563
Interest	1	1	5	1	1	1	1
Depreciation	8	8	8	8	8	8	8
Profit before tax	1,356	1,305	1,368	1,434	1,662	1,665	2,731
Tax %	1%	1%	1%	1%	4%	1%	1%
Net Profit	1,336	1,287	1,353	1,416	1,588	1,645	2,716

Source: Screener

## Key Ratios

Particulars	FY2024	FY2023
Current ratio	2	2
Operating profit margin %	95.1%	91.8%
Net profit margin %	91.2%	88.4%
Return on equity %	16.8%	11.0%

Source: Annual Report

# Yearly Results

Particulars	Mar 2022	Mar 2023	Mar 2024
Equity Capital	111	111	111
Reserves	42,731	44,071	54,136
Borrowings	114	93	63
Other Liabilities	10,632	8,913	10,851
Total Liabilities	53,588	53,188	65,161
Fixed Assets	310	278	244
CWIP	0	0	0
Investments	52,964	52,555	64,715
Other Assets	314	355	203
Total Assets	53,588	53,188	65,161

# Synopsis Quater Results

## Key Highlights

### Investment focus:

BHIL invests in a variety of assets, including equities, fixed income securities, and property. BHIL's equities portfolio includes consumer discretionary, financials, communication services, and real estate. Its fixed income portfolio includes government securities, corporate bonds, mutual funds, and certificates of deposits.

### Market Trends:

The share price of Bajaj Holdings & Investment Ltd is ₹10,304.30 (NSE) and ₹10,314.85 (BSE) as of 21-Oct-2024 IST. Bajaj Holdings & Investment Ltd has given a return of 29.15% in the last 3 years.

### Product Portfolio:

Bajaj Auto  
Bajaj Finserv  
Bajaj Allianz General Insurance  
Bajaj Life Insurance  
Real estate and infrastructure investments

### Investment strategy

BHIL invests in companies and sectors across a variety of industries, with a focus on long-term growth. It invests in listed and unlisted securities, and its portfolio includes equity investments in its own subsidiaries.

### Equity investments

BHIL invests in listed and unlisted entities, including consumer discretionary, consumer staples, financials, industrials, communication services, real estate, and materials.

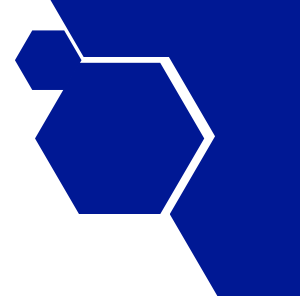
### Fixed income investments

BHIL invests in certificate of deposits, mutual funds, government securities, and corporate bonds

### Strategic stakes

BHIL has strategic stakes in Bajaj Auto Limited (BAL), Bajaj Finserv Limited (BFS), and Maharashtra Scooters Ltd. (MSL).

# Revenue Highlights



## **Q4 FY24 v/s Q4 FY23**

- ✓ Consolidated profit after tax - ₹ **2,716 crore** v/s ₹ 1,353 crore
- ✓ Standalone profit after tax - ₹ **1,204 crore** v/s ₹ 45 crore

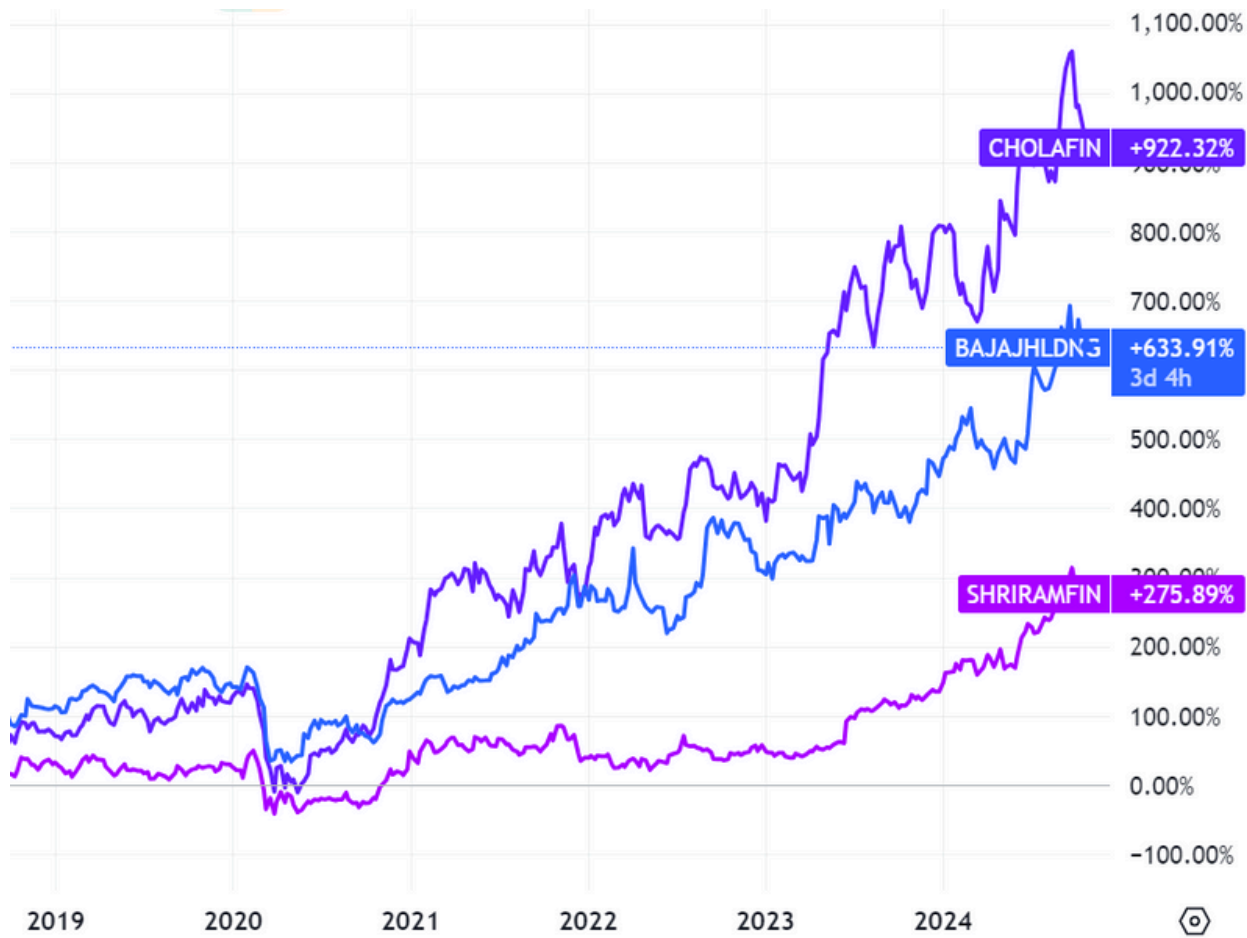
## **FY24 v/s FY23**

- ✓ Consolidated profit after tax - ₹ **7,267 crore** v/s ₹ 4,851 crore
- ✓ Standalone profit after tax - ₹ **2,896 crore** v/s ₹ 1,712 crore

# Peer Comparison



## Peer Stock Performance (5Y) Indexed



Source: Trading View

## Peer Financial Performance

Shriram Finance	3332.40	16.57	125301.24	1.38	2030.64	18.23	9604.98	20.02	11.27
Cholaman.Inv.&Fn	1434.90	32.95	120595.07	0.14	947.15	33.41	5812.31	41.77	10.41
Bajaj Holdings	10328.05	15.38	114940.88	1.23	1614.51	13.77	133.76	28.53	13.07

Source: Screener

# Final Outlook

**BAJAJHLDNG: BUY | LTP: 10,328**

Bajaj Holdings & Investment Ltd.'s (BHIL) future outlook is considered positive, with a "Buy" rating from . The company's stock has outperformed the Sensex in the past month, and its moving averages are higher than the 50, 100, and 200 day moving averages. BHIL's stock score has also increased from 9 to 10 in the last 6 months.

- **Company has reduced debt.**
  - **Company is almost debt free.**
  - **Company has delivered good profit growth of 19.0% CAGR over last 5 years**
  - **Company has been maintaining a healthy dividend payout of 26.6%**
- Company's working capital requirements have reduced from 115 days to 11.4 days.**

I will give **Buy** recommendation for this stock