

Bajaj Holdings & Investments Limited

Transcript of 76th Annual General Meeting held on 22 July 2021 through Video Conferencing / Other Audio Visual Means

- **Mr. Shekhar Bajaj – Chairman, Bajaj Holdings & Investment Ltd:**
- Good evening, dear shareholders and welcome to the 76th Annual General Meeting of Bajaj Holdings & Investment Ltd. I am Shekhar Bajaj, Chairman of the company attending the meeting from my Mumbai office. At the outset I would on behalf of the board like to express our heartfelt condolence to all those who have lost their loved ones to this dreadful pandemic. With the requisite quorum being present I call the meeting to order. In view of the continuing restrictions on the movement of persons at several places in the country, the Ministry of Corporate Affairs and SEBI have allowed companies to conduct their AGMs through video conferencing or other audio visual means without physical presence of the members at a common venue. Accordingly the company is conducting this meeting through video conferencing for the second consecutive year. The company has taken all feasible efforts to ensure that the shareholders are provided an opportunity to participate in this annual general meeting. Members participating through mobile devices, tablets, laptops, etc., may at times experience audio video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches. Members who need technical assistance during the meeting may reach out to KFIN at the mail id or at the helpline number provided in the AGM notice.
- Before I commence with my formal address, I would like to introduce all the colleagues on the board of the company. Attending the meeting from corporate office at Pune is - Niraj Bajaj and Sanjiv Bajaj.
- Other directors who have joined the meeting remotely are:
- D.J. Balaji Rao.
- Dr. Gita Piramal, Chairperson of Nomination and Remuneration Committee and Stakeholders Relationship Committee.
- Dr. Naushad Forbes
- Mr. Anami Roy, Mr. Anami Roy is missing, but he is somewhere around.
- Mr. Pradip Shah, Chairman of the Audit Committee
- Mr. Manish Kejriwal
- Mr. Madhur Bajaj
- All the directors, except Rajiv Bajaj, are present at the meeting. You can see all the directors together.

- Anant Marathe, Chief Financial Officer and Sriram Subbramaniam, Company Secretary are also present at the meeting. Also senior management team of BHIL are also in attendance. Paul Alvares and Arvind Sethi, Partner, SRBC Company LLP, Statutory Auditors and Shyamprasad D. Limaye, Secretarial Auditors are also in attendance. Pursuant to the circulars following documents are available for inspection electronically, directors' report, standalone and consolidated financial statement and auditors' report thereon, secretarial audit report, register of directors and key managerial personnel and their shareholding under Section 170 of the Companies Act, 2013, and register of contracts with related party in which directors are interested under Section 189 of the Companies Act, 2013. The auditors' report for the financial statement and the secretarial audit report for the financial year ending 31st March 2021 do not contain any adverse remark, qualification or disclaimer, accordingly the said report is not being read out. Since the meeting is conducted through video conferencing the option to appoint proxy is not available for this AGM. The company has received authorization under Section 113 of the Act, from shareholders holding in aggregate 3,98,33,825 shares representing 36% of the paid up capital of the company.
- Now I will commence my formal address to you, my dear shareholders.
- The Covid 19 pandemic is a once in a lifetime occurrence that has brought with it unimaginable suffering to people, and to almost all sections of the economy. In spite of the difficult times Bajaj Group strived to come out strong during this period. We ensured health, safety and work from home for our employees. We enabled the technology platforms and communications system to support work from home and ensure least disruption in conducting our business. Bajaj Group's philanthropic philosophy was articulated by Shri Jamnalalji Bajaj, our Founder, who had advised that all business activities should look for opportunities for philanthropy. However, when doing philanthropy, business motive should not be considered. Till date the Group has partnered with more than 300 NGO partners, and has supported projects in health, education, women empowerment, environment sustainability and has made fund allocation to the extent of 1300 crores between 2014 and 2021. Bajaj Group has been in the forefront of the fight against Covid 19, supporting local administration, NGOs and communities in this fight. Given the severity of the second wave of the pandemic we pledged an additional financial support of Rs. 200 crores towards Covid 19 response. The financial support will be utilized to eliminate the immediate on-ground challenges, as well as build capability and resources to tackle the 3rd wave. This contribution is in addition to the 100 crores contributed by the Bajaj Group last year to support the Covid 19 response in India. Within the formal CSR programs, Bajaj Group has committed another 280 crores in financial year'21 of which Finserv Group Companies contributed 150 crores. Apart from this we have adopted skilling for employment as an area where we would be continuing to dedicate resources. Since 2015-16 we have been conducting employability training for graduates. Our flagship programs, certificate programs in banking, finance and insurance has seen significant success in this area and has presence across 10 states today. Over 10,000 students have benefited from the program so far. We plan to add another 10,000 students this year by March 2022. I request you to go through the Bajaj Group's CSR programs which are available on our website.

- Let me now highlight the key performance during the first quarter. A meeting of the board of directors of Bajaj Holdings & Investment Limited, BHIL, was held today, 22nd July, 2021, to consider and approve the results of the Q1 of FY22. Consolidated profit after tax is Rs. 779 crores in Q1 '22, against 679 crores in Q1 '21, up by 15%. Standalone profit after tax has gone up from 43 crores to 49 crores an increase of about 14%. The cost of investment as on 30th June 2021 is 10062 crores, and the market value of the investment is 129,627 crores as on 30th June 2021. More details about the financial results are available on the website of the company. In terms of the provision of the Companies Act, 2013, and SEBI's listing regulations, members holding shares as on 15th of July 2021, are entitled to exercise voting on the resolutions contained in the notice dated 29th April 2021. Shareholders holding shares as on the cut-off date were provided option to cast their votes remotely from 19th July 2021 from 9 am to 21st July 2021 upto 5 pm by logging into the e-voting platform of KFIN Technologies Pvt. Ltd. Shareholders who have joined the AGM and have not cast their votes so far can vote at this meeting. Before putting the resolution to vote, I would like to brief you on the resolutions.
- Resolution No.1, ordinary resolution - Adoption of the standalone and consolidated financial statement for the financial year ending 31st March 2021 together with the directors' and auditors' report thereon.
- Resolution No. 2, again an ordinary resolution – Declaration of dividend of Rs. 40 per equity share of face value of Rs. 10 for financial year ending 31st March 2021.
- Resolution No. 3, ordinary – Reappointment of Madhur Bajaj, Director, who retires by rotation.
- Next one, as I am interested in the next resolution, I would request Sanjiv Bajaj to take over this particular resolution.
- **Mr. Sanjiv Bajaj – MD & CEO, Bajaj Holdings & Investment Ltd:**
- So I will take over the 4th resolution which is a special resolution – The appointment of Shri Shekhar Bajaj as a non-executive director of the company. And with that I hand the chair back to the chairman.
- **Mr. Shekhar Bajaj – Chairman, Bajaj Holdings & Investment Ltd:**
- Thank you, Sanjiv.
- Resolution No. 5 – Consider the resignation of Dr. Omkar Goswami due to personal commitments and additional professional work with effect from 9th July 2021. An ordinary resolution as Item No. 5 in the notice regarding his appointment has become infructuous in view of his resignation. This has been communicated to the shareholders and the stock exchanges.
- Now I move to resolution No. 6, it is a special resolution – Approval of payment of commission to non-executive directors for a period of 5 years commencing from 1st April 2021.

– Now I would like to invite queries and comments from the shareholders who have already registered themselves as speakers. Only those shareholders who have already registered as speakers will be allowed to seek clarification, to ensure participation from maximum shareholders, I would request the speakers to be brief, precise and avoid repeating the questions. Speakers have been accordingly allocated 2 minutes each to offer their comments and seek clarifications. Queries/questions received over email or through company RTA will be taken up subject to availability of time. I would now request the moderator to call the speakers sequentially. Thank you.

– **Moderator:**

– Thank you, sir. Ladies and gentlemen, we shall now hear from our shareholders. We have a list of shareholders who have registered to speak and we shall follow this sequence circulated to you, kindly restrict your comments or clarifications sought to a maximum of 2 minutes. Our first shareholder listed to speak is Dr. Arun Kumar Boppana. Dr. Boppana, you are now on screen, please do go ahead and speak.

– **Dr. Arun Kumar Boppana – Shareholder:**

– Hello.

– **Moderator:**

– Yes, sir, we can hear you.

– **Dr. Arun Kumar Boppana – Shareholder:**

– Good afternoon to everybody. Thank you, Mr. Sriram Subramaniam, for arranging this video conference. Welcome to Mr. Shekar Bajaj our new chairman, Mr. Bajaj, you look very jovial outside, you look very serious as a chairman now. You can smile more, it doesn't cost you, Mr. Shekar Bajaj.

– **Mr. Shekar Bajaj – Chairman, Bajaj Holdings & Investment Ltd:**

– I will smile more.

– **Dr. Arun Kumar Boppana – Shareholder:**

– Having money to invest is most tempting and risky. Lot of thought is required before investing, there is an art of investing and there is an art of not investing too. If we chase two rabbits both will escape, it is not easy to discover opportunities, once discovered they are easy to understand. In such a scene, Bajaj Holdings has done very well. And I have only 3 questions, split of Bajaj Holding Shares many retail investors can participate. Did Covid make any seismic shifts in investing ideology? How are you training your new staff with new skills for the next decade? We need stalwarts to act with ease, precision and finesse. In conclusion it is said best time to plant a tree was 10 years ago, second best time is now. Likewise owning Bajaj Holdings shares, if we have not bought earlier it is best time to buy now. I wish all the best to the change in narrative of financial business, encashing new opportunities to do the right things with patience, persistence and perseverance. In conclusion, sir, Bajaj efforts turned magical for India with all round success and

empowerment. Bajaj leadership is not an ascension for themselves, but the art of fulfilling everybody's aspirations. I wish you all the best and thank you very much. Now you can smile more, Mr. Shekhar Bajaj.

- **Moderator:**
- Thank you, Dr. Boppana. Ladies and gentlemen, our next speaker shareholder is Mr. Dinesh Bhatia. Mr. Bhatia you are now on screen, please do go ahead and speak. Mr. Bhatia, we can hear you, sir.
- **Mr. Dinesh Bhatia – Shareholder:**
- First and foremost I would like to congratulate you and your entire team for the profits that they have made a profit in spite of this pandemic. The consolidated earnings that are there on the Rs.10 shares is Rs. 268 which was last year, but it has increased to 327, 327.09 paise which is our income on the Rs. 10 per share which is quite a good thing. I would therefore like to congratulate you and your entire team. Secondly the dividend of Rs. 40 per share that you have declared, for that too I would like to thank you and your team, and our company should progress in this same way, and our company has won awards for which I congratulate you and your team. There is nothing that I can talk about your balance sheet, because there is Bajaj everywhere, we get only profits from Bajaj companies, because the shares of Rs. 10 is trading in the market for 3882, this is a very good thing. And I agree with whatever Dr. Boppana has said, and I request you to share the split so that the quantity will increase. This is what you did with Bajaj Electric, here also if you split Rs. 2 share into two R. 1 share, and in this way the liquidity in the market will increase. Quantities of share will increase, liquidity will increase. And I believe that if you split the Rs. 2 share, the next year will see that it will be above 2000. We, shareholders, are small investors, but you also should get good benefit as an investor. We have a saying, that if you do good, you will be rewarded. So please take up this proposal of split shares in your next meeting with the directors. I don't want to talk anything more, and I support all the resolutions. Thank you. Your secretarial department requested us yesterday as well as today to talk at this meeting, your secretarial department are very helpful to the shareholders, just as the Bajaj company does, and they are ensuring that more and more shareholders talk at this meeting. Thank you.
- **Moderator:**
- Thank you, Mr. Dinesh Bhatia. Ladies and gentlemen, our next shareholder is Mr. Yusuf Rangwala. Mr. Rangwala, you are now on screen, please do go ahead and speak. We can hear you, sir.
- **Mr. Yusuf Rangwala – Shareholder:**
- Good evening, I am very happy to see Mr. Shekhar Bajaj. I am very happy, sir, and I am very happy to see our sir and I wish our sir good health and I pray for his good health, he is a very dynamic person. Today I am seeing him smiling. Sir, I am very happy, and this is 76th year of our company and you have given an excellent dividend of Rs. 40 on Rs. 10 per share and today's market is 3680 of Rs. 10. And you have mentioned we have 75% we are financing towards Group Company, right. Second

point I would like to know in which company you have invested, which blue-chip our Group has invested, I would like to know. And I wish our dynamic Sanjiv sir, Rajiv sir and also I wish all board, my good wishes are there, and I also am thankful to our Company Secretary who has taken good trouble and has given me a link. I am happy with the services of Karvy, which is very good, they are doing a good service, and Direct Link is also giving, good service. And I would wish to thank you that you are putting so much effort to make sure that we join the meeting. What more can I talk about our Bajaj Group, and I will meet you in two more meetings. I have become very happy that I have met the chairman. On Ganesh Chaturthi which is in the next month, I pray that the blessings of Ganeshji is on you. Sir, 2000 crores you have put in CSR activities, while last year you have 1000, and this is proof that you are engaged in CSR activities and because of this the name of Bajaj is on the top, and you are one of the leaders of Bajaj Group. I would like to say that I have become happy to meet today, and I cannot put it into words. I just pray to God that all of you stay healthy, and the staff is also safe and healthy, and the company should progress in this manner. Thank you and bye.

- **Moderator:**
 - Thank you, Mr. Rangwala. Our next shareholder to speak is Ms. Pooja Beria. You are now on screen, please do go ahead and speak.
- **Mr. Pooja Beria – Shareholder:**
 - So we have heard a lot of good words for Bajaj, so I agree to that but some bit of criticism also or some sort of reflection is also needed to become much better. So I have 3 questions, my first question is that given the recent changes in the taxation on dividend, so not passing 100% of dividend streamed would be very tax inefficient. I will give you an example, if Bajaj Finance will pay a dividend it will accrue in Finserv and in the same year if Finserv doesn't pass it on, it will be a tax for Finserv and later on when Finserv passes these dividends it will accrue to Holding level, and if Holding doesn't pay in the same year again it will be taxed at Holding level and later when Holding pays this cash flow as dividend then again it will be taxed on the hands of the investor. So there could be 3 instances of taxes which I think is very, very inefficient. So it seems to me we could clearly design a policy which is very simple that states that all dividends streamed from associates will be passed on at the very point when we receive it. So the question is what stops us to adopt this very simple principle which is the most logical, the most shareholder accretive and most tax efficient. The second question is also I think you have changed the dividend policy in the Bajaj Auto and Bajaj Finance level but we have avoided to change the dividend policy at the Holding company level that is Bajaj Holdings or Finserv or Maharashtra Scooters. The question is why there is a delay in changing the dividend policy of Holding company when apparently it should have been very, very straightforward as I mentioned in my first point. I am also a shareholder of HDFC and I remember Deepak Parekhji announcing the very next day of this change in dividend taxation that all dividends streamed will be passed on to the shareholder to make it tax efficient. So this is my very, very humble request to the board that please look into this and try to commit to distribute 100% of all dividends streamed from associate because it will be very shareholder accretive and it will be beneficial to minority

shareholders as well as the promoter group. The third question I have is that we have a substantial investment portfolio of 9100 crores, if you exclude our strategic investment, but given the mandate of investing 40% in that and 60% in diversified equity, at best we can earn 10 to 12% returns only here. So do you think it makes more sense to become more aggressive here in managing this investment, maybe we can look at some opportunistic acquisition, or it would have been far more rewarding if we had simply invested this money into Bajaj Finance or Finserv, I mean. Is there something that we can change the investment mandate here to try to garner more returns here. Thank you.

- **Moderator:**
 - Thank you very much. We now move on to our next shareholder, Mr. Amit Mantri. Mr. Mantri, you are now on screen, please do go ahead and ask your question and do switch your camera on if possible. Thank you.
- **Mr. Amit Mantri – Shareholder:**
 - Thank you. Part of my question would repeat what the earlier speaker said, so as per the announced dividends of Bajaj Auto, Bajaj Finserv and Maharashtra Scooters in this financial year that is FY 2022, Bajaj Holdings will receive dividends of over 1400 crores. This is dividends already announced by the Associate Group companies, so it will receive dividends of over 1400 crores from its holdings in the Group companies. However, Bajaj Holdings as of now has announced a dividend of only 450 crores to shareholders. So my question is does the company plan to announce further dividends in the year to ensure that dividends received by it from its Group companies are passed on to its shareholders or does it plan to retain these dividends. So as the earlier speaker mentioned, if Bajaj Holdings does not pass on the dividends entirely to shareholders, it will have to pay tax on the balance dividends that it retains. So for example if it has received 1400 crores, but it is only paying out 450 crores as dividend, then on 950 crores it will have to pay tax at whatever 25%. So more than 200 crores of taxation this will result in. So this will result in huge tax inefficiency because Bajaj Holdings will also pay taxes on this dividend income, and then when shareholders receive dividends later in the future, they will also have to pay taxes. So I would request the company to please ensure that at least those dividends that are received by it from its holdings are passed on to shareholders to ensure that there is no tax inefficiency due to double taxation of the same dividend at the hand of both the company and the shareholders. My second question and request is for Bajaj Holdings to buy back its shares because as of now Bajaj Holdings trades into over 65% discount to the value of its underlying holdings. So buying back stock when it's trading at 65% discount would mean that every 1 Rupee of buyback creates 2.5 rupees of value even when you consider the 20% buyback tax. So even despite the fact that you would be paying a buy back tax, even then every rupee of buy back creates 2.5 rupees of value. So the company has anyway a large cash balance with which it is buying other stocks including other group stocks. For example we have last few years bought Bajaj Auto stock as well, earlier we had bought Maharashtra Scooters as well. So the question would be why not buy your own stock which is Bajaj Holding stock when it is clearly so undervalued. So it will serve a dual purpose, the buyback itself is extremely value

accretive as I mentioned Re. 1 giving Rs. 2.5 value. Secondly, the buyback announcement will itself in a substantial narrowing of the hold core discount which will benefit all shareholders. So yesterday I had mentioned similar points in the Maharashtra Scooter AGM, and the management had responded that the hold core discount is not something that we can worry about because the stock price is determined by the actions of the minority shareholders, it is not the promoters who are selling stock, it is really minority shareholders selling stock. I would disagree strongly with that comment because it is clearly in our hands to ensure that any tax inefficiency that exists gets completely eliminated through passing on entire dividends. It is also in our hands that when we have substantial capital available at the hold core company to buyback stocks, to buyback our shares which will result in value creation for all shareholders. So it cannot just be said that we are not responsible, we cannot be held responsible if the stock is trading at a discount. There are several steps that can be taken to ensure that the discount gets narrowed. Thank you very much.

- **Moderator:**
- Thank you, Mr. Mantri, and Mr. Mantri was also speaking on behalf of his colleague and fellow shareholder, Sarita Jain. We move onto our next shareholder, Mrs. Celestine Mascarenhas, ma'am, you are now on screen, please do go ahead unmute and speak. Ma'am, do we have a technical problem here? If we do, we can come back to you, ma'am, a little later. We move on to our next shareholder, Vasudha Dakwe. Ms. Dakwe, you are on screen, yes, we can hear you, ma'am, thank you.
- **Ms. Vasudha Dakwe – Shareholder:**
- Thank you, sir. A very good afternoon, respected chairman sir, board of directors and my fellow shareholders. Myself Vasudha from Thane. I would like to congratulate our company secretary for sending me the soft copy of the annual report well in advance which is clear and transparent. I would like to ask what is the impact of Covid 19 on our permanent staff as well as contract casual basis. Are you following any lay-off policy? Secondly I would like to ask when was last bonus declared and at what ratio and when will we expect new bonus in this financial year or next onwards? With this I support all the resolutions, thank you very much.
- **Moderator:**
- Thank you, Ms. Dakwe. We come back to Mrs. Celestine Mascarenhas, she is our final speaker. Mrs. Mascarenhas, please do go ahead, yes, ma'am we can hear you.
- **Mrs. Celestine Mascarenhas – Shareholder:**
- Yes, you can hear me, very good. Respected chairman, Mr. Shekhar Bajaj, MD Sanjiv Bajaj, other.
- **Moderator:**
- We do seem to be having an audio problem.
- **Mrs. Celestine Mascarenhas – Shareholder:**

- Hello, can you hear me?
- **Moderator:**
- Yes, ma'am we can hear you, please go ahead and speak.
- **Mrs. Celestine Mascarenhas – Shareholder:**
- I am speaking from mobile. So I have to thank the company secretary, Sriram Subbramaniam and his team for sending me e-notice of the AGM, and also accepting my request for speaking and giving me this platform for speaking. Thank you very much, and MTV also. Now coming to the working, our balance sheet is very good, it is lot of pictures, a lot of information are given and self explanatory. Our total income and figures standalone is not that good but consolidated is very good and therefore we have been given a dividend of 40 per share of Rs. 10. As many of my shareholders have spoken, of course, I will give thumbs up to the CSR work done by our team and always Bajaj Group is always known right from the earlier level always taking care of the society. So on page 19 the full CSR work is given, I really appreciate and I really look up on you'll. Rest I will just want to know that how many of our staff were affected by Covid and any fatalities, I think most of them maybe working from home and what is the level of the vaccination drive. About that dividend and all I also feel but then this is all government and this is the board policy, they will have to take whatever way, but I would also ask for a split. Supposing a person has 1 share and he wants money if there is 2, Rs. 5 each, so his one share remains and 1 share he can dispose in need of this crisis. You can be 100 and 200 it will become, again the price will come to that level because this is the strength of our Bajaj Group. So rest I don't want to say anything I support all the resolutions. I am so happy to see Mr. Shekhar Bajaj because I used to often attend the Bajaj Electrical meetings and always have a discussion with him, also plant visit we would go and he would be so much with us, showing us in the plant, I still remember those good old days. I hope this Covid goes and again the same thing comes back. So we pray to God that our company grows strength to strength, all our full Bajaj Group grows because this is an investment company, if the full Bajaj Group becomes strong, Holdings will also become strong. I will pray to God that let this whole Group become one of the strongest groups and we all will get good reward and I wish for everyone health and wealth. With this thank you very much for giving me a patient hearing.
- **Moderator:**
- Thank you, Mrs. Mascarenhas. Sir, back to you, we have finished with questions from our shareholders. Thank you, sir.
- **Mr. Shekhar Bajaj – Chairman, Bajaj Holdings & Investment Ltd:**
- Thank you very much, all the shareholders, I think some of the questions were very interesting, and I would now request Sanjiv Bajaj, our MD and CEO to respond to those queries, along with Anant Marathe.
- **Mr. Anant Marathe – CFO, Bajaj Holdings & Investment Ltd:**

- I will answer a few questions that have been asked by shareholders. There are questions on dividend raised by 2 shareholders, Mr. Amit Mantri and Mr. Beria, I think their questions are almost similar that they have asked yesterday in Maharashtra Scooters AGM, and here also the answer is also similar. BHIL had profit of about 200 crore in FY2021, as compared to that profit of 200 crores, BHIL declared dividend of 445 crores. This was declared partially out of retained earnings to maintain steadiness of dividend. This is as per the dividend policy of the company to keep the dividend steady. We also have at the back of mind the tax efficiency thereof. 2 shareholders also mentioned that in FY2021 Bajaj Holdings received of 1400 crores. BHIL's board will deal with the payment of dividend in the next year basis the dividend policy of the company. We will keep tax efficiency in mind, tax efficiency is not only at dividend level, tax efficiency is for full financials of BHIL, so we will keep in mind the entire tax efficiency and we will consider that in next year's board approvals for dividend. So that is about dividend.
- Second question is from Mr. Boppana regarding the investment ideology of the company in light of Covid. Investments are basically about focus in value of the investee companies. In light of Covid, our life has changed but it has also thrown a lot of opportunities. We always look for companies which have navigated pandemic better and invested in that space. So those investments are in consumer financials and technology space. Over 2 years which is the period which broadly corresponds to Covid, the CAGR return of non group equities of BHIL was 21.2% as compared to Sensex return of 15.4%, which is out performance of 5% and this clearly reflects our Covid strategy in terms of investing the non-Group portfolio of BHIL.
- There were 2 questions from shareholders on the Covid impact on employees, BHIL being a holding and investing company has only 18 employees, there were 2 employees who were affected by Covid and they are doing well, there were no casualties and we have successfully been working from home as well as on need basis from the office and that is working fine.
- There is a question from Dr. Boppana on the training needs of employees and especially keeping past decade performance and how it will span over next decade. Staff of BHIL is trained on a regular basis for regulatory and operating environment. Also we invite external experts and professionals who also give their views on the external environment in terms of economy, industries, sectors and companies which help our employees to upskill themselves and to apply towards the best interest of the company.
- There are two questions are related to split and buyback, we are a holding and investment company and so there is no proposal for split or buyback with the board, and what is important this is a holding company which is valued at discount to NAV, despite discount to NAV at which shareholders would have entered in these companies. Over a long term BHIL has returned a significant value to shareholders, over 10 years CAGR, Compounded Annual Growth Rate, of BHIL is 15.3% compared to 9.8% of sensex over 5 years the CAGR of BHIL scrip is 17.6% versus 14.3% of sensex. Also BHIL has always been strong on dividend payments. Post demerger BHIL has not made any bonus issue or split, that is done by the operating companies in BHIL group.

- And finally I thank shareholders for the kind and good word on the progress performance of the company and especially for kind words for secretarial team and Karvy team. Thank you.
- **Mr. Sanjiv Bajaj – MD & CEO, Bajaj Holdings & Investment Ltd:**
 - Let me address one or two other questions that had come in, one was sent to us earlier by Harsh Visharia and the question was, are there any plans to merge Maharashtra Scooters, our subsidiary into Bajaj Holdings. There is currently no such plan that has come to the board, however the board does look at all possible relevant options and if something like this comes up in the future then naturally at the right time it would be shared with you and with the larger public.
 - My colleague, Anant, has already answered the questions on buyback, tax efficiency both of them were asked by Amit Mantri, of course, tax efficiency is relevant but it is not the only driving factor for us to consider our dividend. Our dividend policy you should keep in mind is that of a holding companies, it is different for different operating companies, and hence the board has cleared the dividend policy in earlier years where we strive to pay out as dividend about half of the income, the standalone profit that we earn, the rest as investment company is used to invest and Anant talked about our investment returns when you look at it over the medium to long term have been significantly outperforming the sensex. Amit also talked about buyback and referred to an earlier meeting saying that I mentioned that promoters don't care about the underlying stock price and don't have anything to do with it. Amit, if you remember right I did not use any such words. I talked about the company because I am here representing the company, and the company does not get involved in where its share prices are. Share prices are determined as you know by people who buy and sell on an active basis. Of course, as a company the higher our share prices are we are happy because our shareholders are happy, it makes the company's balance sheet that much bigger. But it is not something that we actively get into and I believe that if there is irrelevant proposal whether buyback or otherwise it is something that would come to the board at the right point of time but our focus is to continue to build this business like every other business of ours within this mandate to the benefit of the company and that means its shareholders in the medium to long term and not to get caught up in artificial ways to try and take care of the price. That is not the aim, at least of this company.
- With that we have answered all the questions and I hand this back over to the chairman.
- **Mr. Shekhar Bajaj – Chairman, Bajaj Holdings & Investment Ltd:**
 - Thank you, Sanjiv, thank you, Mr. Marathe.
 - Members who have not yet cast their votes are requested to cast their votes now. The voting facility will remain open for another 15 minutes. The result of the voting along with scrutinizer's consolidated report would be declared and posted on the company's website and KFIN's website within two working days of conclusion of this AGM. The AGM's transcript will also be made available on the company's website as

soon as possible. Subject to voting I declare the proceedings of the meeting as concluded. I thank you for participating at the meeting.

- **End of file**