BAJAJ
Distinctly Ahead

Bajaj Auto Limited
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October 20, 2011

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No.C-1, G Block
Bandra-Kurla Complex
Bandra (East)
MUMBAI 400 051

Dear Sir/s :

Sub : **Unaudited financial results for the quarter and half year ended 30 September 2011 – limited review**

In terms of the provisions of clause 41 of the listing agreement, the Unaudited Stand-alone Financial Results for the quarter and half year ended 30 September 2011 were taken on record by our board of directors at its meeting held today, the 20 October 2011. The said results were also subjected to a limited review by the auditors of the company.

Accordingly, please find enclosed the following :

a) Certified true copy of Unaudited Stand-alone Financial Results for the quarter and half year ended 30 September 2011;

b) Limited Review Report for the quarter and half year ended 30 September 2011, and

c) One copy of the press release.

Thanking you,

Yours faithfully,
for Bajaj Auto Limited,

J SRIDHAR
COMPANY SECRETARY

Encl : as above

Confirmation copy sent by hand delivery

BAJAJ
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Bajaj Auto Limited

Mumbai - Pune Road, Akurdi, Pune 411 035

UNAUDITED STAND-ALONE FINANCIAL RESULTS OF BAJAJ AUTO LIMITED FOR THE QUARTER ENDED SEPTEMBER 30, 2011

(₹ In Lakh)

Particulars	QUARTER ENDED 30.09.2011 (Unaudited)	QUARTER ENDED 30.09.2010 (Unaudited)	HALF YEAR ENDED 30.09.2011 (Unaudited)	HALF YEAR ENDED 30.09.2010 (Unaudited)	YEAR ENDED 31.03.2011 (Audited)
Sales in numbers	**1,164,137**	**1,000,570**	**2,256,952**	**1,928,906**	**3,823,954**
Gross Sales	529502	442846	1008843	837056	1693153
Less: Excise duty	24854	24755	45504	45236	93341
Net Sales	504648	418091	963339	791820	1599812
Other Operating Income	22078	16091	41116	31368	61081
TOTAL INCOME	**526726**	**434182**	**1004455**	**823188**	**1660893**
EXPENDITURE :					
a) (Increase) / decrease in stock in trade and work in progress	(4153)	(3200)	7324	5489	(8279)
b) Consumption of raw materials	360365	294274	677906	549893	1131319
c) Purchase of traded goods	19944	16045	37572	28555	56841
d) Employees Cost	13108	11415	26997	24054	47678
e) Depreciation and write downs	3942	2995	7006	6177	12284
f) Other expenditure	32849	26178	59099	48124	96508
g) Expenses capitalised	(1124)	(247)	(1264)	(337)	(1666)
h) Total	**424931**	**347460**	**814640**	**661955**	**1334685**
Profit from Operations before Other Income, Interest & Exceptional Items	**101795**	**86722**	**189815**	**161233**	**326208**
Other Income (net)	**7448**	**8371**	**14757**	**16538**	**36581**
Profit before Interest & Exceptional Items	**109243**	**95093**	**204572**	**177771**	**362789**
Interest	2022	65	2045	128	169
Profit after Interest but before Exceptional Items	**107221**	**95028**	**202527**	**177643**	**362620**
Exceptional items					
Valuation losses on derivative hedging instruments (See note 3)	(9541)	-	(9541)	-	-
Surplus on pre-payment of sales tax deferral liability/loan	-	-	-	-	82682
Provision for diminution in value of investment in PT. Bajaj Auto Indonesia	-	-	-	-	(10227)
Profit / (Loss) from ordinary activities before tax	**97680**	**95028**	**192986**	**177643**	**435075**
Tax expense	25100	26820	49300	50420	101102
Net Profit / (Loss) for the period	**72580**	**68208**	**143686**	**127223**	**333973**
Paid up Equity Share Capital (Face value of ₹ 10/-)	28937	28937	28937	28937	28937
Reserves excluding Revaluation Reserves					462085
Basic and Diluted Earnings Per Share (₹) (not annualised) before and after extraordinary items	**25.1**	**23.6**	**49.6**	**44.0**	**115.4**
Public shareholding					
No. of shares	144,437,440	145,433,462	144,437,440	145,433,462	144,413,554
Percentage of Shareholding	49.91%	50.26%	49.91%	50.26%	49.91%
Promoters & Promoter Group Shareholding					
(a) Pledged/Encumbered					
No. of shares	437,091	1,067,356	437,091	1,067,356	743,089
Percentage of shares (as a % of the total shareholding of promoters & promoter group)	0.30%	0.74%	0.30%	0.74%	0.51%
Percentage of shares (as a % of the total share capital of the company)	0.15%	0.37%	0.15%	0.37%	0.26%
(b) Non-Encumbered					
No. of shares	144,296,241	142,618,968	144,296,241	142,618,968	143,990,243
Percentage of shares (as a % of the total shareholding of promoters & promoter group)	99.70%	99.26%	99.70%	99.26%	99.49%
Percentage of shares (as a % of the total share capital of the company)	49.87%	49.29%	49.87%	49.29%	49.76%

Dalal & Shah
Chartered Accountants
FRN 102021W

SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED (STAND-ALONE)

(₹ In Lakh)

Particulars	QUARTER ENDED 30.09.2011 (Unaudited)	QUARTER ENDED 30.09.2010 (Unaudited)	HALF YEAR ENDED 30.09.2011 (Unaudited)	HALF YEAR ENDED 30.09.2010 (Unaudited)	YEAR ENDED 31.03.2011 (Audited)
Segment Revenue					
Automotive	526726	434182	1004455	823188	1660893
Investments	7448	8371	14757	16538	36581
Total	**534174**	**442553**	**1019212**	**839726**	**1697474**
Segment Profit/(Loss) before Tax and Interest					
Automotive	92254	86722	180274	161233	398663
Investments	7448	8371	14757	16538	36581
Total	**99702**	**95093**	**195031**	**177771**	**435244**
Less: Interest	2022	65	2045	128	169
Total Profit Before Tax	**97680**	**95028**	**192986**	**177643**	**435075**
Capital Employed					
Automotive	93588	95401	93588	95401	125756
Investments	549059	467318	549059	467318	519795
Unallocable	(12031)	(12206)	(12031)	(12206)	(134827)
Total	**630616**	**550513**	**630616**	**550513**	**510724**

Dalal & Shah
Chartered Accountants
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Notes:

1. Disclosure of assets and liabilities as per clause 41(I)(ea) of the listing agreement for the half year ended 30 September 2011 -

(₹ In Lakh)

Particulars	HALF YEAR ENDED 30.09.2011 (Unaudited)	HALF YEAR ENDED 30.09.2010 (Unaudited)	YEAR ENDED 31.03.2011 (Audited)
SOURCES OF FUNDS			
1. Shareholders' Funds			
a) Share Capital	28937	28937	28937
b) Reserves & Surplus	581376	389377	462085
	610313	418314	491022
2. Loan Funds	17941	152080	32515
3. Deferred Tax Adjustments	2410	2590	2971
Total	**630664**	**572984**	**526508**
APPLICATION OF FUNDS			
1. Fixed Assets	150468	149054	154829
2. Technical Know-how	1085	-	428
3. Investments	497765	459401	479520
4. Current Assets, Loans and Advances			
a) Inventories	48556	44739	54728
b) Sundry Debtors	73502	53325	36276
c) Cash and Bank Balances	53417	18842	55649
d) Other Current Assets	46278	27680	21642
e) Loans and Advances	111510	85897	118964
	333263	230483	287259
Less : Current Liabilities and Provisions			
a) Liabilities	309575	235147	242665
a) Provisions	42342	30807	152863
	351917	265954	395528
Net Current Assets	**(18654)**	**(35471)**	**(108269)**
Total	**630664**	**572984**	**526508**

Dalal & Shah
Chartered Accountants
FRN 102021W

Notes (contd.):

2. During the quarter, the company has received a show cause notice of ₹ 7793 lakh from the Commissioner, Central Excise & Service Tax, LTU Mumbai for payment of National Calamity Contingent Duty (NCCD) on sale of vehicles from its Pantanagar Plant. Out of the amount of ₹ 7793 lakh, ₹ 6762 lakh pertains to the period prior to 31 March 2011 and the balance ₹ 1031 lakh is for the period 1 April 2011 to 30 June 2011. Based on the legal opinion obtained, the company has filed a writ petition in the Uttarakhand High Court, disputing the applicability of NCCD. Pending decision of the Honourable High Court, no provision in respect of the said amount of ₹ 7793 lakh has been made in the books of account.

3. The Company has entered into range forward contracts to hedge highly probable forecast transactions. Though these instruments meet the management's foreign exchange risk management objectives, some of them do not qualify for hedge accounting as the same do not satisfy the test of effectiveness. Accordingly, MTM loss of ₹ 9541 lakh on range forward contracts has been recognized in these results. This notional loss would reverse over the contract period.

4. The company did not have any investor complaints pending as on 1 July 2011 and as on 30 September 2011. There was one investor's complaint received and disposed of during the quarter ended 30 September 2011.

5. Figures for previous year / period have been regrouped wherever necessary.

6. The above results have been reviewed by the Audit Committee and approved by the Board of Directors in the meeting held on 20 October 2011.

BY ORDER OF THE BOARD OF DIRECTORS
FOR BAJAJ AUTO LIMITED

RAHUL BAJAJ
Chairman

Pune
Date: 20 October 2011.

Dalal & Shah
Chartered Accountants
FRN 102021W

The Board of Directors
Bajaj Auto Limited
Mumbai –Pune Road,
Akurdi ,Pune - 411035

1. We have reviewed the accompanying 'Un-audited Stand alone financial results' in which are included the results for the quarter ended 30th September 2011 and the statement of assets and liabilities as on that date (the "Statement") of Bajaj Auto Limited, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.

3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion

4. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Dalal & Shah
Firm Registration Number: 102021W
Chartered Accountants

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Anish P Amin
Partner
Membership Number : 40451

Pune
20th October 2011

Dalal & Shah
Chartered Accountants
FRN 102021W

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Press Release : Q2 / FY12

First time ever !

Motorcycle sales cross 1 million units

Turnover crosses ₹ 5000 crore

EBITDA crosses ₹ 1000 crore

A meeting of the Board of Directors of Bajaj Auto Limited was held today to consider and approve the results for Q2 / FY12.

Q2 / FY12 has been a record breaking quarter for the company.

The quarter witnessed:

- ✓ "**Highest**" ever **motorcycles** sold – 1,027,357 units
- ✓ "**Highest**" ever **commercial vehicles** sold – 136,780 units
- ✓ "**Highest**" ever **turnover** – ₹ 5342 crore
- ✓ "**Highest**" ever **exports** – ₹ 1733 crore
- ✓ "**Highest**" ever **operating EBITDA** – ₹ 1057 crore
- ✓ **EBITDA** margin – **20.1%**; the best in the industry !

1. Performance

		Q2 FY12	Q2 FY11	Growth	FY11
Sales	Numbers	1,164,137	1,000,570	16%	3,823,954
Turnover	₹ in crore	5342	4426	21%	16975
Operating EBITDA	₹ in crore	1057	897	18%	3385
Profit before tax and exceptional items *	₹ in crore	1072	950	13%	3626
Profit after tax, before exceptional items *	₹ in crore	790	682	16%	2615
Profit after tax	₹ in crore	726	682	6%	3340

* See note 5b

2. Motorcycles

	Q2 FY12	Q2 FY11	Growth	FY11
Domestic	684,671	632,672	8%	2,414,606
Exports	342,686	250,822	37%	972,437
Total	**1,027,357**	**883,494**	**16%**	**3,387,043**

- During the quarter, motorcycle sales crossed ***1 million*** units.
  - ***" Pulsar ",*** averaged ~86,000 numbers per month.
  - ***" Discover "*** , averaged ~133,000 numbers per month. Cumulative sales for the ***" Discover "*** brand cross **5 million** vehicles.
- Overall market share stood at **~34%** in Q2 / FY12. Share in **domestic** market stood at **~27%.**

3. Commercial Vehicles

	Q2 FY12	Q2 FY11	Growth	FY11
Domestic	55,332	60,566	-9%	205,603
Exports	81,448	56,510	44%	231,281
Total	**136,780**	**117,076**	**17%**	**436,884**

- Commercial vehicle recorded its **highest** ever sales.
- Demand for commercial vehicles, both domestic and export markets, continue to be strong.
- Share in **domestic** market was **~40%.** The company continues to dominate the petrol & alternate fuel passenger segment with market share of **~89%.**

4. Exports

	Q2 FY12	Q2 FY11	Growth	FY11
Motorcycles	342,686	250,822	37%	972,437
Three-wheeler	81,448	56,510	44%	231,281
Total	**424,134**	**307,332**	**38%**	**1,203,718**
Exports in value – ₹ in crore	**1733**	**1153**	**50%**	**4,552**

- **Highest** ever exports in any quarter – ₹ 1733 crore.
- Overseas markets now contribute over **36%** of all vehicles sold.
- Demand from overseas markets is robust. Company is on course to exceed its target for the year.

5. Operating Results

a. Margins

In a challenging business environment, the company has improved its operating EBITDA margin from 19.1% in Q1 / FY12 to **20.1%** in Q2 / FY12. The improvement in margin was due to higher realization from exports, operating leverage and the rationalization of spends on sales promotion.

b. Exceptional items

The company has protected its future export realizations by entering into range forward contracts. As per the principles laid down under the accounting standard AS30, some of the range forward contracts are deemed ineffective. Accordingly, a MTM loss of ₹ 95 crore on valuation of the contracts are charged to the P&L account. This is a purely notional loss and would get reversed on maturity of the underlying contracts.

c. ROCE and Working capital

Pre-tax return on operating capital stood at **381%**.

Company's net operating working capital was **negative** ₹ 730 crore.

d. Cash and cash equivalents

During the quarter the company received VAT refund of ₹ 860 crore.

After paying ₹ 1345 crore towards dividend and tax thereon, the company had surplus cash and cash equivalents of ₹ 4516 crore, as on 30th September 2011.

e. Awards

In recognition of its consistent and outstanding performance, the company has received the

ET Award – **Company of the year** and

CNBC-TV18 International Trade Awards 2011 – **Outstanding Exporter of the year – Auto Manufacturers**

Overall Exporter of the year.

Kevin D'sa
President (Finance)
20th October 2011.