

**BAJAJ***Distinctly Ahead.***Bajaj Auto Limited**

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November 3, 2010

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 :

Please find attached herewith a copy of the Press release issued by the company in respect of investment in KTM Power Sports AG.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,
For bajaj auto limited,

J SRIVIDHAR
COMPANY SECRETARY &
COMPLIANCE OFFICER

Encl: as above

3rd November 2010

Press Release

Bajaj Auto International Holdings BV Netherlands (BAIHBV), a 100% subsidiary of Bajaj Auto Ltd, purchased further 244,600 shares in KTM Power Sports AG (KTMPs) on 3rd November 2010.

This purchase takes the total shareholding of BAIHBV in KTMPs to 38.09%.

Recently KTM PS reported results for their fiscal year ended 31-Aug-2010 returning to profits under continuing difficult market conditions, on the back of good market acceptance of their new Motocross range and strong cost control measures.

EBITDA margins stood at about 12% and the post tax profit at 11.9 Million Euros.

The first of the co-developed products KTM Duke 125 will hit the European markets in 2011. The product was a star attraction in the INTERMOT Show at Cologne Germany in October 2010 and will also be on display in the Milan show. The product has been hot on the internet with many U-Tube posts that may be accessed with "KTM Duke 125" identification.

Launch of a KTM product suitable for India, from this joint development is planned for H2 of 2011.

S Ravikumar,

Sr VP Business Development & Assurance

Bajaj Auto Ltd