

**BAJAJ***Distinctly Ahead*

Bajaj Auto Limited
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12 May 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 :

Re : Audited Financial Result for the quarter and year ended 31 March 2010

In terms of the provisions of Clause 41 read with Clause 20 of the listing agreement, we enclose the following statements for the year ended 31 March 2010, which were approved and taken on record at the meeting of the board of directors on 12 May 2010, together with press release :

- a) Stand-alone Audited Financial Results for the quarter and year ended 31 March 2010.
- b) Consolidated audited Financial Results for the year ended 31 March 2010

This is for your information please.

Thanking you,

Yours faithfully,
for Bajaj Auto Limited,

J SRIDHAR
COMPANY SECRETARY

Confirmation copy sent by Hand Delivery



Bajaj Auto Limited
Mumbai - Pune Road, Akurdi, Pune 411 035

AUDITED FINANCIAL RESULTS OF BAJAJ AUTO LIMITED FOR THE YEAR ENDED MARCH 31, 2010

Particulars	STANDALONE				(Rs. in Lakhs)	
	QUARTER ENDED 31.03.2010 (Audited)	QUARTER ENDED 31.03.2009 (Audited)	YEAR ENDED 31.03.2010 (Audited)	YEAR ENDED 31.03.2009 (Audited)	YEAR ENDED 31.03.2010 (Audited)	YEAR ENDED 31.03.2009 (Audited)
Sales in numbers	808,973	440,269	2,852,580	2,194,154		
Gross Sales	347530	189814	1211808	904966	1215274	905875
Less: Excise duty	18485	11060	60958	61272	60958	61272
Net Sales	329045	178754	1150850	843694	1154316	844603
Other Operating Income	10900	9587	41248	37342	43099	36878
TOTAL INCOME	339945	188341	1192098	881036	1197415	881481
EXPENDITURE :						
a) (Increase) / decrease in stock in trade and work in progress	(10063)	156	(4760)	2449	(3721)	522
b) Consumption of raw materials	233728	124013	769823	606462	771852	608199
c) Purchase of traded goods	11771	5346	41981	37436	42250	37436
d) Employees Cost	8619	9464	39946	35436	40612	36009
e) Depreciation and write downs	3411	3129	13645	12979	13741	13062
f) Other expenditure	18768	20944	87419	80463	89268	87303
g) Expenses capitalised	(588)	(166)	(1567)	(1442)	(1567)	(1442)
h) Total	265646	162886	946487	773783	952435	781089
Profit from Operations before Other Income, Interest & Exceptional Items	74299	25455	245611	107253	244980	100392
Other Income	4250	3314	12250	12190	12250	12190
Other expense	-	1023	-	1023	-	1023
Other Income (net)	4250	2291	12250	11167	12250	11167
Profit before Interest & Exceptional Items	78549	27746	257861	118420	257230	111559
Interest	(1)	520	598	2101	675	2189
Profit after Interest but before Exceptional Items	78550	27226	257263	116319	256555	109370
Exceptional items						
Expenditure incurred for Voluntary Retirement of employees (See note 1)	(4583)	(6110)	(18330)	(18330)	(18330)	(18330)
Valuation gains/(losses) on derivative hedging instruments (See note 2)	-	(2180)	2180	(2180)	2180	(2180)
Profit / (Loss) from ordinary activities before tax	73967	18936	241113	95809	240405	88860
Add: Share of Profit after tax on Investments in associate of subsidiary	-	-	-	-	(10276)	(6224)
Profit / (Loss) from ordinary activities before tax	73967	18936	241113	95809	230129	82636
Tax expense	20750	5911	70750	30161	70345	28888
Net Profit / (Loss) from ordinary activities after tax	53217	13025	170363	65648	159784	53748
Prior period adjustments (net)	(90)	(4)	(90)	(198)	(90)	(214)
Less: Minority Interest in Net Income of subsidiaries	53127	13021	170273	65450	159694	53534
Net Profit / (Loss) before deferred tax adjustments	53127	13021	170273	65450	159722	53579
Adjustments on revaluation of deferred tax assets	(262)	-	(262)	-	(262)	-
Net Profit / (Loss) for the period	52865	13021	170011	65450	159460	53579
Paid up Equity Share Capital (Face value of Rs 10/-)	14468	14468	14468	14468	14468	14468
Reserves excluding Revaluation Reserves			278366	172501	257225	166811
Basic and Diluted Earnings Per Share (Rs.) (not annualised) before and after extraordinary items	36.7	9.0	117.7	45.2	110.4	37.0
Public shareholding						
No. of shares	72,768,722	72,715,699	72,768,722	72,715,699	72,768,722	72,715,699
Percentage of Shareholding	50.30%	50.26%	50.30%	50.26%	50.30%	50.26%
Promoters & Promoter Group Shareholding						
(a) Pledged/Encumbered						
No. of shares	703,908	3,785,111	703,908	3,785,111	703,908	3,785,111
Percentage of shares (as a % of the total shareholding of promoters & promoter group)	0.98%	5.27%	0.98%	5.27%	0.98%	5.27%
Percentage of shares (as a % of the total share capital of the company)	0.49%	2.62%	0.49%	2.62%	0.49%	2.62%
(b) Non-Encumbered						
No. of shares	71,082,978	68,000,925	71,082,978	68,000,925	71,082,978	68,000,925
Percentage of shares (as a % of the total shareholding of promoters & promoter group)	99.02%	94.73%	99.02%	94.73%	99.02%	94.73%
Percentage of shares (as a % of the total share capital of the company)	49.13%	47.00%	49.13%	47.00%	49.13%	47.00%

SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Particulars	STANDALONE				(Rs. in Lakhs)	
	QUARTER ENDED		YEAR ENDED		CONSOLIDATED	
	31.03.2010 (Audited)	31.03.2009 (Audited)	31.03.2010 (Audited)	31.03.2009 (Audited)	31.03.2010 (Audited)	31.03.2009 (Audited)
Segment Revenue						
Automotive	339945	188341	1192098	881036	1197415	881481
Investments	4250	3314	12250	12190	12250	12190
Total	344195	191655	1204348	893226	1209665	893671
Segment Profit/(Loss) before Tax and Interest						
Automotive	69716	17165	229461	86743	218554	73658
Investments	4250	2291	12250	11167	12250	11167
Total	73966	19456	241711	97910	230804	84825
Less: Interest	(1)	520	598	2101	675	2189
Total Profit Before Tax	73967	18936	241113	95809	230129	82636
Capital Employed						
Automotive	90524	154378	90524	154378	150255	221979
Investments	402252	182525	402252	182525	317606	106153
Unallocable	(67213)	(35695)	(67213)	(35695)	(66783)	(35250)
Total	425563	301208	425563	301208	401078	292882

NOTE:

The consolidated financial results include results of the following companies:

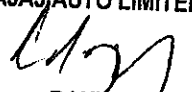
Name of the company	% shareholding and voting power of Bajaj Auto Limited	Segment	Consolidated as
a. PT. Bajaj Auto Indonesia	98.94%	Automotive	Subsidiary
b. Bajaj Auto International Holdings BV *	100%	Automotive	Subsidiary

* The consolidated financial results of Bajaj Auto International Holdings BV include 31.92% interest in KTM PowerSports AG as an associate.

Notes:

1. During previous year, company decided to recognise the expenditure incurred on voluntary retirement of employees of it's Akurdi plant, aggregating to Rs. 36660 lakhs over a period of two years in line with the option of the special transitional provision introduced in the Accounting Standard - 15 "Employee Benefits" allowing such expenditure to be deferred for recognition over the payback period but not extending beyond 1 April 2010. A charge of Rs. 18330 lakhs has already been recognised during 2008-09. Accordingly, the company has recognised a charge Rs. 4583 lakhs and Rs. 18330 lakhs during quarter & year ending 31 March 2010 respectively.
2. The company has entered into range forward contracts to hedge highly probable forecast transactions, where the export realizations of the company are protected below a minimum pre-determined foreign exchange rate whereas the realization advantages are available to the company there from up to a higher pre-determined foreign exchange rate. The company does not benefit by rupee depreciating beyond the pre-determined foreign exchange rate. Though these instruments meet the management's Foreign exchange risk management objectives, they do not meet the test of effectiveness as per the principles of hedge accounting. The market value of instruments outstanding at the close of the year indicate a gain aggregating Rs. 7608 lakhs, which as a matter of prudence has not been recognized, as against a loss provided for in the previous year aggregating Rs. 2180 lakhs which has now been written back. Unrealised gain/(loss) in respect of effective hedging instruments has been accounted in Hedge reserve, amounting to Rs. 3339 lakhs.
3. Directors recommend a dividend of Rs. 40 per share (400%) subject to approval of shareholders.
4. The company did not have any investor complaints pending as on 1 January 2010 and as on 31 March 2010. There was one investor's complaint received and disposed of during the quarter ended 31 March 2010.
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 12 May 2010.

BY ORDER OF THE BOARD OF DIRECTORS
FOR BAJAJ AUTO LIMITED


RAHUL BAJAJ
Chairman

Pune

Date: 12 May 2010

Press Release

A meeting of the Board of Directors of Bajaj Auto Limited was held today to consider and approve the results for FY10.

A summary of the results is given in Annexure I.

The Board of Directors recommended a dividend of Rs. 40 per share - 400% (previous year - 220%). The total amount of dividend and tax thereon amounts to Rs. 675 crores.

Q4 / FY10

- ✓ Motorcycles – **712,410** v/s 373,704 in Q4 / FY09; ↑ **91%**
- ✓ Three-wheelers – **96,304** v/s 64,830 in Q4 / FY09; ↑ **49%**
- ✓ Exports – **214,471** v/s 151,639 in Q4 / FY09; ↑ **41%**
- ✓ Turnover – **Rs. 3442** crores v/s Rs. 1916 crores; ↑ **80%**
- ✓ Profit after tax – **Rs. 532** crores v/s Rs. 130 crores; ↑ **309%**
- ✓ Operating EBITDA Margin – **22.9%**

FY10

The year 2009-10 has been an extremely rewarding year for the company:

- ✓ “Highest” ever motorcycles sold – 2,506,791 vehicles
- ✓ “Highest” ever three-wheelers sold – 340,937 vehicles
- ✓ “Highest” ever exports – 891,002 vehicles
- ✓ “Highest” ever turnover – Rs. 12043 crores
- ✓ “Highest” ever operating profit – Rs. 2450 crores
- ✓ “Highest” ever profit after tax – Rs. 1703 crores
- ✓ EBITDA margin – at record 21.7%

Sales in numbers

	FY10	FY09	Growth
Motorcycles	2,506,791	1,907,853	31%
2 wheelers	2,511,643	1,919,625	31%
3 wheelers	340,937	274,529	24%
Total	2,852,580	2,194,154	30%
Export (of the above)	891,002	772,519	15%

- **Domestic** motorcycle sales for the company witnessed a growth of **40%** – 1,781,768 units as against industry growth of 26%; domestic market share for the company improved from 21.9% in 2008-09 to **24.3%** in **2009-10**
- Focus on the “ bigger and sportier ” motorcycles enabled the company to grow its market share without compromising on profits – **EBITDA** margins at **21.7%**, highest in the industry
- It is expected that the company's brand centric strategy of its two key brands - the Discover and the Pulsar will become a **million** units / year brand
- Commercial vehicle sales have continued to grow across in-city and semi-urban markets. Domestic sales grew by **30%** as against industry growth of 26%
- The year also witnessed **highest ever exports** for the company. Exports in value grew 23% to Rs. 3246 crores

Operating Results

Margins

Richer product mix, higher volumes resulting in leveraging of fixed cost, effective cost management and focused sales promotional activities enabled the company to declare an industry high EBITDA margin of **21.7%**

Cash and cash equivalents

Strong operating margins together with efficient working capital management has resulted in surplus cash and cash equivalents of **Rs. 3263 crores** as on 31st March 2010 as against Rs. 933 crores as on 31st March 2009.



Kevin D'sa
Vice President (Finance)

12th May 2010.

Annexure I - Summary results of Bajaj Auto



Bajaj Auto Limited
Mumbai - Pune Road, Akurdi, Pune 411 035

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