

**BAJAJ***Distinctly Ahead.*

Bajaj Auto Limited
Akurdi Pune 411 035 India

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18 May 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 :

Re : Audited Financial Result for the quarter and year ended 31 March 2011

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 2011, which were approved and taken on record at the meeting of the board of directors on 18 May 2011, together with press release :

- a) Stand-alone Audited Financial Results for the quarter and year ended 31 March 2011.
- b) Consolidated audited Financial Results for the year ended 31 March 2011

Kindly further note that dividend on equity shares, if declared at the annual general meeting, will be credited / dispatched between 18 July 2011 to 20 July 2011, to those members whose names appear on the company's Register of Members and to the beneficial owners, whose particulars are furnished by the Depositories as on 30 June 2011.

This is for your information please.

Thanking you,

Yours faithfully,
for Bajaj Auto Limited,

J SRIVIDHAR
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, 2011

(₹ In Lakhs)

Particulars	STANDALONE				CONSOLIDATED	
	QUARTER ENDED 31.03.2011 (Audited)	QUARTER ENDED 31.03.2010 (Audited)	YEAR ENDED 31.03.2011 (Audited)	YEAR ENDED 31.03.2010 (Audited)	YEAR ENDED 31.03.2011 (Audited)	YEAR ENDED 31.03.2010 (Audited)
Sales in numbers	948,198	808,973	3,823,954	2,852,580		
Gross Sales	429927	347530	1693153	1211808	1696211	1215274
Less: Excise duty	24753	18485	93341	60958	93341	60958
Net Sales	405174	329045	1599812	1150850	1602870	1154316
Other Operating Income	14823	10900	61081	41248	61354	43099
TOTAL INCOME	419997	339945	1660893	1192098	1664224	1197415
EXPENDITURE :						
a) (Increase) / decrease in stock in trade and work in progress	(17561)	(10063)	(8279)	(4760)	(9819)	(3721)
b) Consumption of raw materials	302977	233728	1131319	769823	1132865	771852
c) Purchase of traded goods	12268	11771	56841	41981	57400	42250
d) Employees Cost	12964	8619	47678	39946	48473	40612
e) Depreciation and write downs	3005	3411	12284	13645	12389	13741
f) Other expenditure	24114	18768	96508	87419	99509	89268
g) Expenses capitalised	(915)	(588)	(1666)	(1567)	(1666)	(1567)
h) Total	336852	265646	1334685	946487	1339151	952435
Profit from Operations before Other Income, Interest & Exceptional Items	83145	74299	326208	245611	325073	244980
Other Income (net)	10097	4250	36581	12250	36581	12250
Profit before Interest & Exceptional Items	93242	78549	362789	257861	361654	257230
Interest	5	(1)	169	598	239	675
Profit after Interest but before Exceptional Items	93237	78550	362620	257263	361415	256555
Exceptional items						
Surplus on pre-payment of sales tax deferral liability/loan (See note 3)	82682	-	82682	-	82682	-
Provision for diminution in value of investment in PT. Bajaj Auto Indonesia (See note 4)	(10,227)	-	(10227)	-	-	-
Expenditure incurred for Voluntary Retirement of employees	-	(4583)	-	(18330)	-	(18330)
Valuation gains/(losses) on derivative hedging instruments	-	-	-	2180	-	2180
Profit / (Loss) from ordinary activities before tax	165692	73967	435075	241113	444097	240405
Add: Share of Profit after tax on Investments in associate of subsidiary	-	-	-	-	2311	(10276)
Profit / (Loss) from ordinary activities before tax	165692	73967	435075	241113	446408	230129
Tax expense	25653	20750	101102	70750	100929	70345
Net Profit / (Loss) from ordinary activities after tax	140039	53217	333973	170363	345479	159784
Prior period adjustments (net)	-	(90)	-	(90)	-	(90)
	140039	53127	333973	170273	345479	159694
Less: Minority Interest in Net Income of subsidiaries	-	-	-	-	(10)	(28)
Net Profit / (Loss) before deferred tax adjustments	140039	53127	333973	170273	345489	159722
Adjustments on revaluation of deferred tax assets	-	(262)	-	(262)	-	(262)
Net Profit / (Loss) for the period	140039	52865	333973	170011	345489	159460
Paid up Equity Share Capital (Face value of ₹ 10/-)	28937	14468	28937	14468	28937	14468
Reserves excluding Revaluation Reserves			462085	278366	451785	257225
Basic and Diluted Earnings Per Share (₹) (not annualised) before and after extraordinary items	48.4	18.3	115.4	58.8	119.4	55.2
Public shareholding						
No. of shares	144,413,554	72,768,722	144,413,554	72,768,722	144,413,554	72,768,722
Percentage of Shareholding	49.91%	50.30%	49.91%	50.30%	49.91%	50.30%
Promoters & Promoter Group Shareholding						
(a) Pledged/Encumbered						
No. of shares	743,089	703,908	743,089	703,908	743,089	703,908
Percentage of shares (as a % of the total shareholding of promoters & promoter group)	0.51%	0.98%	0.51%	0.98%	0.51%	0.98%
Percentage of shares (as a % of the total share capital of the company)	0.26%	0.49%	0.26%	0.49%	0.26%	0.49%
(b) Non-Encumbered						
No. of shares	143,990,243	71,082,978	143,990,243	71,082,978	143,990,243	71,082,978
Percentage of shares (as a % of the total shareholding of promoters & promoter group)	99.49%	99.02%	99.49%	99.02%	99.49%	99.02%
Percentage of shares (as a % of the total share capital of the company)	49.76%	49.13%	49.76%	49.13%	49.76%	49.13%

SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED						
Particulars	STANDALONE				CONSOLIDATED	
	QUARTER	QUARTER	YEAR	YEAR	YEAR	YEAR
	ENDED 31.03.2011 (Audited)	ENDED 31.03.2010 (Audited)	ENDED 31.03.2011 (Audited)	ENDED 31.03.2010 (Audited)	ENDED 31.03.2011 (Audited)	ENDED 31.03.2010 (Audited)
Segment Revenue						
Automotive	419997	339945	1660893	1192098	1664224	1197415
Investments	10097	4250	36581	12250	36581	12250
Total	430094	344195	1697474	1204348	1700805	1209665
Segment Profit/(Loss) before Tax and Interest						
Automotive	155600	69716	398663	229461	410066	218554
Investments	10097	4250	36581	12250	36581	12250
Total	165697	73966	435244	241711	446647	230804
Less: Interest	5	(1)	169	598	239	675
Total Profit Before Tax	165692	73967	435075	241113	446408	230129
Capital Employed						
Automotive	125756	90524	125756	90524	207027	150255
Investments	519795	402252	519795	402252	424368	317606
Unallocable	(134827)	(67213)	(134827)	(67213)	(134632)	(66783)
Total	510724	425563	510724	425563	496763	401078

Notes:

1. The consolidated financial results include results of the following companies:

Name of the company	% shareholding	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 39.26% interest in KTM PowerSports AG as an associate.

2. Disclosure of assets and liabilities as per clause 41(l)(ea) of the listing agreement for the year ended 31 March 2011 -

(₹ In Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	AS AT 31.03.2011 (Audited)	AS AT 31.03.2010 (Audited)	AS AT 31.03.2011 (Audited)	AS AT 31.03.2010 (Audited)
SOURCES OF FUNDS				
1. Shareholders' Funds				
a) Share Capital	28937	14468	28937	14468
b) Reserves & Surplus	462085	278366	451785	257225
	491022	292834	480722	271693
2. Minority Interest	-	-	29	38
3. Loan Funds	32515	133858	34745	136103
4. Deferred Tax Adjustments	2971	169	2971	169
Total	526508	426861	518467	408003
APPLICATION OF FUNDS				
1. Fixed Assets	154829	152111	155223	152486
2. Goodwill on investments in associate of subsidiary	-	-	36856	32899
3. Technical Know-how	428	-	428	-
4. Investments	479520	402152	428421	344523
5. Deferred Tax Adjustments	-	-	3690	3382
6. Current Assets, Loans and Advances				
a) Inventories	54728	44621	57625	45839
b) Sundry Debtors	36276	23945	34161	23852
c) Cash and Bank Balances	55649	10141	57525	10730
d) Other Current Assets	21642	13936	21642	13936
e) Loans and Advances	118964	65740	119587	66772
	287259	158383	290540	161129
Less : Current Liabilities and Provisions				
a) Liabilities	242665	202625	243728	203179
b) Provisions	152863	83160	152963	83237
	395528	285785	396691	286416
Net Current Assets	(108269)	(127402)	(106151)	(125287)
Total	526508	426861	518467	408003

Notes (contd.):

3. Sales tax deferral incentive/loan, to the extent eligible under Rule 84 of the Maharashtra Value Added Tax Rules, 2005, has been prepaid during the year at a discounted value of ₹ 36814 lakhs thereby resulting in a surplus of ₹ 82682 lakhs. The said sum has been reflected as an exceptional item and considered as a capital receipt.
4. Considering the continuing losses and longer gestation period, the company has assessed the carrying value of investments made in PT. Bajaj Auto Indonesia and determined an amount of ₹ 10227 lakhs at present, as a diminution in the value of investment and has accordingly made a provision of the said amount.
5. During the year, upon approval of shareholders, bonus shares were issued in the ratio of 1:1 by capitalizing a sum of ₹ 14468 lakhs from general reserve. Consequently, the authorized capital of the company was also increased to ₹ 30000 lakhs consisting of 3000 lakhs equity shares of ₹ 10 each.
6. The company has allotted bonus shares on 13 September 2010 in the ratio of one equity share for every equity share of ₹ 10 each held in the company on the record date. The Basic and Diluted Earnings Per Share (EPS) has been calculated for the current and previous periods after taking into account the bonus issue as required by AS-20 "Earnings Per Share".
7. Directors recommend a dividend of ₹ 40 per share (400%) subject to approval of shareholders.
8. The company did not have any investor complaints pending as on 1 January 2011 and as on 31 March 2011. There were four investors' complaint received and disposed of during the quarter ended 31 March 2011.
9. Figures for previous year / period have been regrouped wherever necessary.
10. The above results have been reviewed by the Audit Committee and approved by the Board of Directors in the meeting held on 18 May 2011.

BY ORDER OF THE BOARD OF DIRECTORS
FOR BAJAJ AUTO LIMITED


RAHUL BAJAJ
Chairman

Pune

Date: 18 May 2011

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Press Release**A Year of Excellence****Motorcycles, Commercial vehicles, Exports, Turnover and Profits – recorded New Highs !**

A meeting of the Board of Directors of Bajaj Auto Limited was held today to consider and approve the results for FY11.

The Board of Directors recommended a dividend of Rs. 40 per share – 400% (previous year – 400%) on the expanded share capital after issue of bonus share in the ratio of 1:1.

The total amount of dividend and tax thereon amounts to Rs. 1345 crores (previous year – Rs. 675 crores).

Q4 / FY11

Rs. in crores	Q4 FY11	Q4 FY10	Growth
Sales (No's)	948,198	808,973	17%
Turnover	4301	3442	25%
Profit from operations before Interest & exceptional items	831	743	12%
Profit after interest, but before exceptional items	932	786	19%
Net Profit from ordinary activities after tax for the quarter *	1400	532	163%

* See note 5.2

- Sales numbers and profits, both recite the success story of the company's brand centric strategy.
- Total motorcycles sold – 836,671 as against 712,410 in Q4 / FY10; ↑ 17%
- Commercial vehicles sold – 111,527 as against 96,304 in Q4 / FY10; ↑ 16%
- Focus on high end motorcycles and near record sale of commercial vehicles enabled the company to record healthy operating **EBITDA** margin – **20.5%**; the best in the industry.

FY11**1. Performance highlights**

Rs. in crores	FY11	FY10	Growth
Sales (No's)	3,823,954	2,852,580	34%
Turnover	16975	12044	41%
Profit from operations before Interest & exceptional items	3262	2456	33%
Profit after interest, but before exceptional items	3626	2573	41%
Net Profit from ordinary activities after tax for the year *	3340	1704	96%

* See note 5.2

- ✓ "Highest" ever turnover
- ✓ "Highest" ever profit from operations
- ✓ "Highest" ever profit after tax

2. Motorcycle highlights

	FY11	FY10	Growth
Domestic	2,414,606	1,781,768	36%
Exports	972,437	725,023	34%
Total	3,387,043	2,506,791	35%

- **Domestic** motorcycle sales for the company witnessed a growth of **36%** – 2,414,606 units as against industry growth of 23%; resulting in a **gain** of **2.4%** in domestic market share.
- The “bigger and sportier” motorcycles contribute in excess of **70%** of total motorcycles sold.
 - “**Pulsar**”, cumulative sales exceeded 4 million units in February 2011.
 - “**Discover**” has now become **one million+** units / year brand, estimated to be the second largest motorcycle brand in the country.

3. Commercial Vehicle highlights

	FY11	FY10	Growth
Domestic	205,603	176,050	17%
Exports	231,281	164,887	40%
Total	436,884	340,937	28%

- Commercial vehicle sales, for the first time crossed 200,000 units in the domestic market.
- Sales in domestic market largely driven by alternate fuel vehicles & diesel passenger carriers.
- Continue to dominate the alternate fuel passenger vehicle segment; market share of ~85%.
- Capacity for commercial vehicles increased to 45,000 units / month.

4. Export highlights

	FY11	FY10	Growth
Motorcycles	972,437	725,023	34%
Commercial Vehicles	231,281	164,887	40%
Total	1,203,718	891,002 *	35%
Rs. in crores	4552	3246	40%

* includes other two wheelers

- Exports, in value, close to **1 billion USD**.
- Demand from overseas market remains robust.

5. Operating Results

A summary of the results is given in Annexure I.

5.1. Margins

Despite input cost pressures and inflationary conditions, a richer product mix, higher volumes, and effective cost management enabled the company to declare an industry high operating EBITDA margin of **20.4%** for FY11.

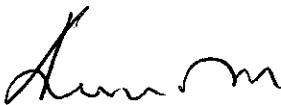
5.2. Exceptional items

During the quarter –

- Sales tax deferral incentive/loan, to the extent eligible under Rule 84 of the Maharashtra Value Added Tax Rules, 2005, has been prepaid at a discounted value of Rs. 368 crores, thereby resulting in a surplus of Rs. 827 crores. The said sum has been reflected as an exceptional item in the Profit and Loss account.
- Considering the longer gestation period and initial losses made in PT. Bajaj Auto Indonesia, the company has determined an impairment amount of Rs.102 crore as a diminution in the value of investment.

5.3. Cash and cash equivalents

Strong operating margins together with effective working capital management resulted in surplus cash and cash equivalents of **Rs. 4239 crores** as on 31st March 2011 as against Rs. 3263 crores as on 31st March 2010.



Kevin D'sa
President (Finance)
18th May 2011.



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

Annexure I

(Rs. In Crores)

Particulars	STANDALONE			
	QUARTER ENDED 31.03.2011	QUARTER ENDED 31.03.2010	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
Sales in numbers	948,198	808,973	3,823,954	2,852,580
Gross Sales	4299	3475	16932	12118
Less: Excise duty	247	185	934	609
Net Sales	4052	3290	15998	11509
Other Operating Income	148	109	611	412
TOTAL INCOME	4200	3399	16609	11921
EXPENDITURE :				
a) (Increase) / decrease in stock in trade and work in progress	(176)	(101)	(83)	(48)
b) Consumption of raw materials	3030	2337	11313	7698
c) Purchase of traded goods	123	118	568	420
d) Employees Cost	130	86	477	399
e) Depreciation and write downs	30	34	123	136
f) Other expenditure	241	188	966	875
g) Expenses capitalised	(9)	(6)	(17)	(15)
h) Total	3369	2656	13347	9465
Profit from Operations before Other Income, Interest & Exceptional Items	831	743	3262	2456
Other Income (net)	101	43	366	123
Profit before Interest & Exceptional Items	932	786	3628	2579
Interest	0	0	2	6
Profit after Interest but before Exceptional Items	932	786	3626	2573
Exceptional items				
Surplus on pre-payment of sales tax deferral liability/loan	827	0	827	0
Provision for diminution in value of investment in PT. Bajaj Auto Indonesia	(102)	0	(102)	0
Expenditure incurred for Voluntary Retirement of employees	0	(46)	0	(183)
Valuation gains/(losses) on derivative hedging instruments	0	0	0	22
Profit / (Loss) from ordinary activities before tax	1657	740	4351	2412
Tax expense	257	208	1011	708
Net Profit / (Loss) from ordinary activities after tax	1400	532	3340	1704