

04 February 2016

| | |
|--|---|
| Corporate Relations Department. BSE Limited 1 st Floor, New Trading Ring Rotunda Building, P J Tower Dalal Street, Mumbai 400 001 Email: corp.relations@bseindia.com | Corporate Listing Department. National Stock Exchange of India Ltd Exchange Plaza, 5 th Floor Plot No.C-1, G Block Bandra-Kurla Complex Bandra (East), MUMBAI 400 051 Email: cmlist@nse.co.in |
| BSE Code: 532977 | NSE Code: BAJAJ-AUTO |

Dear Sir/s:

Sub: **Unaudited financial results for the quarter and
nine months ended 31 December 2015 & Limited Review**

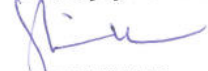
In terms of the provisions of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Unaudited Stand-alone Financial Results for the quarter and nine months ended 31 December 2015 were taken on record by our board of directors at its meeting held today, the 04 February 2016. 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 nine months ended 31 December 2015.
- b) Limited Review Report for the quarter and nine months ended 31 December 2015, and
- c) Copy of the press release.

Thanking you,

Yours faithfully,
for Bajaj Auto Limited,



J SRIDHAR
COMPANY SECRETARY

Encl: as above



Bajaj Auto Limited

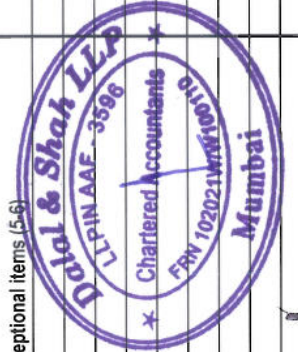
CIN : L65993PN2007PLC130076

Registered Office : Mumbai - Pune Road, Akurdi, Pune 411 035

Website : www.bajajauto.com ; E-mail : investors@bajajauto.co.in ; Telephone : +91 20 27472851 ; Fax : +91 20 27407380

Statement of standalone unaudited financial results for the quarter and nine months ended 31 December 2015

| Particulars | Quarter ended | | | | Nine months ended | | Year ended |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|------------|
| | 31.12.2015 (Unaudited) | 30.09.2015 (Unaudited) | 31.12.2014 (Unaudited) | 31.12.2015 (Unaudited) | 31.12.2014 (Unaudited) | 31.03.2015 (Audited) | |
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | |
| Sales in numbers | 951,498 | 1,056,596 | 984,520 | 3,021,123 | 3,028,532 | 3,811,201 | |
| Income from operations | | | | | | | |
| (a) Gross sales | 5,799.62 | 6,308.25 | 5,733.57 | 17,894.89 | 17,122.60 | 22,013.21 | |
| Less: Excise duty | 336.42 | 327.62 | 213.56 | 946.00 | 642.37 | 909.28 | |
| Net sales | 5,463.20 | 5,980.63 | 5,520.01 | 16,948.89 | 16,480.23 | 21,103.93 | |
| (b) Other operating income | 101.70 | 117.15 | 137.16 | 327.28 | 392.44 | 508.08 | |
| Total income from operations (net) | 5,564.90 | 6,097.78 | 5,657.17 | 17,276.17 | 16,872.67 | 21,612.01 | |
| Expenses | | | | | | | |
| (a) Cost of materials consumed | 3,383.43 | 3,758.40 | 3,537.24 | 10,546.41 | 10,738.25 | 13,752.79 | |
| (b) Purchases of stock-in-trade | 345.26 | 319.18 | 317.74 | 935.12 | 852.89 | 1,154.57 | |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (32.92) | (22.50) | 7.00 | 42.07 | 61.11 | (57.56) | |
| (d) Employee benefits expense | 230.24 | 241.73 | 213.92 | 715.71 | 638.73 | 897.30 | |
| (e) Depreciation and amortisation | 74.64 | 78.01 | 65.77 | 231.06 | 203.59 | 267.40 | |
| (f) Other expenses (See note 1) | 471.29 | 488.11 | 367.83 | 1,420.66 | 1,344.93 | 1,808.41 | |
| (g) Expenses capitalised | (3.66) | (4.25) | (13.39) | (11.82) | (41.98) | (60.05) | |
| Total expenses | 4,468.28 | 4,858.68 | 4,496.11 | 13,879.21 | 13,797.52 | 17,762.86 | |
| Profit from operations before other income, finance costs and exceptional items (1-2) | 1,096.62 | 1,239.10 | 1,161.06 | 3,396.96 | 3,075.15 | 3,849.15 | |
| Other income (See note 1 and 2) | 199.68 | 152.64 | 95.27 | 789.13 | 428.15 | 582.42 | |
| Profit from ordinary activities before finance costs and exceptional items (3+4) | 1,296.30 | 1,391.74 | 1,256.33 | 4,186.09 | 3,503.30 | 4,431.57 | |
| Finance costs | 0.07 | 0.27 | 0.07 | 0.42 | 0.23 | 6.49 | |
| Profit from ordinary activities after finance costs but before exceptional items (5,6) | 1,296.23 | 1,391.47 | 1,256.26 | 4,185.67 | 3,503.07 | 4,425.08 | |
| Exceptional items | | | | | | | |
| NCCD payment | - | - | - | - | 340.29 | 340.29 | |
| Profit from ordinary activities before tax (7-8) | 1,296.23 | 1,391.47 | 1,256.26 | 4,185.67 | 3,162.78 | 4,084.79 | |
| Tax expense | 394.74 | 458.41 | 395.02 | 1,336.32 | 970.66 | 1,271.05 | |
| Net profit from ordinary activities after tax (9-10) | 901.49 | 933.06 | 861.24 | 2,849.35 | 2,192.12 | 2,813.74 | |
| Paid-up equity share capital (Face value of ₹ 10) | 289.37 | 289.37 | 289.37 | 289.37 | 289.37 | 289.37 | |
| Reserves excluding revaluation reserves | | | | | | 10,402.78 | |
| Basic and diluted earnings per share (₹) | 31.2 | 32.2 | 29.8 | 98.5 | 75.8 | 97.2 | |



Segment-wise revenue, results and capital employed

| Particulars | Quarter ended | | | | | | Nine months ended | | | Year ended | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|--|------------|--|
| | 31.12.2015 | 30.09.2015 | 31.12.2014 | 31.12.2015 | 31.12.2014 | 31.12.2015 | 31.12.2014 | 31.03.2015 | | | |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) | | | |
| 1 Segment revenue | | | | | | | | | | | |
| Automotive | 5,680.80 | 6,143.11 | 5,695.42 | 17,479.85 | 16,987.22 | 17,479.85 | 16,987.22 | 21,817.47 | | | |
| Investments | 83.78 | 107.31 | 57.02 | 585.45 | 313.60 | 585.45 | 313.60 | 376.96 | | | |
| Total | 5,764.58 | 6,250.42 | 5,752.44 | 18,065.30 | 17,300.82 | 18,065.30 | 17,300.82 | 22,194.43 | | | |
| 2 Segment profit before tax and finance costs | | | | | | | | | | | |
| Automotive | 1,212.80 | 1,284.71 | 1,199.56 | 3,601.48 | 2,850.20 | 3,601.48 | 2,850.20 | 3,715.36 | | | |
| Investments | 83.50 | 107.03 | 56.77 | 584.61 | 312.81 | 584.61 | 312.81 | 375.92 | | | |
| Total | 1,296.30 | 1,391.74 | 1,256.33 | 4,186.09 | 3,163.01 | 4,186.09 | 3,163.01 | 4,091.28 | | | |
| Less: Finance costs | 0.07 | 0.27 | 0.07 | 0.42 | 0.23 | 0.42 | 0.23 | 6.49 | | | |
| Total profit before tax | 1,296.23 | 1,391.47 | 1,256.26 | 4,185.67 | 3,162.78 | 4,185.67 | 3,162.78 | 4,084.79 | | | |
| 3 Capital employed | | | | | | | | | | | |
| Automotive | 3,017.77 | 2,256.60 | 3,037.61 | 3,017.77 | 3,037.61 | 3,017.77 | 3,037.61 | 3,294.33 | | | |
| Investments | 10,367.99 | 10,556.69 | 8,662.12 | 10,367.99 | 8,662.12 | 10,367.99 | 8,662.12 | 9,179.83 | | | |
| Unallocable | 289.15 | (23.28) | 227.76 | 289.15 | 227.76 | 289.15 | 227.76 | (1,528.66) | | | |
| Total | 13,674.91 | 12,790.01 | 11,927.49 | 13,674.91 | 11,927.49 | 13,674.91 | 11,927.49 | 10,945.50 | | | |



Notes:

1. The marked-to-market gain / loss representing time value of foreign exchange contracts to hedge future exports, which reverse out over the period of contract, net of such reversals are recognised either as 'Other income' or 'Other expenses' as the case may be. The above results include these impacts as follows :

| Particulars | (₹ In Crore) | | | | | |
|----------------------------|---------------|------------|-------------------|------------|------------|------------|
| | Quarter ended | | Nine months ended | | Year ended | |
| | 31.12.2015 | 30.09.2015 | 31.12.2014 | 31.12.2015 | 31.12.2014 | 31.03.2015 |
| Net gain as Other income | 62.07 | 7.79 | - | 74.56 | - | - |
| Net loss as Other expenses | - | - | (78.99) | - | 55.65 | 50.22 |

2. Other income includes following -

| Particulars | (₹ In Crore) | | | | | |
|---------------------|---------------|------------|-------------------|------------|------------|------------|
| | Quarter ended | | Nine months ended | | Year ended | |
| | 31.12.2015 | 30.09.2015 | 31.12.2014 | 31.12.2015 | 31.12.2014 | 31.03.2015 |
| Investment income * | 83.78 | 107.31 | 57.02 | 585.45 | 313.60 | 376.96 |
| Others | 115.90 | 45.33 | 38.25 | 203.68 | 114.55 | 205.46 |

* Includes profit on redemption of Fixed Maturity Plan investments

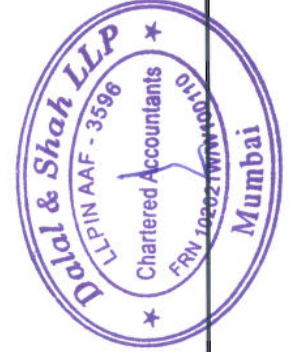
3. Figures for previous year / period have been regrouped wherever necessary.
 4. ₹ 1 crore is equal to ₹ 10 million.
 5. The above results have been reviewed by the Audit Committee, approved by the Board of Directors in the meeting held on 4 February 2016 and subjected to a limited review by the statutory auditors.

Pune

Date: 4 February 2016

By order of the Board of Directors
For Bajaj Auto Limited

Rahul Bajaj
Chairman



Dalal & Shah LLP

Chartered Accountants

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

1. We have reviewed the unaudited financial results of Bajaj Auto Limited (the “Company”) for the quarter ended December 31, 2015 which are included in the accompanying ‘Statement of standalone unaudited financial results for the quarter and nine months ended 31 December 2015’ (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations, 2015”), which has been initialled by us for identification purposes. The 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 Statement is 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. 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 prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Dalal & Shah LLP
Firm Registration Number: 102021W/W100110
Chartered Accountants

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Russell I Parera
Partner
Membership Number 42190

Pune
February 4, 2016

*Dalal & Shah LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028
T: +91 (22) 66691500, F: +91 (22) 66547804 / 07*

Registered office and Head office : 252 Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai 400028

Dalal & Shah (a Partnership Firm) converted into Dalal & Shah LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAF-3596) with effect from December 21, 2015. Post its conversion to Dalal & Shah LLP, its ICAI registration number is 102021W/W100110 (ICAI registration number before conversion was 102021W)

Press Release

Results : Q3 / FY16

Turnover – ₹ 5,765 crore; Profit after tax – ₹ 901 crore

EBITDA margin – 22%

A meeting of the Board of Directors of Bajaj Auto Limited was held today to consider and approve the results for Q3 / FY16.

In a challenging domestic market and a volatile global scenario Bajaj Auto recorded an **industry best operating EBITDA margin of 22.0%**

For the quarter, **Profit after tax again crosses ₹ 900 crore**

Profit after tax of ₹ 2,849 crore earned during 9M ending 31st December 2015 exceeds the profit after tax earned by the company in the full year of FY15

1. Key highlights

| ₹ in crore | Q3 FY16 | Q3 FY15 | 9M FY16 | 9M FY15 | FY15 |
|--|------------|------------|------------|------------|-----------|
| Sales (No's) | 951,498 | 984,520 | 3,021,123 | 3,028,532 | 3,811,201 |
| Turnover | 5,765 | 5,752 | 18,065 | 17,301 | 22,194 |
| Export revenue | 2,281 | 2,680 | 7,752 | 7,667 | 9,758 |
| Operating EBITDA (before MTM gain / loss) | 1,234 | 1,202 | 3,782 | 3,491 | 4,429 |
| Operating EBITDA % (before MTM gain / loss) | 22.0 | 21.1 | 21.7 | 20.6 | 20.3 |
| Profit before tax and exceptional item | 1,296 | 1,256 | 4,186 | 3,503 | 4,425 |
| Exceptional item | - | - | - | 340 | 340 |
| Profit before tax | 1,296 | 1,256 | 4,186 | 3,163 | 4,085 |
| Profit after tax | 901 | 861 | 2,849 | 2,192 | 2,814 |

A summary of the results is given in **Annexure I**.

The sterling performance is a result of a seamless execution of the company's business strategy.

a. Motorcycle (domestic)

The strategy to expand the " Price " segment and to reinforce the company's leadership in the " Premium " and " Luxury " segment has paid rich dividends

✓ **" Price " segment**

- ❖ The introduction of Platina ES and CT at the beginning of the year expanded this segment by ~350 bps

In fact, the entire growth in this segment was led by Bajaj Auto

- ❖ Market share of the company in this segment **increased to ~34% in Q3 / FY16** from ~23% in FY15
- ❖ Recorded a sale of 215,000 units in Q3 / FY16 – **growth of 86%** over Q3 / FY15
- ❖ With the introduction of CT100-B motorcycle model in January 2016, company expects to further gain in market share

✓ **" Premium " and " Luxury " segment**

- ❖ Volumes of the newly launched **highly profitable** Avenger series recorded an increase from an average of 3,500 units per month to **over 20,000 units in December 2015 !!!**

Given the strong demand for Avenger, company plans to increase the production capacity to 30,000 units per month by March 2016

- ❖ The new Avengers, along with Pulsars, reinforced the company's leadership position – in the " Premium " segment, **market share improved to over 50% in Q3 / FY16** from 43% in FY15
- ❖ **Here again, growth in the " Premium " segment was led by BAL.**
The Avengers, along with the Pulsars, recorded a **growth of ~11%** as against an industry growth of ~3% over Q3 / FY15
- ❖ In the " **Luxury** " segment, the addition of Pulsar RS200 increased the company's **market share to ~60% in Q3 / FY16** from 40% in FY15

The broad segments covered above represent ~40% of the total domestic motorcycle market where Bajaj Auto is a leader. In this space Bajaj Auto recorded a growth of 43% over Q3 / FY15 as against an industry growth of 10%

✓ **" Value " segment**

- ❖ Launch of the " V " motorcycle model planned in February 2016.
Compared to the current products in this segment, the " V " motorcycle is highly differentiated in form and is superior in mileage & performance
- ❖ With this new offering, the company expects to change the future of this segment and is confident to become a market leader in this segment too

b. Commercial Vehicle (domestic)

The strategy to communicate and reinforce the superiority and strength of Bajaj Petrol and Alternate Fuel (PAF) RE three-wheelers while offering differentiated packages for the Diesel customers has been very successful

- ❖ Share in domestic market, for petrol and alternate fuel passenger carriers **improved to 91% in Q3 / FY16** from 88% in FY15
- ❖ Market leadership in the small diesel carrier segment with share in domestic market **improved to 64% in Q3 / FY16** from 61% in FY15
- ❖ Market share in large diesel carrier segment **improved to 21% in Q3 / FY16** from 18% in FY15
- ❖ Overall, for December 2015, market share stood at **50%**

c. International market

The strategy to expand geographical presence and improve the market share in individual countries has succeeded

- ❖ With the oil prices coming down substantially, some markets are facing balance of payment issues resulting in non-availability of US\$ for imports.
This has impacted the company's despatches to those markets.
Markets affected are primarily Egypt and Nigeria
- ❖ However, at retail level the company is performing extremely well in these markets
 - In December 2015, recorded retail sales of 60,000 Boxers in Nigeria and improved market share to ~65%
 - Iran, Nigeria, Colombia, Mexico and Peru witnessed an increase in retail market share

2. Cash and cash equivalents

As on 31st December 2015, surplus cash and cash equivalents stood at **₹ 9,430 crore**.



Kevin D'sa
President (Finance)
4th February 2016.





Bajaj Auto Limited

Annexure I

(₹ In Crore)

| | Particulars | Quarter ended | | Nine months ended | | Year ended |
|-----------|---|-----------------|-----------------|-------------------|------------------|------------------|
| | | 31.12.2015 | 31.12.2014 | 31.12.2015 | 31.12.2014 | 31.03.2015 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| | Sales in numbers | 951,498 | 984,520 | 3,021,123 | 3,028,532 | 3,811,201 |
| 1 | Income from operations | | | | | |
| | (a) Gross sales | 5,799.62 | 5,733.57 | 17,894.89 | 17,122.60 | 22,013.21 |
| | Less: Excise duty | 336.42 | 213.56 | 946.00 | 642.37 | 909.28 |
| | Net sales | 5,463.20 | 5,520.01 | 16,948.89 | 16,480.23 | 21,103.93 |
| | (b) Other operating income | 101.70 | 137.16 | 327.28 | 392.44 | 508.08 |
| | Total income from operations (net) | 5,564.90 | 5,657.17 | 17,276.17 | 16,872.67 | 21,612.01 |
| 2 | Expenses | | | | | |
| | (a) Cost of materials consumed | 3,383.43 | 3,537.24 | 10,546.41 | 10,738.25 | 13,752.79 |
| | (b) Purchases of stock-in-trade | 345.26 | 317.74 | 935.12 | 852.89 | 1,154.57 |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (32.92) | 7.00 | 42.07 | 61.11 | (57.56) |
| | (d) Employee benefits expense | 230.24 | 213.92 | 715.71 | 638.73 | 897.30 |
| | (e) Depreciation and amortisation | 74.64 | 65.77 | 231.06 | 203.59 | 267.40 |
| | (f) Other expenses | 471.29 | 367.83 | 1,420.66 | 1,344.93 | 1,808.41 |
| | (g) Expenses capitalised | (3.66) | (13.39) | (11.82) | (41.98) | (60.05) |
| | Total expenses | 4,468.28 | 4,496.11 | 13,879.21 | 13,797.52 | 17,762.86 |
| 3 | Profit from operations before other income, finance costs and exceptional items (1-2) | 1,096.62 | 1,161.06 | 3,396.96 | 3,075.15 | 3,849.15 |
| 4 | Other income | 199.68 | 95.27 | 789.13 | 428.15 | 582.42 |
| 5 | Profit from ordinary activities before finance costs and exceptional items (3+4) | 1,296.30 | 1,256.33 | 4,186.09 | 3,503.30 | 4,431.57 |
| 6 | Finance costs | 0.07 | 0.07 | 0.42 | 0.23 | 6.49 |
| 7 | Profit from ordinary activities after finance costs but before exceptional items (5-6) | 1,296.23 | 1,256.26 | 4,185.67 | 3,503.07 | 4,425.08 |
| 8 | Exceptional items | | | | | |
| | NCCD payment | - | - | - | 340.29 | 340.29 |
| 9 | Profit from ordinary activities before tax (7-8) | 1,296.23 | 1,256.26 | 4,185.67 | 3,162.78 | 4,084.79 |
| 10 | Tax expense | 394.74 | 395.02 | 1,336.32 | 970.66 | 1,271.05 |
| 11 | Net profit from ordinary activities after tax (9-10) | 901.49 | 861.24 | 2,849.35 | 2,192.12 | 2,813.74 |