

**BAJAJ***Distinctly Ahead*

Bajaj Auto Limited
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16 October 2013

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 2013 – 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 2013 were taken on record by our board of directors at its meeting held today, the 16 October 2013. 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 2013.
- b) Limited Review Report for the quarter and half year ended 30 September 2013, and
- c) One copy of the press release.

Thanking you,

Yours faithfully,
for Bajaj Auto Limited,

J SRIDHAR
COMPANY SECRETARY

Encl : as above

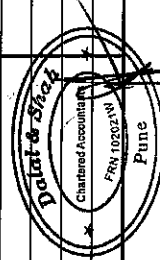
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Bajaj Auto Limited
Mumbai - Pune Road, Akurdi, Pune 411 035

Statement of standalone unaudited financial results for the quarter and half year ended 30 September 2013

Particulars	Quarter ended			Half year ended			(₹ In Crore)
	30.09.2013 (Unaudited)	30.06.2013 (Unaudited)	30.09.2012 (Unaudited)	30.09.2013 (Unaudited)	30.09.2012 (Unaudited)	31.03.2013 (Audited)	
Sales in numbers	961,330	979,275	1,049,208	1,940,605	2,128,179	4,237,162	
1 Income from operations							
a. Gross sales	5,334.25	5,058.14	5,100.57	10,392.39	10,071.98	20,617.87	
Less: Excise duty	272.76	249.41	283.50	522.17	541.27	1,128.91	
Net sales	5,061.49	4,808.73	4,817.07	9,870.22	9,530.71	19,488.96	
b. Other operating income	113.40	102.36	155.33	215.76	307.35	508.29	
Total income from operations (net)	5,174.89	4,911.09	4,972.40	10,085.98	9,838.06	19,997.25	
2 Expenses							
(a) Cost of materials consumed	3,254.00	3,141.43	3,446.23	6,395.43	6,646.99	13,523.74	
(b) Purchases of stock-in-trade	232.29	203.07	212.64	435.36	404.37	858.83	
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(17.72)	62.16	(90.24)	44.44	25.31	24.00	
(d) Employee benefits expense	183.38	183.65	153.22	367.03	313.62	639.48	
(e) Depreciation	44.29	44.39	41.04	88.68	76.28	163.97	
(f) Other expenses (See note 2)	404.90	432.22	347.87	837.12	684.05	1,378.80	
(g) Expenses capitalised	(13.92)	(18.15)	(12.53)	(32.07)	(23.19)	(62.85)	
Total expenses	4,087.22	4,048.77	4,098.23	8,135.99	8,127.43	16,525.97	
3 Profit from operations before other income, finance costs and exceptional items (1-2)	1,087.67	862.32	874.17	1,949.99	1,710.63	3,471.28	
4 Other income (See note 2 and 3)	124.16	175.60	166.72	299.76	348.69	795.49	
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	1,211.83	1,037.92	1,040.89	2,249.75	2,059.32	4,266.77	
6 Finance costs	0.04	0.09	0.22	0.13	0.26	0.54	
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	1,211.79	1,037.83	1,040.67	2,249.62	2,059.06	4,266.23	
8 Exceptional items							
9 Profit from ordinary activities before tax (7+8)	1,211.79	1,037.83	1,040.67	2,249.62	2,059.06	4,266.23	
10 Tax expense	374.63	300.15	300.00	674.78	600.00	1,222.66	
11 Net Profit from ordinary activities after tax (9-10)	837.16	737.68	740.67	1,574.84	1,459.06	3,043.57	
12 Paid-up equity share capital (Face value of ₹ 10)	289.37	289.37	289.37	289.37	289.37	289.37	
13 Reserves excluding Revaluation Reserves						7,612.58	
14 Basic and Diluted Earnings per share (₹) (not annualised)	28.9	25.5	25.6	54.4	50.4	105.2	
before and after extraordinary items							

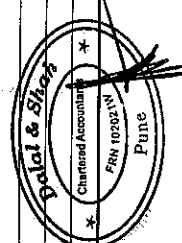


Particulars	Quarter ended 30.09.2013	Quarter ended 30.06.2013	Quarter ended 30.09.2012	Half year ended 30.09.2013	Half year ended 30.09.2012	Year ended 31.03.2013
A Particulars of shareholding @						
1 Public shareholding @						
Number of shares	144,633,888	144,633,888	144,633,888	144,633,888	144,633,888	144,633,888
Percentage of shareholding	49.98%	49.98%	49.98%	49.98%	49.98%	49.98%
2 Promoters & Promoter Group Shareholding						
(a) Pledged / Encumbered						
Number of shares	86,855	86,855	206,585	86,855	206,585	148,855
Percentage of shares (as a % of the total shareholding of promoters and promoter group)	0.06%	0.06%	0.14%	0.06%	0.14%	0.10%
Percentage of shares (as a % of the total share capital of the company)	0.03%	0.03%	0.07%	0.03%	0.07%	0.05%
(b) Non-encumbered						
Number of shares	144,646,277	144,646,277	144,526,747	144,646,277	144,526,747	144,584,277
Percentage of shares (as a % of the total shareholding of promoters and promoter group)	99.94%	99.94%	99.86%	99.94%	99.86%	99.90%
Percentage of shares (as a % of the total share capital of the company)	49.99%	49.99%	49.95%	49.99%	49.95%	49.97%
@ including equity shares represented by GDRs.						

Particulars	Quarter ended 30.09.2013
B Investor complaints	
Pending at the beginning of the quarter	Nil
Received during the quarter	10
Disposed of during the quarter	10
Remaining unresolved at the end of the quarter	Nil

Segment-wise revenue, results and capital employed

Particulars	Quarter ended 30.09.2013 (Unaudited)	Quarter ended 30.06.2013 (Unaudited)	Quarter ended 30.09.2012 (Unaudited)	Half year ended 30.09.2013 (Unaudited)	Half year ended 30.09.2012 (Unaudited)	Year ended 31.03.2013 (Audited)
1 Segment revenue						
Automotive	5,207.65	4,963.72	5,049.58	10,171.37	10,004.39	20,419.98
Investments	91.40	122.97	89.54	214.37	182.36	372.76
Total	5,299.05	5,086.69	5,139.12	10,385.74	10,186.75	20,792.74
2 Segment profit / (loss) before tax and finance costs						
Automotive	1,120.66	915.20	951.57	2,035.86	1,877.40	3,894.85
Investments	91.17	122.72	89.32	213.89	181.92	371.92
Total	1,211.83	1,037.92	1,040.89	2,249.75	2,059.32	4,266.77
Less: Finance costs	0.04	0.09	0.22	0.13	0.26	0.54
Total profit before tax	1,211.79	1,037.83	1,040.67	2,249.62	2,059.06	4,266.23
3 Capital employed						
Automotive	1,761.60	2,708.49	1,902.80	1,761.60	1,902.80	2,844.10
Investments	7,750.59	7,525.38	5,897.07	7,750.59	5,897.07	6,542.42
Unallocable	78.57	(1,435.58)	8.05	78.57	8.05	(1,298.20)
Total	9,590.76	8,796.29	7,807.92	9,590.76	7,807.92	8,088.32



Notes:				
1. Disclosure of assets and liabilities as per clause 41(l)(ea) of the listing agreement for the half year ended 30 September 2013 -				
	Particulars	As at 30.09.2013 (Unaudited)	As at 30.09.2012 (Unaudited)	As at 31.03.2013 (Audited)
A Equity and liabilities				
1	Shareholders' funds			
	(a) Share capital	289.37	289.37	289.37
	(b) Reserves and surplus	9,087.70	7,348.99	7,612.58
	Sub-total - Shareholders' funds	9,377.07	7,638.36	7,901.95
2	Non-current liabilities			
	(a) Long-term borrowings	101.79	111.57	71.27
	(b) Deferred tax liabilities (net)	111.90	57.99	115.10
	(c) Other long term liabilities	102.41	136.82	122.06
	(d) Long-term provisions	155.61	129.85	134.61
	Sub-total - Non-current liabilities	471.71	436.23	443.04
3	Current liabilities			
	(a) Short-term borrowings	-	1.50	-
	(b) Trade payables	2,278.83	2,310.15	1,979.61
	(c) Other current liabilities	503.91	604.99	546.16
	(d) Short-term provisions	484.85	479.57	1,607.86
	Sub-total - Current liabilities	3,267.59	3,396.21	4,133.63
	Total - Equity and liabilities	13,116.37	11,470.80	12,478.62
B Assets				
1	Non-current assets			
	(a) Fixed assets	2,102.33	1,870.04	2,097.98
	(b) Non-current investments	2,797.37	3,804.77	3,719.15
	(c) Long-term loans and advances	513.51	511.48	462.39
	(d) Other non-current assets	1.02	1.93	1.02
	Sub-total - Non-current assets	5,414.23	6,188.22	6,280.54
2	Current assets			
	(a) Current investments	4,856.05	1,370.62	2,711.33
	(b) Inventories	561.77	630.51	636.28
	(c) Trade receivables	999.52	799.93	767.58
	(d) Cash and bank balances	155.51	640.04	558.85
	(e) Short-term loans and advances	915.75	1,535.71	1,311.72
	(f) Other current assets	253.54	305.77	212.32
	Sub-total - Current assets	7,702.14	5,282.58	6,198.08
	Total - Assets	13,116.37	11,470.80	12,478.62



 Patal & Shah

 Chartered Accountants

Notes (contd.):

2. 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		Half year ended	
	30.09.2013	30.06.2013	30.09.2012	31.03.2013
Net gain as Other income	-	-	60.51	131.92
Net loss as Other expenses	39.36	96.00	135.36	-

3. Other income includes following -

Particulars	(₹ In Crore)			
	Quarter ended		Half year ended	
	30.09.2013	30.06.2013	30.09.2012	31.03.2013
Investment income	91.40	122.97	89.54	372.76
Others	32.76	52.63	85.39	422.73

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

5. ₹ 1 crore is equal to ₹ 10 million.

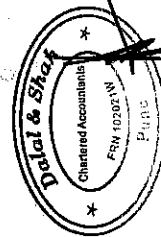
6. The above results have been reviewed by the Audit Committee, approved by the Board of Directors in the meeting held on 16 October 2013 and subjected to a limited review by the statutory auditors.

Pune

Date: 16 October 2013

BY ORDER OF THE BOARD OF DIRECTORS
FOR BAJAJ AUTO LIMITED

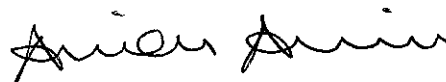

RAHUL BAJAJ
CHAIRMAN



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

1. We have reviewed the results of Bajaj Auto Limited (the "Company") for the quarter ended September 30, 2013 which are included in the accompanying 'Statement of Standalone Un-audited financial results for the quarter and half year ended September 30, 2013' and the statement of assets and liabilities as on that date (the "Statement"), 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



Anish P Amin
Partner

Membership Number: 40451

Pune
October 16, 2013

Press Release

Results : Q2 / FY14

Best Quarter Ever !!!

Operating EBITDA margin* at 23.1%

Highest ever Profits after tax – ₹ 837 crore

A meeting of the Board of Directors of Bajaj Auto Limited was held today to consider and approve the results for Q2 / FY14.

The company recorded its **best** quarter ever with –

- ✓ Highest ever Exports – ₹ 2125 crore
- ✓ Highest ever Operating EBITDA* – ₹ 1204 crore
- ✓ Highest ever Profit before tax – ₹ 1212 crore
- ✓ Highest ever Profit after tax – ₹ 837 crore
- ✓ EBITDA margin* – 23.1% !!!

1. Performance highlights

₹ in crore	Q2 FY14	Q2 FY13	Change	H1 FY14	H1 FY13	Change	FY13
Sales (No's)	961,330	1,049,208	-8%	1,940,605	2,128,179	-9%	4,237,162
Turnover	5299	5139	3%	10386	10187	2%	20793
Export revenue	2125	1686	26%	4000	3396	18%	6713
Operating EBITDA*	1204	932	29%	2260	1860	22%	3858
Operating EBITDA %*	23.1	18.7		22.2	18.8		19.1
Profit before tax	1212	1041	16%	2250	2059	9%	4266
Profit after tax	837	741	13%	1575	1459	8%	3044

Consistently, over the last several years, Bajaj Auto has been declaring an operating profit of ~20%.

These operating margins are nearly **three** times the average operating margins of the auto industry and nearly **double** the operating margins of the nearest competitor.

* before mark-to-market (MTM) loss

This out-performance in margins can be attributed primarily to the following factors:

- Transforming itself into an “**Indian Multi-national Company**”.

International business contributes ~40% of total revenue.

Over the last five years, strategic initiatives taken to enter into difficult markets, like Africa, is yielding rich dividends. The benefits are now further enhanced with the depreciating ₹.

- Focus on high-margin products.

~75% of total revenue of Bajaj Auto is generated by business verticals which operate on EBITDA margins in excess of 20%.

- Bajaj Auto operates on an essentially variable cost structure. Fixed cost, including depreciation, interest and even employee cost, is under 8%.

This protects the company from any slowdown in demand as being witnessed in the domestic market over last few quarters.

2. Results

Results are given in Annexure I and the same are explained below:

₹ in crore	Q2 / FY14			Q2 / FY13			Change
	Auto	Treasury	Total	Auto	Treasury	Total	
Sales (No's)	961,330			1,049,208			-8%
Net Sales	5062	-	5062	4817	-	4817	
Other operating income	113	-	113	155	-	155	
Other income	33	91	124	17	89	167	
Mark-to-market gain	-	-	-	61	-		
Total Income	5208	91	5299	5050	89	5139	3%
Total Expenditure before MTM	4004	-	4004	4057	-	4057	
EBITDA before MTM	1204	91	1295	932	89	1021	27%
Operating EBITDA %	23.1%			18.7%			
Mark-to-Market loss	39	-	39	-	-	-	
EBITDA after MTM	1165	91	1256	993	89	1082	
Interest and Depreciation	44	-	44	41	-	41	
Profit before tax	1121	91	1212	952	89	1041	16%
Profit after tax			837			741	13%

3. Margins

Bajaj Auto declared an all-time **high** operating EBITDA margin of 23.1% in Q2 / FY14 as against 21.3% in Q1 / FY14 and 18.7% in Q2 / FY13.

During the quarter, average realization was ₹ 60.9 / USD as against ₹ 55.6 / USD in Q1 / FY14 and ₹ 50 / USD in Q2 / FY13.

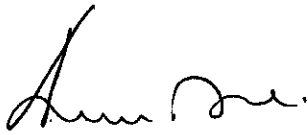
Total income grew by 3% to ₹ 5299 crore while Profit before tax grew by **16%** to ₹ 1212 crore and Profit after tax grew by **13%** to ₹ 837 crore.

Profit after tax, excluding MTM gain / loss, is ₹ 865 crore for Q2 / FY14 as against ₹ 698 crore for Q2 / FY13 – a growth of **24%**.

4. Cash and cash equivalents

As on 30th June 2013, surplus cash and cash equivalents stood at ₹ 6391 crore.

After payment of dividend and tax thereon amounting to ₹ 1518 crore during this quarter, as on 30th September 2013, surplus cash and cash equivalents stood at **₹ 6516 crore**.



Kevin D'sa
President (Finance)
16th October 2013.



Bajaj Auto Limited

Mumbai - Pune Road, Akurdi, Pune 411 035

Annexure I

(₹ In Crore)

	Particulars	Quarter ended		Half year ended		Year ended
		30.09.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
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	Net sales	5,061.49	4,817.07	9,870.22	9,530.71	19,488.96
b.	Other operating income	113.40	155.33	215.76	307.35	508.29
	Total income from operations (net)	5,174.89	4,972.40	10,085.98	9,838.06	19,997.25
2	Expenses					
	(a) Cost of materials consumed	3,254.00	3,446.23	6,395.43	6,646.99	13,523.74
	(b) Purchases of stock-in-trade	232.29	212.64	435.36	404.37	858.83
	(c) Changes in inventories	(17.72)	(90.24)	44.44	25.31	24.00
	(d) Employee benefits expense	183.38	153.22	367.03	313.62	639.48
	(e) Depreciation	44.29	41.04	88.68	76.28	163.97
	(f) Other expenses	404.90	347.87	837.12	684.05	1,378.80
	(g) Expenses capitalised	(13.92)	(12.53)	(32.07)	(23.19)	(62.85)
	Total expenses	4,087.22	4,098.23	8,135.99	8,127.43	16,525.97
3	Profit from operations before other income, finance costs and exceptional items (1-2)	1,087.67	874.17	1,949.99	1,710.63	3,471.28
4	Other income	124.16	166.72	299.76	348.69	795.49
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	1,211.83	1,040.89	2,249.75	2,059.32	4,266.77
6	Finance costs	0.04	0.22	0.13	0.26	0.54
7	Profit from ordinary activities before tax (5-6)	1,211.79	1,040.67	2,249.62	2,059.06	4,266.23
8	Tax expense	374.63	300.00	674.78	600.00	1,222.66
9	Net Profit from ordinary activities after tax (7-8)	837.16	740.67	1,574.84	1,459.06	3,043.57
10	Basic and Diluted Earnings per share (₹) (not annualised) before and after extraordinary items	28.9	25.6	54.4	50.4	105.2