


**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2006**

(Rs. in Million)

	<b>QUARTER ENDED 30.09.2006 (Reviewed)</b>	<b>QUARTER ENDED 30.09.2005 (Reviewed)</b>	<b>HALF YEAR ENDED 30.09.2006 (Reviewed)</b>	<b>HALF YEAR ENDED 30.09.2005 (Reviewed)</b>	<b>YEAR ENDED 31.03.2006 (Audited)</b>
<b>Sales in numbers</b>	<b>708,124</b>	<b>555,552</b>	<b>1,355,218</b>	<b>1,061,076</b>	<b>2,281,230</b>
Gross Sales & Income from Operations	27751.4	21306.3	52805.0	39898.8	87483.8
Less: Excise duty	3391.7	2636.8	6418.7	4887.8	10804.8
Net Sales & Income from Operations	24359.7	18669.5	46386.3	35011.0	76679.0
Other Income	1424.3	1362.0	2369.9	2289.8	4384.5
<b>TOTAL INCOME</b>	<b>25784.0</b>	<b>20031.5</b>	<b>48756.2</b>	<b>37300.8</b>	<b>81063.5</b>
<b>TOTAL EXPENDITURE :</b>					
a) (Increase)/decrease in stock-in-trade	68.4	156.5	292.4	(10.7)	(490.1)
b) Materials	17623.4	12824.9	32943.3	24416.3	53736.1
c) Staff Cost	725.9	652.4	1569.9	1384.2	2741.3
d) Other expenditure	2345.2	1964.0	4430.9	3624.6	7377.1

e) Expenses capitalised	(55.1)	(84.7)	(120.8)	(135.1)	(248.1)
Interest	20.0	0.5	27.3	1.4	3.4
<b>GROSS PROFIT AFTER INTEREST BUT BEFORE DEPRECIATION AND TAXATION</b>	<b>5056.2</b>	<b>4517.9</b>	<b>9613.2</b>	<b>8020.1</b>	<b>17943.8</b>
Export incentives accrued in previous year written off	-	-	103.9	-	-
Compensation paid under Voluntary Retirement Schemes (See note 4)	126.0	-	137.8	-	226.4
Depreciation	491.7	489.8	972.9	952.0	1910.0
<b>PROFIT BEFORE TAX</b>	<b>4438.5</b>	<b>4028.1</b>	<b>8398.6</b>	<b>7068.1</b>	<b>15807.4</b>
Provision for Taxation (Including Deferred Taxes and Fringe Benefit Tax)	1250.0	1120.0	2550.0	2070.0	4791.1
<b>NET PROFIT</b>	<b>3188.5</b>	<b>2908.1</b>	<b>5848.6</b>	<b>4998.1</b>	<b>11016.3</b>
Prior period adjustments					
Tax credits pertaining to earlier years	-	-	-	-	225.1
Others (net)	(12.6)	(14.5)	(12.6)	(25.0)	(8.7)
<b>Profit after prior period adjustments</b>	<b>3175.9</b>	<b>2893.6</b>	<b>5836.0</b>	<b>4973.1</b>	<b>11232.7</b>
Paid up Equity Share Capital (Face value of Rs 10/-)	1011.8	1011.8	1011.8	1011.8	1011.8
Reserves excluding Revaluation Reserves					46695.5

<b>Basic and Diluted Earnings per Share of Rs. 10/- each (not annualised) (Rs).</b>	<b>31.4</b>	<b>28.6</b>	<b>57.7</b>	<b>49.2</b>	<b>111.0</b>
Aggregate of Non-Promoter Shareholding :					
No. of shares			71,031,876	71,047,533	71,047,708
Percentage of Shareholding			70.20%	70.22%	70.22%

CONSOLIDATED FINANCIAL AND SEGMENT-WISE RESULTS OF BAJAJ AUTO LTD. AND ITS SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

**UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2006**

(Rs. in Million)

	<b>QUARTER ENDED 30.09.2006</b>	<b>QUARTER ENDED 30.09.2005</b>	<b>HALF YEAR ENDED 30.09.2006</b>	<b>HALF YEAR ENDED 30.09.2005</b>	<b>YEAR ENDED 31.03.2006 (Audited)</b>
<b>Net Sales / Income from Operations</b>	<b>25388.6</b>	<b>19695.7</b>	<b>48331.4</b>	<b>37254.0</b>	<b>81037.4</b>
<b>TOTAL EXPENDITURE :</b>					
a) Materials	17692.1	12989.7	33245.9	24421.6	53281.5
b) Staff Cost	731.8	658.2	1581.8	1395.9	2763.6
c) Other expenditure	2343.6	1968.3	4422.2	3623.5	7391.4
d) Expenses capitalised	(55.1)	(84.7)	(120.8)	(135.1)	(248.1)

Interest	20.0	0.5	27.3	1.4	3.4
<b>Gross Profit after Interest but before Depreciation &amp; Taxation</b>	<b>4656.2</b>	<b>4163.7</b>	<b>9175.0</b>	<b>7946.7</b>	<b>17845.6</b>
Export incentives accrued in previous year written off	-	-	103.9	-	-
Compensation paid under Voluntary Retirement Schemes (See note 4)	126.0	0.3	137.8	0.7	227.8
Depreciation	492.3	490.6	974.2	953.4	1912.8
<b>Profit before Tax and share of profit on Investments in Associates</b>	<b>4037.9</b>	<b>3672.8</b>	<b>7959.1</b>	<b>6992.6</b>	<b>15705.0</b>
Add: Share of Profit after tax on Investments in Associates	25.6	57.3	39.9	110.4	93.1
<b>Profit before Tax</b>	<b>4063.5</b>	<b>3730.1</b>	<b>7999.0</b>	<b>7103.0</b>	<b>15798.1</b>
Provision for Taxation (Including Deferred Taxes & Fringe Benefit Tax)	1300.2	1184.0	2719.5	2208.2	5093.7
<b>Net Profit</b>	<b>2763.3</b>	<b>2546.1</b>	<b>5279.5</b>	<b>4894.8</b>	<b>10704.4</b>
Prior period adjustments					
Tax credits pertaining to earlier years	-	-	-	-	228.2
Others (net)	(12.6)	(14.5)	(12.6)	(25.0)	(8.7)
<b>Profit after prior period adjustments</b>	<b>2750.7</b>	<b>2531.6</b>	<b>5266.9</b>	<b>4869.8</b>	<b>10923.9</b>
Less: Minority Interest in Net Income of subsidiaries	(117.0)	(99.7)	(158.5)	(63.0)	(122.1)

<b>Income attributable to consolidated group</b>	<b>2867.7</b>	<b>2631.3</b>	<b>5425.4</b>	<b>4932.8</b>	<b>11046.0</b>

### SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

	(Rs. in Million)				
	<b>QUARTER ENDED 30.09.2006</b>	<b>QUARTER ENDED 30.09.2005</b>	<b>HALF YEAR ENDED 30.09.2006</b>	<b>HALF YEAR ENDED 30.09.2005</b>	<b>YEAR ENDED 31.03.2006 (Audited)</b>
<b>Segment Revenue</b>					
Automotive	24361.4	18680.7	46401.1	35033.6	76728.2
Insurance	11273.8	7077.5	20936.2	11007.7	38440.4
Investment & Others	1430.0	1332.4	2382.4	2329.5	4470.7
<b>Total</b>	<b>37065.2</b>	<b>27090.6</b>	<b>69719.7</b>	<b>48370.8</b>	<b>119639.3</b>
Less: Inter segment Revenue	120.5	96.9	182.1	154.3	254.5
<b>Net Sales/Income from operations</b>	<b>36944.7</b>	<b>26993.7</b>	<b>69537.6</b>	<b>48216.5</b>	<b>119384.8</b>
<b>Segment Profit/(Loss) before Tax and Interest</b>					
Automotive	3116.7	2798.3	6225.9	4997.5	11826.9
Insurance	(400.0)	(319.9)	(440.8)	(104.6)	(167.4)

Investment & Others	1366.8	1252.2	2241.2	2211.5	4142.0
<b>Total</b>	<b>4083.5</b>	<b>3730.6</b>	<b>8026.3</b>	<b>7104.4</b>	<b>15801.5</b>
Less: Interest	20.0	0.5	27.3	1.4	3.4
<b>Total Profit Before Tax</b>	<b>4063.5</b>	<b>3730.1</b>	<b>7999.0</b>	<b>7103.0</b>	<b>15798.1</b>
<b>Capital Employed</b>					
Automotive	7545.6	7588.4	7545.6	7588.4	6839.9
Insurance	4962.4	3554.9	4962.4	3554.9	5640.1
Investment & Others	61755.8	52925.4	61755.8	52925.4	60325.7
Unallocable	239.5	402.6	239.5	402.6	(3828.9)
<b>Total</b>	<b>74503.3</b>	<b>64471.3</b>	<b>74503.3</b>	<b>64471.3</b>	<b>68976.8</b>

**NOTE:**

The consolidated financial results include results of the following companies:

<b>Name Of The Company</b>	<b>% shareholding and voting power of Bajaj Auto Limited and Subsidiaries</b>	<b>Segment</b>	<b>Consolidated as</b>
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a) Bajaj Auto Holdings Limited

100%

Investment

Subsidiary

b) Bajaj Allianz General Insurance Company Limited	74%	Insurance - general	Subsidiary
c) Bajaj Allianz Life Insurance Company Limited	74%	Insurance - life	Subsidiary
d) Maharashtra Scooters Limited	24%	Automotive & Investments	Joint venture
e) Bajaj Auto Finance Limited	41.51%	Hire Purchase Financing	Associate

#### NOTES:

1. Gross Written Premium (GWP) for the quarter and half year ended September 30, 2006 of general insurance business is Rs. 3919.7 million and Rs. 8421.1 million respectively. The corresponding figure for the quarter and half year ended September 30, 2005 was Rs. 3053.6 million and Rs. 6222.4 million respectively.

Gross Written Premium (GWP) for the quarter and half year ended September 30, 2006 of life insurance business is Rs. 8784.4 million and Rs. 16106.3 million respectively. The corresponding figure for the quarter and half year ended September 30, 2005 was Rs. 5364.7 million and Rs. 7761.4 million respectively.

2. For the purpose of consolidated financials the net result of the insurance business revenue accounts together with shareholders income and transfers to policyholders revenue account in accordance with the reporting framework of IRDA, amounting to a net loss of Rs.434.5 million prior to elimination of inter segment revenue of Rs. 17.6 million for the half year ended September 30, 2006, has been included in a manner consistent with the parent's reporting format as was done for the previous periods. However, for reporting segment information, segment revenues for both insurance businesses represent the premiums earned and other income.

3. The consolidated financial results exclude the Indonesian joint venture company viz. PT. Bajaj Auto Indonesia as

the company had not commenced business as at 30th September 2006.

4. The company had announced a Voluntary Retirement Scheme (VRS) on 23rd August 2006 for the workmen and on 13th September 2006 for the staff of its Akurdi plant. The schemes were open till 25th September 2006. In response to the VRS, 343 workmen and 41 staff opted for the same.

In line with the policy consistently followed by the company, the liability amounting to Rs. 378 million, in respect of the same will be charged equally over the three quarters of the year. A sum of Rs. 126 million has been charged in the current quarter. The balance together with any further sums in this regard will be charged in the remaining two quarters of the current financial year.

5. The results for the quarter ended September 30, 2006 have been subjected to "Limited Review" by the auditors.
6. Figures for previous year / period have been regrouped wherever necessary.
7. The company did not have any investor complaints pending as on 1 July 2006 and as on 30 September 2006. There were six investors' complaints received and disposed of during the quarter ended 30 September 2006.
8. The above results have been taken on record in the meeting of Board of Directors held on October 18, 2006.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR BAJAJ AUTO LIMITED**

**RAHUL BAJAJ  
CHAIRMAN**

PUNE

DATE : October 18, 2006

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