


**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2007**

(Rs. in Million)

	<b>QUARTER ENDED 31.12.2007 (Unaudited)</b>	<b>QUARTER ENDED 31.12.2006 (Unaudited)</b>	<b>NINE MONTHS ENDED 31.12.2007 (Unaudited)</b>	<b>NINE MONTHS ENDED 31.12.2006 (Unaudited)</b>	<b>YEAR ENDED 31.03.2007 (Audited)</b>
<b>Sales in numbers</b>	<b>713,135</b>	<b>738,219</b>	<b>1,898,819</b>	<b>2,093,437</b>	<b>2,721,824</b>
Gross Sales & Income from Operations	27988.3	29267.0	77983.1	82072.0	108342.7
Less: Excise duty	2971.3	3584.7	8252.2	10003.4	13138.6
Net Sales & Income from Operations	25017.0	25682.3	69730.9	72068.6	95204.1
Other Income	1786.5	1609.5	4285.7	3979.4	5556.4
<b>TOTAL INCOME</b>	<b>26803.5</b>	<b>27291.8</b>	<b>74016.6</b>	<b>76048.0</b>	<b>100760.5</b>
<b>EXPENDITURE :</b>					
a) (Increase) / decrease in stock in trade and work in progress	(67.7)	(46.8)	(289.5)	245.6	9.0
b) Consumption of raw materials	17959.2	18154.0	49137.2	50087.1	66627.0
c) Purchase of traded goods	745.0	748.6	2115.7	1758.8	2374.1
d) Employees Cost	851.2	757.1	2573.1	2327.0	3015.2
e) Depreciation	493.4	472.1	1470.8	1445.0	1902.6
f) Other expenditure	2003.4	2491.7	6186.6	6922.6	9329.6
g) Expenses capitalised	(110.9)	(58.5)	(167.7)	(179.3)	(320.5)
<b>Total</b>	<b>21873.6</b>	<b>22518.2</b>	<b>61026.2</b>	<b>62606.8</b>	<b>82937.0</b>
Interest	19.3	2.2	33.5	29.5	53.4
Exceptional items					
Export incentives accrued in previous year written off	-	-	-	103.9	103.9
Compensation paid under Voluntary Retirement Schemes (See note 4)	511.8	123.2	511.8	261.0	385.7
Provision for write downs (See note 5)	2.9	-	80.3	-	-
<b>Profit / (Loss) from ordinary activities before tax</b>	<b>4395.9</b>	<b>4648.2</b>	<b>12364.8</b>	<b>13046.8</b>	<b>17280.5</b>
Tax expense (Including Fringe Benefit Tax)	1125.0	1200.0	3465.0	3750.0	4900.9
<b>Net Profit / (Loss) from ordinary activities after tax</b>	<b>3270.9</b>	<b>3448.2</b>	<b>8899.8</b>	<b>9296.8</b>	<b>12379.6</b>
Prior period adjustments (net)	(2.8)	3.7	(2.8)	(8.9)	(8.6)

<b>Net Profit / (Loss) for the period</b>	<b>3268.1</b>	<b>3451.9</b>	<b>8897.0</b>	<b>9287.9</b>	<b>12371.0</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 as at 31 March 2007					54331.4
<b>Basic and Diluted Earnings Per Share (Rs.) (not annualised)</b>					
a) before extraordinary items	<b>32.3</b>	<b>34.1</b>	<b>87.9</b>	<b>91.8</b>	<b>122.3</b>
b) after extraordinary items	<b>32.3</b>	<b>34.1</b>	<b>87.9</b>	<b>91.8</b>	<b>122.3</b>
Public shareholding					
No. of shares			70,153,728	69,060,177	68,986,672
Percentage of Shareholding			69.33%	68.25%	68.18%

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

**UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2007**

(Rs. in Million)

	<b>QUARTER ENDED 31.12.2007 (Unaudited)</b>	<b>QUARTER ENDED 31.12.2006 (Unaudited)</b>	<b>NINE MONTHS ENDED 31.12.2007 (Unaudited)</b>	<b>NINE MONTHS ENDED 31.12.2006 (Unaudited)</b>	<b>YEAR ENDED 31.03.2007 (Audited)</b>
<b>Net Sales &amp; Income from operations</b>	<b>26332.6</b>	<b>26960.3</b>	<b>74230.3</b>	<b>75291.7</b>	<b>101186.7</b>
<b>EXPENDITURE :</b>					
a) (Increase) / decrease in stock-in-trade and work in progress	(67.7)	(46.0)	(289.1)	258.1	22.4
b) Consumption of raw materials	18029.3	18087.9	49258.6	50019.5	66594.0
c) Purchase of traded goods	745.0	748.6	2115.7	1758.8	2374.1
d) Employees Cost	874.6	771.1	2639.0	2352.9	3059.5
e) Depreciation	495.3	472.9	1476.4	1447.1	1905.9
f) Other expenditure	2075.9	2487.5	6434.8	6909.7	9428.3
g) Expenses capitalised	(110.9)	(58.5)	(167.7)	(179.3)	(320.5)
<b>Total</b>	<b>22041.5</b>	<b>22463.5</b>	<b>61467.7</b>	<b>62566.8</b>	<b>83063.7</b>
Interest	19.3	2.2	33.5	29.5	55.4

Exceptional items					
Export incentives accrued in previous year written off	-	-	-	103.9	103.9
Compensation paid under Voluntary Retirement Schemes (See note 4)	511.8	123.2	511.8	261.0	385.7
Provision for write downs (See note 5)	2.9	-	80.3	-	-
<b>Profit / (Loss) from ordinary activities before tax and share of profit on Investments in Associates</b>	<b>3757.1</b>	<b>4371.4</b>	<b>12137.0</b>	<b>12330.5</b>	<b>17578.0</b>
Add: Share of Profit after tax on Investments in Associates	37.6	69.9	73.4	109.8	203.9
<b>Profit / (Loss) from ordinary activities before tax</b>	<b>3794.7</b>	<b>4441.3</b>	<b>12210.4</b>	<b>12440.3</b>	<b>17781.9</b>
Tax expense (Including Fringe Benefit Tax)	1257.2	1229.9	3916.3	3949.4	5279.5
<b>Profit / (Loss) from ordinary activities after tax</b>	<b>2537.5</b>	<b>3211.4</b>	<b>8294.1</b>	<b>8490.9</b>	<b>12502.4</b>
Prior period adjustments					
Tax credits pertaining to earlier years	-	-	-	-	4.9
Others (net)	(2.8)	3.7	(2.8)	(8.9)	(8.6)
	<b>2534.7</b>	<b>3215.1</b>	<b>8291.3</b>	<b>8482.0</b>	<b>12498.7</b>
Less: Minority Interest in Net Income of subsidiaries	(203.5)	(68.4)	(123.0)	(226.9)	5.2
<b>Net Profit / (Loss) from ordinary activities after tax</b>	<b>2738.2</b>	<b>3283.5</b>	<b>8414.3</b>	<b>8708.9</b>	<b>12493.5</b>
Adjustments on account of write down of deferred tax assets	-	-	-	-	10.7
<b>Net Profit / (Loss) for the period</b>	<b>2738.2</b>	<b>3283.5</b>	<b>8414.3</b>	<b>8708.9</b>	<b>12482.8</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 as at 31 March 2007					60496.5
Basic and Diluted Earnings Per Share ( Rs.) (not annualised)					
a) before extraordinary items	27.1	32.5	83.2	86.1	123.5
b) after extraordinary items	27.1	32.5	83.2	86.1	123.4

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

(Rs. in Million)

	QUARTER ENDED 31.12.2007 ( Unaudited )	QUARTER ENDED 31.12.2006 ( Unaudited )	NINE MONTHS ENDED 31.12.2007 ( Unaudited )	NINE MONTHS ENDED 31.12.2006 ( Unaudited )	YEAR ENDED 31.03.2007 ( Audited )
<b>Segment Revenue</b>					
Automotive	25099.0	25598.8	69830.9	71999.9	95255.6
Insurance	41298.3	13772.9	94858.4	34709.1	66231.5
Investment & Others	1804.9	1625.2	4325.5	4007.6	5592.5
<b>Total</b>	<b>68202.2</b>	<b>40996.9</b>	<b>169014.8</b>	<b>110716.6</b>	<b>167079.6</b>
Less: Inter segment Revenue	148.3	91.0	383.6	273.1	520.0
<b>Net Sales/Income from operations</b>	<b>68053.9</b>	<b>40905.9</b>	<b>168631.2</b>	<b>110443.5</b>	<b>166559.6</b>
<b>Segment Profit/(Loss) before Tax and Interest</b>					
Automotive	2644.0	3067.9	8052.5	9293.8	12017.6
Insurance	(571.9)	(226.5)	79.2	(667.3)	453.3
Investment & Others	1741.9	1602.1	4112.2	3843.3	5366.4
<b>Total</b>	<b>3814.0</b>	<b>4443.5</b>	<b>12243.9</b>	<b>12469.8</b>	<b>17837.3</b>
Less: Interest	19.3	2.2	33.5	29.5	55.4
<b>Total Profit Before Tax</b>	<b>3794.7</b>	<b>4441.3</b>	<b>12210.4</b>	<b>12440.3</b>	<b>17781.9</b>
<b>Capital Employed</b>					
Automotive	19128.8	10029.0	19128.8	10029.0	10108.5
Insurance	9379.0	5119.6	9379.0	5119.6	7968.2
Investment & Others	62142.5	62387.3	62142.5	62387.3	66061.0

Unallocable	541.6	1201.4	541.6	1201.4	(3867.7)
<b>Total</b>	<b>91191.9</b>	<b>78737.3</b>	<b>91191.9</b>	<b>78737.3</b>	<b>80270.0</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>
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) PT. Bajaj Auto Indonesia	97.5%	Automotive	Subsidiary
e) Bajaj Auto International Holdings BV	100%	Automotive	Subsidiary
f) Bajaj Holdings & Investment Limited	100%	Investment	Subsidiary
g) Bajaj Finserv Limited	100%	Investment	Subsidiary
h) Maharashtra Scooters Limited	24%	Automotive & Investments	Joint venture
i) Bajaj Allianz Financial Distributors Limited	50%	Investment	Joint venture
j) Bajaj Auto Finance Limited	46.31%	Hire Purchase Financing	Associate

**NOTES:**

1. Gross Written Premium (GWP) for the quarter and nine months ended December 31, 2007 of general insurance business is Rs.5674.2 million and Rs.16899.1 million respectively. The corresponding figure for the quarter and nine months ended December 31, 2006 was Rs. 4594.1 million and Rs. 13015.2 million respectively.

Gross Written Premium (GWP) for the quarter and nine months ended December 31, 2007 of life insurance business is Rs.21743.3 million and Rs.52350.1 million respectively. The corresponding figure for the quarter and nine months ended December 31, 2006 was Rs. 10981.3 million and Rs. 27087.6 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 surplus of Rs. 105.2 million prior to elimination of inter segment revenue of Rs. 31.3 million for the nine months ended December 31, 2007, 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.

- During the year, Bajaj Auto Limited has acquired 22.56% equity in KTM Power Sports AG through its wholly owned subsidiary Bajaj Auto International Holdings BV.
- The company had announced a Voluntary Retirement Scheme (VRS) on 15 October 2007 for the workmen of its Waluj plant. The scheme was open till 27 October 2007. In response to the VRS, 712 workmen opted for the same.

In line with the policy consistently followed by the company, the liability amounting to Rs. 1023.6 million, in respect of the same will be charged equally over the remaining two quarters of the year. A sum of Rs. 511.8 million has been charged in the current quarter. The balance will be charged in the last quarter of the current financial year.

- The Company with effect from 3rd September 2007 has discontinued its vehicle assembly facilities at its Akurdi Plant. The available infrastructure comprising land, buildings and some machinery, with suitable modifications/alterations, would be employed for business purposes including enhancing product and technology development capabilities. Consequently, surplus/redundant machinery, dies, components and spares have been identified in respect of which the company has recognised a provision estimated at Rs. 80.3 million in the above results for the nine months ended 31st December 2007 towards assessed losses.
- The results for the quarter and nine months ended December 31, 2007 have been subjected to "Limited Review" by the auditors.
- The company did not have any investor complaints pending as on 1 October 2007 and as on 31 December 2007. There were fifteen investors' complaints received and disposed of during the quarter ended 31 December 2007
- The Scheme of arrangement approved by the Board of Directors on 17 May 2007, involving demerger of undertakings of the company resulting into three entities viz. Bajaj Auto Limited, Bajaj Finserv Limited and Bajaj Holdings & Investment Limited, has been approved by the shareholders and unsecured creditors at the court-convened meetings held on 18 August 2007. The Honourable High Court of judicature at Bombay has also sanctioned the scheme of arrangement on 18 December 2007. Pending receipt of written court order and filing the same with the Registrar of Companies, only upon which the scheme becomes effective, the above results are of the composite entity. However, given below are the results for the nine months ended December 31, 2007 of the undertakings proposed to be demerged as per the scheme.

	Demerged undertakings		Remaining Undertaking	Composite
	Manufacturing	Strategic Business		
	- Automotive	- Insurance, Investment & Others	-Investment	
	(New Bajaj Auto Limited)	(Bajaj Finserv Limited)	(New Bajaj Holdings & Investment Limited)	(Pre-demerger Bajaj Auto Limited)
<b>TOTAL INCOME</b>	70616.8	749.0	2650.8	74016.6
Total expenditure	60707.4	291.0	27.8	61026.2
Interest	33.5	-	-	33.5
Exceptional items				
Compensation paid under Voluntary Retirement Schemes	511.8	-	-	511.8

Provision for write downs	80.3	-	-	80.3
<b>Profit / (Loss) from ordinary activities before tax</b>	9283.8	458.0	2623.0	12364.8
<b>Net Profit / (Loss) from ordinary activities after tax</b>	6273.8	248.0	2378.0	8899.8
<b>Net Profit / (Loss) for the period</b>	6271.0	248.0	2378.0	8897.0

9. The above results have been reviewed by the Audit Committee and approved by the Board of Directors in the meeting held on January 30, 2008.

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

Mumbai

DATE : May 22, 2008

**RAHUL BAJAJ  
CHAIRMAN**

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