


**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2006**

(Rs. in Million)

	<b>QUARTER ENDED 31.12.2006 (Reviewed)</b>	<b>QUARTER ENDED 31.12.2005 (Reviewed)</b>	<b>NINE MONTHS ENDED 31.12.2006 (Reviewed)</b>	<b>NINE MONTHS ENDED 31.12.2005 (Reviewed)</b>	<b>YEAR ENDED 31.03.2006 (Audited)</b>
<b>Sales in numbers</b>	<b>738,219</b>	<b>600,824</b>	<b>2,093,437</b>	<b>1,661,900</b>	<b>2,281,230</b>
Gross Sales & Income from Operations	29267.0	22847.4	82072.0	62746.2	87483.8
Less: Excise duty	3584.7	2838.0	10003.4	7725.8	10804.8
Net Sales & Income from Operations	25682.3	20009.4	72068.6	55020.4	76679.0
Other Income	1609.5	1063.8	3979.4	3353.6	4384.5
<b>TOTAL INCOME</b>	<b>27291.8</b>	<b>21073.2</b>	<b>76048.0</b>	<b>58374.0</b>	<b>81063.5</b>
<b>TOTAL EXPENDITURE :</b>					
a) (Increase)/decrease in stock-in-trade	(46.8)	(49.9)	245.6	(60.6)	(490.1)
b) Materials	18902.6	14028.8	51845.9	38445.1	53736.1
c) Staff Cost	757.1	675.5	2327.0	2059.7	2741.3
d) Other expenditure	2491.7	1822.7	6922.6	5447.3	7377.1

e) Expenses capitalised	(58.5)	(49.0)	(179.3)	(184.1)	(248.1)
Interest	2.2	1.4	29.5	2.8	3.4
<b>GROSS PROFIT AFTER INTEREST BUT BEFORE DEPRECIATION AND TAXATION</b>	<b>5243.5</b>	<b>4643.7</b>	<b>14856.7</b>	<b>12663.8</b>	<b>17943.8</b>
Export incentives accrued in previous year written off	-	-	103.9	-	-
Compensation paid under Voluntary Retirement Schemes (See note 4)	123.2	107.9	261.0	107.9	226.4
Depreciation	472.1	490.5	1445.0	1442.5	1910.0
<b>PROFIT BEFORE TAX</b>	<b>4648.2</b>	<b>4045.3</b>	<b>13046.8</b>	<b>11113.4</b>	<b>15807.4</b>
Provision for Taxation (Including Deferred Taxes and Fringe Benefit Tax)	1200.0	1245.0	3750.0	3315.0	4791.1
<b>NET PROFIT</b>	<b>3448.2</b>	<b>2800.3</b>	<b>9296.8</b>	<b>7798.4</b>	<b>11016.3</b>
Prior period adjustments					
Tax credits pertaining to earlier years	-	-	-	-	225.1
Others (net)	3.7	(10.4)	(8.9)	(35.4)	(8.7)
<b>Profit after prior period adjustments</b>	<b>3451.9</b>	<b>2789.9</b>	<b>9287.9</b>	<b>7763.0</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</b>	<b>24.1</b>	<b>27.5</b>	<b>91.8</b>	<b>76.7</b>	<b>111.0</b>

<b>Rs. 10/- each (not annualised) (Rs).</b>					
Aggregate of Public Shareholding :					
No. of shares			69,060,177	68,742,915	68,727,147
Percentage of Shareholding			68.25%	67.94%	67.92%

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 DECEMBER 31, 2006**

(Rs. in Million)

	<b>QUARTER ENDED 31.12.2006</b>	<b>QUARTER ENDED 31.12.2005</b>	<b>NINE MONTHS ENDED 31.12.2006</b>	<b>NINE MONTHS ENDED 31.12.2005</b>	<b>YEAR ENDED 31.03.2006 (Audited)</b>
<b>Net Sales / Income</b>	<b>26960.3</b>	<b>20808.2</b>	<b>75291.7</b>	<b>58062.2</b>	<b>81037.4</b>
<b>TOTAL EXPENDITURE :</b>					
a) Materials	18790.5	13986.4	52036.4	38408.0	53281.5
b) Staff Cost	771.1	676.6	2352.9	2072.5	2763.6
c) Other expenditure	2487.5	1801.6	6909.7	5425.1	7391.4
d) Expenses capitalised	(58.5)	(49.0)	(179.3)	(184.1)	(248.1)
Interest	2.2	1.4	29.5	2.8	3.4

<b>Gross Profit after Interest but before Depreciation &amp; Taxation</b>	<b>4967.5</b>	<b>4391.2</b>	<b>14142.5</b>	<b>12337.9</b>	<b>17845.6</b>
Export incentives accrued in previous year written off	-	-	103.9	-	-
Compensation paid under Voluntary Retirement Schemes (See note 4)	123.2	108.3	261.0	109.0	227.8
Depreciation	472.9	491.1	1447.1	1444.5	1912.8
<b>Profit before Tax and share of profit on Investments in Associates</b>	<b>4371.4</b>	<b>3791.8</b>	<b>12330.5</b>	<b>10784.4</b>	<b>15705.0</b>
Add: Share of Profit/(Loss) after tax on Investments in Associates	69.9	(55.2)	109.8	55.2	93.1
<b>Profit before Tax</b>	<b>4441.3</b>	<b>3736.6</b>	<b>12440.3</b>	<b>10839.6</b>	<b>15798.1</b>
Provision for Taxation (Including Deferred Taxes & Fringe Benefit Tax)	1229.9	1256.9	3949.4	3465.1	5093.7
<b>Net Profit</b>	<b>3211.4</b>	<b>2479.7</b>	<b>8490.9</b>	<b>7374.5</b>	<b>10704.4</b>
Prior period adjustments					
Tax credits pertaining to earlier years	-	-	-	-	228.2
Others (net)	3.7	(10.4)	(8.9)	(35.4)	(8.7)
<b>Profit after prior period adjustments</b>	<b>3215.1</b>	<b>2469.3</b>	<b>8482.0</b>	<b>7339.1</b>	<b>10923.9</b>
Less: Minority Interest in Net Income of subsidiaries	(68.4)	(70.5)	(226.9)	(133.5)	(122.1)
<b>Income attributable to consolidated</b>	<b>3146.7</b>	<b>2398.8</b>	<b>8255.1</b>	<b>7205.6</b>	<b>10801.8</b>

group	3200.0	2993.0	3700.0	7472.0	11040.0

## SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Million)

	QUARTER ENDED 31.12.2006	QUARTER ENDED 31.12.2005	NINE MONTHS ENDED 31.12.2006	NINE MONTHS ENDED 31.12.2005	YEAR ENDED 31.03.2006 (Audited)
<b>Segment Revenue</b>					
Automotive	25598.8	20020.4	71999.9	55054.0	76728.2
Insurance	13772.9	9839.6	34709.1	20847.3	38440.4
Investment & Others	1625.2	1074.8	4007.6	3404.3	4470.7
<b>Total</b>	<b>40996.9</b>	<b>30934.8</b>	<b>110716.6</b>	<b>79305.6</b>	<b>119639.3</b>
Less: Inter segment Revenue	91.0	57.3	273.1	211.6	254.5
<b>Net Sales/Income from operations</b>	<b>40905.9</b>	<b>30877.5</b>	<b>110443.5</b>	<b>79094.0</b>	<b>119384.8</b>
<b>Segment Profit/(Loss) before Tax and Interest</b>					
Automotive	3067.9	3069.5	9293.8	8067.0	11826.9
Insurance	(226.5)	(259.3)	(667.3)	(363.9)	(167.4)

Investment & Others	1602.1	927.8	3843.3	3139.3	4142.0
<b>Total</b>	<b>4443.5</b>	<b>3738.0</b>	<b>12469.8</b>	<b>10842.4</b>	<b>15801.5</b>
Less: Interest	2.2	1.4	29.5	2.8	3.4
<b>Total Profit Before Tax</b>	<b>4441.3</b>	<b>3736.6</b>	<b>12440.3</b>	<b>10839.6</b>	<b>15798.1</b>
<b>Capital Employed</b>					
Automotive	10029.0	9916.9	10029.0	9916.9	6839.9
Insurance	5119.6	3853.7	5119.6	3853.7	5640.1
Investment & Others	62387.3	53308.0	62387.3	53308.0	60325.7
Unallocable	1201.4	1069.3	1201.4	1069.3	(3828.9)
<b>Total</b>	<b>78737.3</b>	<b>68147.9</b>	<b>78737.3</b>	<b>68147.9</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>
			Subsidiary

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	95%	Automotive	Subsidiary
e) Maharashtra Scooters Limited	24%	Automotive & Investments	Joint venture
f) Bajaj Auto Finance Limited	41.51%	Hire Purchase Financing	Associate

## NOTES:

1. Gross Written Premium (GWP) for the quarter and nine months ended December 31, 2006 of general insurance business is Rs. 4,594.1 million and Rs. 13,015.2 million respectively. The corresponding figure for the quarter and nine months ended December 31, 2005 was Rs. 3330.4 million and Rs. 9552.8 million respectively.

Gross Written Premium (GWP) for the quarter and nine months ended December 31, 2006 of life insurance business is Rs. 10,981.3 million and Rs. 27,087.6 million respectively. The corresponding figure for the quarter and nine months ended December 31, 2005 was Rs. 8077.8 million and Rs. 15839.2 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. 641.8 million prior to elimination of inter segment revenue of Rs. 74 million for the nine months ended December 31, 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. PT. Bajaj Auto Indonesia commenced operations during the current quarter.
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, 349 workmen and 40 staff opted for the same.

In line with the policy consistently followed by the company, the liability amounting to Rs. 374 million, in respect of the same will be charged equally over the three quarters of the year. A sum of Rs. 123 million has been charged in the current quarter, aggregating to a cumulative charge for the nine months of this financial year of Rs. 249 million. The balance will be charged in the last quarter of the current financial year.

5. The results for the quarter ended December 31, 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 October 2006 and as on 31 December 2006. There were six investors' complaints received and disposed of during the quarter ended 31 December 2006.
8. The above results have been reviewed by the Audit Committee and taken on record in the meeting of Board of Directors held on January 16, 2007.

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

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