

**BAJAJ***Distinctly Ahead*Bajaj Auto Limited  
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www.bajajauto.com

25 May 2016

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

Dear Sir/s:

**Sub: Audited financial results for the year ended 31 March 2016**

In terms of the provisions of Regulations 30 (read with Part A of Schedule III) and 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, we enclose the following statements for the year ended 31 March 2016, which were approved and taken on record by the board of directors at its meeting held on 25 May 2016:

- a) Statement of Stand-alone Unaudited / Audited Financial Results for the quarter and year ended 31 March 2016 along with Audit Report and Form A (unmodified opinion);
- b) Statement of Consolidated Unaudited / Audited Financial Results for the quarter and year ended 31 March 2016 along with Audit Report and Form A (unmodified opinion) and
- c) Press Release

Kindly further note that dividend on equity shares, if declared at the annual general meeting scheduled on 27 July 2016, will be credited / dispatched around 1 / 2 August 2016 to those members whose names appear on the company's Register of Members and to the beneficial owners, whose particulars are furnished by the Depositories as on 15 July 2016.

Thanking you,

Yours faithfully,  
for Bajaj Auto Limited,J SRIVIDHAR  
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 and consolidated unaudited / audited financial results for the quarter and year ended 31 March 2016

Particulars	Standalone						Consolidated	
	Quarter ended		Year ended		Year ended			
	31.03.2016 (Unaudited)	31.12.2015 (Unaudited)	31.03.2015 (Unaudited)	31.03.2016 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)
<b>Sales in numbers</b>	872,458	951,498	782,669	3,893,581	3,811,201			
<b>Income from operations</b>								
(a) Gross sales	5,651.35	5,799.62	4,890.61	23,546.24	22,013.21	23,546.24	22,015.43	
Less: Excise duty	347.46	336.42	266.91	1,293.46	909.28	1,293.46	909.28	
Net sales	5,303.89	5,463.20	4,623.70	22,252.78	21,103.93	22,252.78	21,106.15	
(b) Other operating income	107.53	101.70	115.64	434.81	508.08	434.81	508.12	
<b>Total income from operations (net)</b>	<b>5,411.42</b>	<b>5,564.90</b>	<b>4,739.34</b>	<b>22,687.59</b>	<b>21,612.01</b>	<b>22,687.59</b>	<b>21,614.27</b>	
<b>Expenses</b>								
(a) Cost of materials consumed	3,170.60	3,383.43	3,014.54	13,717.01	13,752.79	13,717.01	13,752.79	
(b) Purchases of stock-in-trade	341.28	345.26	301.68	1,276.40	1,154.57	1,276.40	1,155.10	
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21.38	(32.92)	(118.67)	63.45	(57.56)	63.45	(56.46)	
(d) Employee benefits expense	202.73	230.24	258.57	918.44	897.30	918.44	898.48	
(e) Depreciation and amortisation	76.10	74.64	63.81	307.16	267.40	307.16	267.46	
(f) Other expenses. (See note 3)	529.10	471.29	463.48	1,949.76	1,808.41	1,950.62	1,811.17	
(g) Expenses capitalised	(5.20)	(3.66)	(18.07)	(17.02)	(60.05)	(17.02)	(60.05)	
<b>Total expenses</b>	<b>4,335.99</b>	<b>4,468.28</b>	<b>3,965.34</b>	<b>18,215.20</b>	<b>17,762.86</b>	<b>18,216.06</b>	<b>17,768.49</b>	
<b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>1,075.43</b>	<b>1,096.62</b>	<b>774.00</b>	<b>4,472.39</b>	<b>3,849.15</b>	<b>4,471.53</b>	<b>3,845.78</b>	
<b>Other income (See note 3 and 4)</b>	<b>124.14</b>	<b>199.68</b>	<b>154.27</b>	<b>913.27</b>	<b>582.42</b>	<b>824.26</b>	<b>583.95</b>	
<b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>1,199.57</b>	<b>1,296.30</b>	<b>928.27</b>	<b>5,385.66</b>	<b>4,431.57</b>	<b>5,295.79</b>	<b>4,429.73</b>	
<b>Finance costs</b>	<b>0.06</b>	<b>0.07</b>	<b>6.26</b>	<b>0.48</b>	<b>6.49</b>	<b>0.48</b>	<b>6.49</b>	
<b>Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>1,199.51</b>	<b>1,296.23</b>	<b>922.01</b>	<b>5,385.18</b>	<b>4,425.08</b>	<b>5,295.31</b>	<b>4,423.24</b>	
<b>Exceptional items</b>								
NCCD payment	-	-	-	-	340.29	-	340.29	
<b>Profit from ordinary activities before tax (7-8)</b>	<b>1,199.51</b>	<b>1,296.23</b>	<b>922.01</b>	<b>5,385.18</b>	<b>4,084.79</b>	<b>5,295.31</b>	<b>4,082.95</b>	
<b>Tax expense</b>	<b>396.45</b>	<b>394.74</b>	<b>300.39</b>	<b>1,732.77</b>	<b>1,271.05</b>	<b>1,732.77</b>	<b>1,271.05</b>	
<b>Net profit from ordinary activities after tax (9-10)</b>	<b>803.06</b>	<b>901.49</b>	<b>621.62</b>	<b>3,652.41</b>	<b>2,813.74</b>	<b>3,562.54</b>	<b>2,811.90</b>	
Add: Share of profit after tax of associate	-	-	-	-	-	221.44	213.72	
Less: Minority Interest in Net Income of subsidiaries	-	-	-	-	-	-	(0.01)	
<b>Net profit after tax, minority interest and share of profit of associate (11+12-13)</b>	<b>803.06</b>	<b>901.49</b>	<b>621.62</b>	<b>3,652.41</b>	<b>2,813.74</b>	<b>3,783.98</b>	<b>3,025.63</b>	
<b>Paid-up equity share capital (Face value of ₹ 10)</b>	<b>289.37</b>	<b>289.37</b>	<b>289.37</b>	<b>289.37</b>	<b>289.37</b>	<b>289.37</b>	<b>289.37</b>	
<b>Reserves excluding Revaluation Reserves</b>				<b>12,002.29</b>	<b>10,402.78</b>	<b>12,756.05</b>	<b>10,805.95</b>	
<b>Basic and diluted earnings per share (₹)</b>								
<b>before and after extraordinary items (not annualised)</b>	<b>27.8</b>	<b>31.2</b>	<b>21.5</b>	<b>126.2</b>	<b>97.2</b>	<b>130.8</b>	<b>104.6</b>	

**Segment-wise revenue, results and capital employed**

Particulars	Standalone						Consolidated	
	Quarter ended		Year ended		Year ended		Year ended	
	31.03.2016 (Unaudited)	31.12.2015 (Unaudited)	31.03.2015 (Unaudited)	31.03.2016 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)	
<b>1 Segment revenue</b>								
Automotive	5,486.85	5,680.80	4,830.25	22,966.70	21,817.47	22,966.87	21,821.26	
Investments	48.71	83.78	63.36	634.16	376.96	544.98	376.96	
<b>Total</b>	<b>5,535.56</b>	<b>5,764.58</b>	<b>4,893.61</b>	<b>23,600.86</b>	<b>22,194.43</b>	<b>23,511.85</b>	<b>22,198.22</b>	
<b>2 Segment profit before tax and finance costs</b>								
Automotive	1,151.13	1,212.80	865.16	4,752.61	3,715.36	4,973.36	3,927.24	
Investments	48.44	83.50	63.11	633.05	375.92	543.87	375.92	
<b>Total</b>	<b>1,199.57</b>	<b>1,296.30</b>	<b>928.27</b>	<b>5,385.66</b>	<b>4,091.28</b>	<b>5,517.23</b>	<b>4,303.16</b>	
Less: Finance costs	0.06	0.07	6.26	0.48	6.49	0.48	6.49	
<b>Total profit before tax</b>	<b>1,199.51</b>	<b>1,296.23</b>	<b>922.01</b>	<b>5,385.18</b>	<b>4,084.79</b>	<b>5,516.75</b>	<b>4,296.67</b>	
<b>3 Capital employed</b>								
Automotive	2,648.27	3,017.77	3,294.33	2,648.27	3,294.33	4,624.79	4,920.24	
Investments	9,828.97	10,367.99	9,179.83	9,828.97	9,179.83	8,606.25	7,957.11	
Unallocable	165.15	289.15	(1,528.66)	165.15	(1,528.66)	165.15	(1,528.64)	
<b>Total</b>	<b>12,642.39</b>	<b>13,674.91</b>	<b>10,945.50</b>	<b>12,642.39</b>	<b>10,945.50</b>	<b>13,396.19</b>	<b>11,348.71</b>	

(₹ In Crore)

## Notes:

1 The consolidated financial results include results of the following companies:

Name of the company	% Shareholding and voting power of Bajaj Auto Limited	Segment	Consolidated as
a. PT. Bajaj Auto Indonesia	99.25%	Automotive	Subsidiary
b. Bajaj Auto International Holdings BV *	100%	Automotive	Subsidiary

\* The consolidated financial results of Bajaj Auto International Holdings BV include 47.99% interest in KTM AG as an associate.

2 Disclosure of assets and liabilities as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31 March 2016 -

Particulars	Standalone		Consolidated	
	As at 31.03.2016 (Audited)	As at 31.03.2015 (Audited)	As at 31.03.2016 (Audited)	As at 31.03.2015 (Audited)
<b>A Equity and liabilities</b>				
1 Shareholders' funds				
(a) Share capital	289.37	289.37	289.37	289.37
(b) Reserves and surplus	12,002.29	10,402.78	12,756.05	10,805.95
Sub-total - Shareholders' funds	12,291.66	10,692.15	13,045.42	11,095.32
2 Minority Interest	-	-	0.04	0.04
3 Non-current liabilities				
(a) Long-term borrowings	162.48	111.77	162.48	111.77
(b) Deferred tax liabilities (net)	188.25	141.58	188.25	141.58
(c) Other long-term liabilities	29.78	57.59	29.78	57.59
(d) Long-term provisions	47.57	82.44	47.57	82.44
Sub-total - Non-current liabilities	428.08	393.38	428.08	393.38
4 Current liabilities				
(a) Trade payables	2,027.04	1,760.53	2,027.11	1,760.60
(b) Other current liabilities	604.53	806.69	604.53	806.69
(c) Short-term provisions	321.45	1,909.57	321.45	1,909.57
Sub-total - Current liabilities	2,953.02	4,476.79	2,953.09	4,476.86
<b>Total - Equity and liabilities</b>	<b>15,672.76</b>	<b>15,562.32</b>	<b>16,426.63</b>	<b>15,965.60</b>
<b>B Assets</b>				
1 Non-current assets				
(a) Fixed assets	2,077.91	2,172.18	2,077.91	2,172.18
(b) Goodwill on consolidation	-	-	595.61	530.79
(c) Non-current investments	8,294.34	3,352.76	8,444.94	3,184.69
(d) Long-term loans and advances	682.24	511.07	682.24	511.07
(e) Other non-current assets	0.02	0.04	0.02	0.04
Sub-total - Non-current assets	11,054.51	6,036.05	11,800.72	6,398.77
2 Current assets				
(a) Current investments	1,218.32	5,800.56	1,218.32	5,800.56
(b) Inventories	719.07	814.15	719.07	814.15
(c) Trade receivables	717.93	716.96	717.93	716.96
(d) Cash and bank balances	859.52	586.15	867.03	592.74
(e) Short-term loans and advances	871.45	1,261.61	871.60	1,295.30
(f) Other current assets	231.96	346.84	231.96	347.12
Sub-total - Current assets	4,618.25	9,525.27	4,625.91	9,566.83
<b>Total - Assets</b>	<b>15,672.76</b>	<b>15,562.32</b>	<b>16,426.63</b>	<b>15,965.60</b>

**Notes (contd) :**

- 3 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	Standalone				Consolidated	
	Quarter ended		Year ended		Year ended	
	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015	31.03.2016
Net gain as Other income	30.93	62.07	-	105.49	-	105.49
Net loss as Other expenses	-	-	(5.43)	-	50.22	-
						50.22

- 4 Other income includes following -

Particulars	Standalone				Consolidated	
	Quarter ended		Year ended		Year ended	
	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015	31.03.2016
Investment income *	48.71	83.78	63.36	634.16	376.96	376.96
Others	75.43	115.90	90.91	279.11	205.46	279.28

\* Includes profit on redemption of Fixed Maturity Plan investments

- 5 An interim dividend of ₹ 50 per equity share (500%) was declared on 9 March 2016 and paid on 23 March 2016. The Board of Directors recommend a final dividend of ₹ 5 per equity share (50%) subject to approval of shareholders.
- 6 Figures for previous year / period have been regrouped wherever necessary.
- 7 ₹ 1 crore is equal to ₹ 10 million.
- 8 The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year.
- 9 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in the meeting held on 25 May 2016.

Pune

Date: 25 May 2016

By order of the Board of Directors  
For Bajaj Auto Limited

Rajul Bajaj  
Chairman

# Dalal & Shah LLP

Chartered Accountants

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF Bajaj Auto Limited

### Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **Bajaj Auto Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016 the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

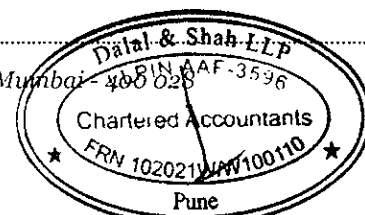
3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016 and its profit and its cash flows for the year ended on that date.

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 102021WW/100110 (ICAI registration number before conversion was 102021W)

# Dalal & Shah LLP

Chartered Accountants

INDEPENDENT AUDITORS' REPORT  
To the Members of Bajaj Auto Limited  
Report on the Financial Statements  
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## Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
    - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2016 on its financial position in its standalone financial statements;
    - ii. The Company has made provision as at March 31, 2016, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts ;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

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

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Russell I Parera  
Partner  
Membership 42190

Pune  
May 25, 2016

# Dalal & Shah LLP

Chartered Accountants

## Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Bajaj Auto Limited on the standalone financial statements for the year ended March 31, 2016

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## Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Bajaj Auto Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

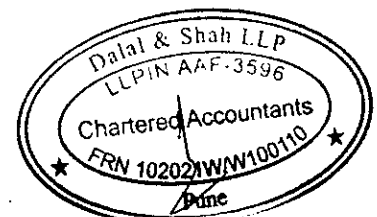
2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.





# Dalal & Shah LLP

Chartered Accountants

## Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Bajaj Auto Limited on the standalone financial statements for the year ended March 31, 2016

Page 2 of 2

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



.....  
Russell I Parera  
Partner  
Membership Number 42190

Pune  
May 25, 2016



# Dalal & Shah LLP

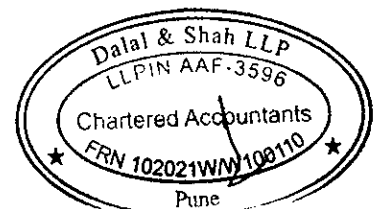
Chartered Accountants

## Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Bajaj Auto Limited on the standalone financial statements as of and for the year ended March 31, 2016.

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, are held in the name of the Company, except for buildings having gross block of Rs 15.3 crores and net block of Rs 13.12 crores, wherein final registration is pending, as disclosed in Note 9 on fixed assets to the financial statements .
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 . In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of investments made by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service tax, duty of customs and duty of excise duty, value added tax as at March 31, 2016 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In crores)	Period to which the amount relates	Forum where the dispute is pending
Excise Duty	Additional Demand Received	1.92	Various Years	Commissioner Appeals
	Additional Demand Received	22.90	Various Years	CESAT
	Additional Demand Received	1.79	Various Years	High Court
	Additional Demand Received	6.13	Financial year 1983-84	Supreme Court
Sales Tax	Additional Demand Received on the basis of Assessment Order	82.94	Various years	Joint Commissioner of Sales tax
	Additional Demand Received on the basis of Assessment Order	33.20	Financial year 2001-02 to 2004-05, 2008-09 & 2009-10	Tribunal
Income Tax	Department Appeal against CIT(A) order	12.19	Financial Year 2007-08	ITAT



# Dalal & Shah LLP

Chartered Accountants

## Annexure B to Independent Auditors' Report

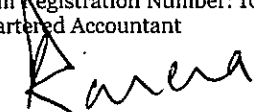
Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Bajaj Auto Limited on the standalone financial statements for the year ended March 31, 2016

Page 2 of 2

	Demand on various matter	0.46	For the years 2005-06 to 2009-10	Commissioner Appeals
Customs Duty	Recovery of Duty by treating the vehicles as not fuel efficient	3.85	Financial year 1984-86	High Court

- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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

  
.....  
Russell I Parera  
Partner  
Membership Number :42190

Pune  
May 25, 2016

# Dalal & Shah LLP

Chartered Accountants

## INDEPENDENT AUDITORS' REPORT

To the Members of Bajaj Auto Limited

### Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Bajaj Auto Limited ("hereinafter referred to as the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and associate of subsidiary company; (refer Note [1] to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

### Management's Responsibility for the Consolidated Financial Statements

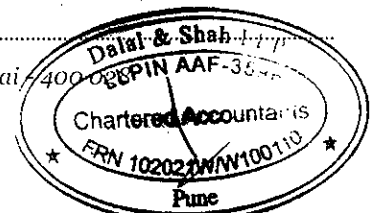
2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group and of its associates of subsidiary are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the

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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 102021WW100110 (ICAI registration number before conversion was 102021W)

# Dalal & Shah LLP

Chartered Accountants

INDEPENDENT AUDITORS' REPORT  
To the Members of Bajaj Auto Limited  
Report on the Consolidated Financial Statements  
Page 2 of 3

Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associate of subsidiary as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

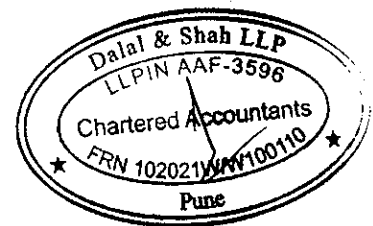
## Other Matter

8. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs 5.68 crore and net assets of Rs 5.65 crore as at 31 March 2016, total revenue of Rs. 0.17 crore, net profit of Rs 0.06 crore and net cash outflows amounting to Rs 0.05 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 221.44 crore for the year ended 31 March 2016 as considered in the consolidated financial statements, in respect of one associate of subsidiary company whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiary and associate company and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiary and associate of subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

## Report on Other Legal and Regulatory Requirements

9. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law maintained by the Holding Company, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company. The two subsidiaries and one associate of subsidiary of the Holding Company are incorporated outside India hence requirements of section 143(3) are not applicable to them.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company including relevant records relating to the preparation of the consolidated financial statements. The two subsidiaries and one associate of subsidiary company of the Holding Company are incorporated outside India hence requirements of section 143(3) are not applicable to them.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting



# Dalal & Shah LLP

Chartered Accountants

## INDEPENDENT AUDITORS' REPORT

To the Members of Bajaj Auto Limited  
Report on the Consolidated Financial Statements

Page 3 of 3

Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company, none of the directors are disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act. The two subsidiaries and one associate of subsidiary company of the Holding Company are incorporated outside India hence requirement of section 143(3) are not applicable to them.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A. The two subsidiaries and one associate of subsidiary company of the Holding Company are incorporated outside India hence requirement of section 143(3) are not applicable to them.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2016 on the consolidated financial position of the Group except in case of Bajaj Auto International Holdings BV a subsidiary of the Holding Company there were no pending litigations as at March 31, 2016 which would impact the consolidated financial position of the Group.

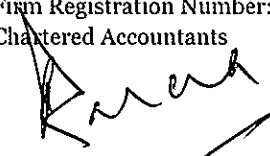
In case of PT Bajaj Auto Indonesia a subsidiary of the Holding Company audited by other auditor, there were no pending litigations as at March 31, 2016, which would impact the consolidated financial position of the Group.

- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2016 in respect of such items as it relates to the Group and its associate of subsidiary and the Group's share of net profit in respect of the associate of the subsidiary as reported by other auditor.

In case of PT Bajaj Auto Indonesia a subsidiary audited by other auditor and Bajaj Auto International Holdings BV a subsidiary company, did not have any material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2016.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2016. The two subsidiaries and one associate of subsidiary company of the Holding Company are incorporated outside India hence requirements of section 143(3) are not applicable to them.

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

  
.....  
Russell Parera  
Partner  
Membership Number 42190

Pune  
May 25, 2016



# Dalal & Shah LLP

Chartered Accountants

## Annexure A to Independent Auditors' Report

Referred to in paragraph 9(f) of the Independent Auditors' Report of even date to the members of Bajaj Auto Limited on the consolidated financial statements for the year ended March 31, 2016

Page 1 of 2

## Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Bajaj Auto Limited (hereinafter referred to as "the Holding Company").

### Management's Responsibility for Internal Financial Controls

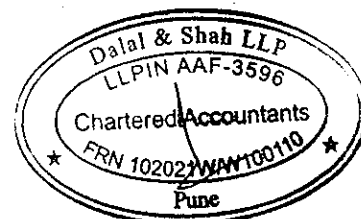
2. The Board of Directors of the Holding company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



# Dalal & Shah LLP

Chartered Accountants

## Annexure A to Independent Auditors' Report

Referred to in paragraph 9(f) of the Independent Auditors' Report of even date to the members of Bajaj Auto Limited on the consolidated financial statements for the year ended March 31, 2016

Page 2 of 2

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

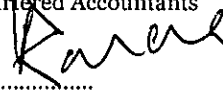
7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, the Holding Company which is a company incorporated in India, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Pune  
May 25, 2016

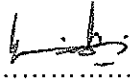
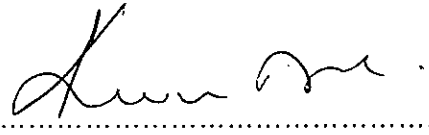
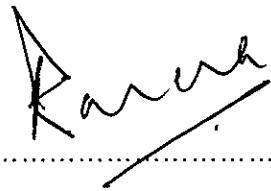
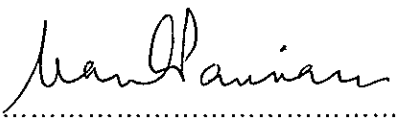
For Dalal & Shah LLP  
Firm Registration Number: 102021W/W100110  
Chartered Accountants

  
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Russell I Parera  
Partner  
Membership Number: 42190



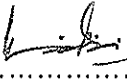

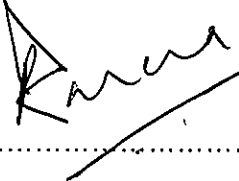
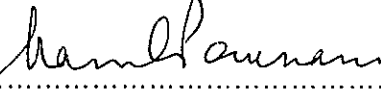
## FORM A (for audit report with unmodified opinion)

[under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1.	Name of the Company	<b>Bajaj Auto Limited</b>
2.	Annual financial statements for the year ended	31 March 2016-Stand-alone financial statements
3.	Type of Audit observation	Unmodified
4.	Frequency of observation	Not Applicable
5.	Rajiv Bajaj Managing Director  Kevin D'sa CFO  Auditor of the Company Dalal & Shah, LLP  Nanoo Pamnani Audit Committee Chairman	 .....  .....  .....  .....

## FORM A (for audit report with unmodified opinion)

[under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1.	Name of the Company	<b>Bajaj Auto Limited</b>
2.	Annual financial statements for the year ended	31 March 2016-Consolidated financial statements.
3.	Type of Audit observation	Unmodified
4.	Frequency of observation	Not Applicable
5.	Rajiv Bajaj Managing Director  Kevin D'sa CFO  Auditor of the Company Dalal & Shah, LLP  Nanoo Pamnani Audit Committee Chairman	 .....  .....  .....  .....

**BAJAJ***Distinctly Ahead*Bajaj Auto Limited  
Akurdi Pune 411 035 India

Tel +91 20 27472851

Fax +91 20 27473398

www.bajajauto.com

## Press Release

### Results : Q4 and FY16

**Profit before tax crosses ₹ 5,000 crore, first time ever !**

**Highest ever Profit after tax – ₹ 3,652 crore !**

**Operating EBITDA margin\* – 22.1%; best in the industry !**

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

An interim dividend of ₹ 50 per share – 500% was declared on 9<sup>th</sup> March 2016 and total amount of dividend and tax thereon of ₹ 1,741 crore was paid on 23<sup>rd</sup> March 2016.

The Board of Directors recommended a final dividend of ₹ 5 per share – 50% ( total dividend of 550% compared to previous year's – 500% ).

The total amount of final dividend and tax thereon, including the amount paid as interim dividend, amounts to ₹ 1,916 crore ( previous year – ₹ 1,735 crore ).

In yet another year of challenging business environment in the domestic market and volatile global economic conditions riddled with uncertainties, Bajaj Auto successfully executed its business strategy to expand its share in the domestic motorcycle market, reinforce its leadership position in the domestic commercial vehicle – three-wheeler space and expand its geographical presence in the international markets.

As a result, Bajaj Auto once again delivered its **best ever performance**.

#### Highlights for Q4 / FY16 :-

- ✓ Sale of Motorcycles – 752,519 ↑ 12%
- ✓ Sale of Commercial Vehicles – 119,939 ↑ 9%
- ✓ Turnover – ₹ 5,536 crore ↑ 13%
- ✓ Operating EBITDA\* – ₹ 1,259 crore ↑ 34%
- ✓ Profit before tax – ₹ 1,200 crore ↑ 30%
- ✓ Profit after tax – ₹ 803 crore ↑ 29%
- ✓ Operating EBITDA margin\* at 23.1%

\* before mark-to-market (MTM) gain/loss

### Highlights for FY16 :-

- ✓ **Highest ever**
  - Turnover – ₹ 23,601 crore
  - Exports, in value – ₹ 9,773 crore
  - Sale of Commercial Vehicles – 535,329
  - Sale of auto spare parts, in value – ₹ 2,542 crore
  - Operating EBITDA\* – ₹ 5,041 crore
  - Profit before tax – ₹ 5,385 crore
  - Profit after tax – ₹ 3,652 crore
- ✓ Operating EBITDA margin\* at 22.1%
- ✓ Surplus cash and cash equivalents – ₹ 9,089 crore, after two dividend payouts of ₹ 3,465 crore

### 1. Performance highlights

₹ in crore	Q4			Full Year		
	FY16	FY15	Gr	FY16	FY15	Gr
Sales (No's)	872,458	782,669	11%	3,893,581	3,811,201	2%
Turnover	5,536	4,894	13%	23,601	22,194	6%
Export revenue	2,021	2,091	-3%	9,773	9,758	-
Operating EBITDA*	1,259	937	34%	5,041	4,429	14%
Operating EBITDA %*	23.1	19.4		22.1	20.3	
Profit before tax	1,200	922	30%	5,385	4,085	32%
Profit after tax	803	622	29%	3,652	2,814	30%

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

The excellent overall performance of the company in FY16 is a reflection of the seamless execution of the company's business strategy.

\* before mark-to-market (MTM) gain/loss

## 2. Motorcycles ( domestic )

The strategy is to reinforce the company's leadership in the " Premium " and " Super Sports " segment, expand the " Price " segment and to scale its presence in the " Value " segment.

i. " Premium " and " Super Sports " segment, represented by the Pulsar and the high-end high-priced KTM motorcycle models, recorded a strong growth.

— " Premium " segment,

- ❖ The Pulsar and Avenger combine recorded a growth of 8% while the segment growth for the industry remained flat.
- ❖ Thus, market share in this segment improved from 43% in FY15 to **47% in FY16.**
- ❖ The new Avengers, launched in October 2015, have been very successful – sales improved from an average of 3,000 units per month to over **25,000** units per month.
- ❖ As a result, market share in this segment, in Q4 / FY16, was close to **50%.**

— " Super Sports " segment,

- ❖ KTM recorded a growth of **32%.**
- ❖ KTM along with the newly launched RS200 increased market share in this segment from 35% in FY15 to **~60% in FY16.**

**The entire industry growth in the " Premium " and " Super Sports " segment was driven by Bajaj Auto.**

ii. " Price " segment

- Platina and CT combine sold over 865,000 units; a growth of **67%.**
- The introduction of CT expanded this segment by **250 bps** and the segment now represents over 23% of the total domestic motorcycle market.
- Market share of Bajaj Auto increased from 23% in FY15 to **35% in FY16.**

**The above segments represent ~40% of the total domestic motorcycle market and Bajaj Auto recorded a growth of 36% as against an industry growth of 8%. Overall, Bajaj Auto is a dominant player in these segments with a market share of 40%.**

iii. " Value " segment

- Launched the iconic " V15 " motorcycle model in March 2016.
- The " V15 " has met with a very good response – delivered to 10,000 proud owners on day one of its launch in the domestic market.

March 2016, the first full month of launch, recorded sales of over 16,000 units in the domestic motorcycle market while April 2016 recorded sales of over 24,000 units.

- With a strong demand pull witnessed in the domestic motorcycle market, the Company is confident to record a significant increase in its market share in this segment also.

All motorcycles launched by the Company in the last one year have been extremely successful and has resulted in an increase in its share in the domestic motorcycle market by over 300 bps, to ~19% in March 2016.

### 3. Commercial Vehicle ( domestic )

Bajaj Auto recorded a growth of 9% in the domestic three wheeler market as against an industry growth of 1%. Consequently, share in domestic market for three-wheelers improved by 300 bps, from 44% in FY15 to over 47% in FY16.

#### i. Petrol and Alternate fuel segment

— Bajaj Auto recorded a growth of 9% over FY15.

— With sales of over 175,000 units, share in the domestic market is a dominant 90% in FY16.

#### ii. Diesel segment

— In the Small Diesel passenger carrier segment

❖ Bajaj Auto recorded a growth of 1% over FY15 as against a 5% decline in industry volumes.

❖ Share in domestic market improved to 65% in FY16 as against 61% in FY15.

❖ In March 2016, market share in this segment exceeded 70%.

— In the Large Diesel passenger carrier segment

❖ Bajaj Auto recorded a growth of 14% over FY15 as against a flat industry growth.

❖ Share in domestic market improved to 20% in FY16 as against 18% in FY15.

### 4. International Business

Motorcycle volumes fell by 4.1% to 1.46 million units while three-wheeler volumes fell by 1.6% to 280,000 units. This negative blip is entirely due to external factors, especially poor economic conditions and severe foreign currency constraints in some of the key importing countries.

However, retail sales in individual international markets reflected the Company's strong brand proposition and its leadership position in market share.

i. Bajaj Auto has improved its market share in important geographies: 24% in markets where it operates in Latin America, driven by the Pulsar 200NS; and 33% share in relevant markets of Africa where the Boxer continues to lead our motorcycle sales.

ii. Pulsar continues to record substantial growth in volumes – sold over 312,000 units in FY16 as against 250,000 units in FY15, a growth of 25%.

iii. Exports, by value, was at ₹ 9,773 crore ( over US\$ 1.4 billion ).

iv. Entered into 16 new countries in this year.

v. Bajaj Auto continues to be India's No. 1 exporter of motorcycles and three-wheelers, having exported 1.46 million motorcycles and 280,000 three-wheelers.

## 5. Investment in KTM

Bajaj Auto International Holdings BV is a 100% Netherlands based subsidiary of Bajaj Auto Ltd. Over the years, through this subsidiary, Bajaj Auto holds ~48% stake at a total investment of €198.1 million ( ₹ 1,219 crore ) in KTM AG of Austria, fastest growing motorcycle brand in the world. As on 31<sup>st</sup> March 2016, market value for the same was over €637 million ( ₹ 4,807 crore ).

**For KTM, calendar year 2015 has been a record year.**

It recorded its –

### Highest ever

- **Sales;** 183,170 motorcycles, a growth of **15%**.
- **Turnover;** €1.02 billion, crossing the billion euro mark and recording a growth of **18%**.
- **Profit after tax;** €63.9 million, a growth of **12%**.

Proportionate profit after tax of €30.6 million ( ₹ 221 crore ) has been accounted in the consolidated results of Bajaj Auto Ltd.

In its Annual General Meeting for the calendar year 2015, held on 21<sup>st</sup> April 2016, KTM AG has declared a dividend of €2.0 per share, compared to €1.5 per share for the year 2014.

## 6. Cash and cash equivalents

After two dividend payouts totalling to ₹ 3,465 crore, surplus cash and cash equivalents as on 31<sup>st</sup> March 2016 stood at ₹ **9,089** crore as against ₹ 8,455 crore as on 1<sup>st</sup> April 2015.

## 7. Awards

FY16 saw Bajaj Auto win several awards for its motorcycles, most of them for the Pulsar RS200 and the AS200. The **Pulsar RS200 alone has won a record 15 awards** in the course of the year.

Publications / TV Channels / Auto Portals	Awards for Bajaj Auto
Autocar / Times Now	Pulsar RS 200: Bike of the Year Pulsar RS 200: Reader's Choice Bike of the Year
BBC Top Gear	Pulsar RS 200: Reader's Choice Bike of the year
Bike India	Pulsar AS 150: Bike of the Year (up to 160 cc) Pulsar RS 200: Bike of the Year (up to 200 cc)
CNBC, Overdrive	Pulsar RS 200: Viewer's Choice Bike of the Year

Publications / TV Channels / Auto Portals	Awards for Bajaj Auto
NDTV	CT 100: Creative TV Commercial of the Year Pulsar RS 200: Viewer's Choice of the Year Pulsar RS 200: Two Wheeler of the Year (by Jury) Pulsar RS 200: Motorcycle of the Year up to 250CC
Motorbeam.com	Pulsar RS 200: Motorcycle of the Year
Zeegniton	Platina ES: Bike of the Year up to 125cc Pulsar RS 200: Bike of the Year up to 250cc Pulsar RS 200: Best Value for Money Bike Pulsar RS 200- Best Two Wheeler Commercial of the Year
Zigwheels	Pulsar RS 200: Bike of the Year Pulsar RS 200: Executive Bike of the Year
Cardekho.com	Pulsar AS 200: Executive Bike of the Year Pulsar RS200: Premium Bike of the Year



**Kevin D'sa**  
**President (Finance)**

25<sup>th</sup> May 2016.







**Bajaj Auto Limited**

**Annexure I**

(₹ In Crore)

	Particulars	Standalone			
		Quarter ended		Year ended	
		31.03.2016 (Unaudited)	31.03.2015 (Unaudited)	31.03.2016 (Audited)	31.03.2015 (Audited)
	<b>Sales in numbers</b>	<b>872,458</b>	<b>782,669</b>	<b>3,893,581</b>	<b>3,811,201</b>
<b>1</b>	<b>Income from operations</b>				
	(a) Gross sales	5,651.35	4,890.61	23,546.24	22,013.21
	Less: Excise duty	347.46	266.91	1,293.46	909.28
	Net sales	5,303.89	4,623.70	22,252.78	21,103.93
	(b) Other operating income	107.53	115.64	434.81	508.08
	<b>Total income from operations (net)</b>	<b>5,411.42</b>	<b>4,739.34</b>	<b>22,687.59</b>	<b>21,612.01</b>
<b>2</b>	<b>Expenses</b>				
	(a) Cost of materials consumed	3,170.60	3,014.54	13,717.01	13,752.79
	(b) Purchases of stock-in-trade	341.28	301.68	1,276.40	1,154.57
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21.38	(118.67)	63.45	(57.56)
	(d) Employee benefits expense	202.73	258.57	918.44	897.30
	(e) Depreciation and amortisation	76.10	63.81	307.16	267.40
	(f) Other expenses	529.10	463.48	1,949.76	1,808.41
	(g) Expenses capitalised	(5.20)	(18.07)	(17.02)	(60.05)
	<b>Total expenses</b>	<b>4,335.99</b>	<b>3,965.34</b>	<b>18,215.20</b>	<b>17,762.86</b>
<b>3</b>	<b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>1,075.43</b>	<b>774.00</b>	<b>4,472.39</b>	<b>3,849.15</b>
<b>4</b>	<b>Other income</b>	<b>124.14</b>	<b>154.27</b>	<b>913.27</b>	<b>582.42</b>
<b>5</b>	<b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>1,199.57</b>	<b>928.27</b>	<b>5,385.66</b>	<b>4,431.57</b>
<b>6</b>	<b>Finance costs</b>	<b>0.06</b>	<b>6.26</b>	<b>0.48</b>	<b>6.49</b>
<b>7</b>	<b>Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>1,199.51</b>	<b>922.01</b>	<b>5,385.18</b>	<b>4,425.08</b>
<b>8</b>	<b>Exceptional items</b>				
	NCCD payment	-	-	-	340.29
<b>9</b>	<b>Profit from ordinary activities before tax (7-8)</b>	<b>1,199.51</b>	<b>922.01</b>	<b>5,385.18</b>	<b>4,084.79</b>
<b>10</b>	<b>Tax expense</b>	<b>396.45</b>	<b>300.39</b>	<b>1,732.77</b>	<b>1,271.05</b>
<b>11</b>	<b>Net profit from ordinary activities after tax (9-10)</b>	<b>803.06</b>	<b>621.62</b>	<b>3,652.41</b>	<b>2,813.74</b>