

**Bajaj Auto Limited**  
Since 1945



**THE WORLD'S  
FAVOURITE  
INDIAN**



# Dear Shareholder,

We hope this communication finds you and your family safe.

Since the Chairman Shri Rahul Bajaj last wrote to you in May 2020, the world and certainly India has seen significant change – various lockdowns and unlocks continued due to the COVID-19 pandemic. However, slowly but surely, we are trying to come back to what would be the new normal.

The impact that this pandemic has had on our lives and livelihoods – right from reduction in GDP to employment uncertainties to supply chain disruptions – would take significant time to undo.

This adverse impact was experienced in other countries too across the globe in varying degrees.

While some of the loss in volumes was recovered on the back of pent up demand and the current festive period, the post-festive period would tell us what is the new normal in terms of sales.

However, what is heartening is that our operations have restored to normal levels, export is doing very well and our premium range led by Pulsar is doing very well globally.

In this challenging and dynamic environment, the Company has delivered a reasonably good performance across all business verticals and we are more than happy to share with you the financial results for the half year ended 30 September 2020.

## 1. Summary of financial results

(₹ In Crore)

Particulars	Q2 2020-21	Q2 2019-20	H1 2020-21	H1 2019-20	Full Year 2019-20
Sales in numbers	1,053,337	1,173,591	1,496,440	2,420,765	4,615,212
Turnover	7,442	8,101	10,859	16,298	31,652
Revenue from operations	7,156	7,707	10,235	15,463	29,919
Export revenue	2,963	3,108	4,614	6,156	12,216
Operating EBITDA	1,300	1,305	1,741	2,555	5,253
Operating EBITDA %	18.2%	16.9%	17.0%	16.5%	17.6%
Operating profit	1,233	1,242	1,609	2,432	5,004
Profit before tax	1,485	1,609	2,167	3,188	6,580
Profit after tax - standalone	1,138	1,402	1,666	2,528	5,100
Profit after tax - consolidated	1,194	1,523	1,589	2,535	5,212

## 2. Volumes

(In Numbers)

Particulars	Q2 2020-21	Q2 2019-20	H1 2020-21	H1 2019-20	Full Year 2019-20
<b>Domestic</b>					
Two-wheelers	550,194	521,350	736,175	1,132,286	2,078,348
CV	23,392	107,730	28,674	193,947	365,759
<b>sub-total</b>	<b>573,586</b>	<b>629,080</b>	<b>764,849</b>	<b>1,326,233</b>	<b>2,444,107</b>
<b>Exports</b>					
Two-wheelers	414,271	462,890	628,219	934,581	1,869,220
CV	65,480	81,621	103,372	159,951	301,885
<b>sub-total</b>	<b>479,751</b>	<b>544,511</b>	<b>731,591</b>	<b>1,094,532</b>	<b>2,171,105</b>
<b>Total</b>					
Two-wheelers	964,465	984,240	1,364,394	2,066,867	3,947,568
CV	88,872	189,351	132,046	353,898	667,644
<b>Total</b>	<b>1,053,337</b>	<b>1,173,591</b>	<b>1,496,440</b>	<b>2,420,765</b>	<b>4,615,212</b>

- ✓ Share in the domestic motorcycle market was **18.2%** in H1/2020-21 as against 18.1% in H1/2019-20.
- ✓ For Q2/2020-21:
  - Brand “Pulsar” sold over 348,000 units in the domestic and export markets, the highest ever!
  - KTM and Husqvarna sold over 20,200 units in the domestic market, the highest ever!
- ✓ During H1/2020-21, Bajaj Auto introduced Platina 100 ES Disc and Pulsar 125 Split Seat along with refreshed versions of Platina 100 ES Drum and Duke 250.
- ✓ Bajaj Auto continues to be a leader in the domestic market for Commercial Vehicles with overall share of **51%**.
- ✓ Domestic CV volumes continue to remain muted and is dependent on return of adequate short distance mobility demand. Within CV, cargo has fared better than passenger and our share has increased to 37% which is the highest ever.
- ✓ Export continues to perform very well, and September was the highest ever month at 2,12,000 units.
- ✓ Exports revenue in US\$ was 599 million, and in INR was 4,614 crore. Exports now contribute ~46% of sales.
- ✓ Significant cost control measures and optimisation of marketing spends helped the Company improve the operating EBITDA margin from 16.5% in H1/2019-20 to 17.0% in H1/2020-21 in spite of a very soft Q1 in this year.

### 3. COVID related measures

Given the scale of the pandemic, various measures were implemented for the entire business eco-system helping the end-customers, dealers, vendors and employees wade thru this crisis.

- ✓ Timely payments to all our business partners, including vendors and facilitation with bankers for vendors to avail credit facilities.
- ✓ Salaries were paid to all employees of Bajaj Auto for the entire period.
- ✓ Extension of free service and warranty period, free distribution of COVID safety kits under CSR programme for existing drivers of three-wheeler commercial vehicles, across brands, free battery check-up camp to increase footfalls in service centres and Bajaj "Secure", an initiative, communicating to the people at large that our outlets are open for business and following all the required safety and social distancing norms.

### 4. Cash and cash equivalents

As on 30 September 2020, surplus cash and cash equivalents stood at ₹ 16,240 crore as against ₹ 14,322 crore as on 31 March 2020.

On this note, we wish you and your family a very happy Diwali and a prosperous New Year

**Soumen Ray**  
CFO

**J Sridhar**  
Company Secretary

22 October 2020



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