



BAJAJ AUTO LIMITED

Press Release: Q3 FY23

Strong domestic performance drives revenue resilience with highest ever EBITDA yet again

Quarter Highlights

- Revenue from Operations at ₹9,315 crores, was up 3% YoY, with **robust double-digit revenue growth in the domestic business** offsetting the drop in exports arising from the challenging market context. Overall **spares revenue came in at an all-time high**.
- At ₹1,777 crores, **EBITDA was the highest ever**, surpassing the record set in the previous quarter. The strong growth of 29% YoY, underpinned by **margin expansion of +390 bps YoY to 19.1%** was led by judicious pricing, better dollar realisation and richer product mix.
- The domestic business saw **sustained double digit revenue growth across both two wheelers (2W) and three wheelers (3W)**. The 2W performance was buoyed particularly by solid 125 cc+ festive season sales while 3W volumes surged, leading to its record high market share.
- On its overseas business, the **quarter marked the launch of motorcycles in Brazil** with the well-recognized Dominar brand. The company through its wholly owned subsidiary, is establishing its capabilities and go-to-market network to leverage the attractive market opportunity.
- Having completed the share buyback in the quarter with a total payout of ~₹3,100 crores (including tax), the **Balance Sheet continues to be healthy** with surplus cash of ₹14,894 crores on 31st Dec 2022, providing the capacity for growth investments

Financial Summary (Standalone)

₹ Crores

Q2 FY23	Change	Particulars	Q3 FY23	Q3 FY22	Change	9M FY23	9M FY22	Change
10,536	-9%	Turnover	9,584	9,294	3%	28,444	26,090	9%
10,203	-9%	Revenue from operations	9,315	9,022	3%	27,523	25,170	9%
1,759	1%	EBITDA	1,777	1,373	29%	4,833	3,895	24%
17.2%	+190 bps	EBITDA %	19.1%	15.2%	+390 bps	17.6%	15.5%	+210 bps
2,014	-3%	Profit before tax	1,964	1,573	25%	5,522	4,608	20%
1,530	-3%	Profit after tax	1,491	1,214	23%	4,195	3,550	18%

Volumes

Q2 FY23	Change	Particulars	Q3 FY23	Q3 FY22	Change	9M FY23	9M FY22	Change
		Domestic						
6,21,134	-27%	Two-wheelers	4,55,146	4,71,284	-3%	13,90,698	13,01,984	7%
73,241	22%	CV	89,042	52,015	71%	2,00,701	1,10,668	81%
6,94,375	-22%	Sub-total	5,44,188	5,23,299	4%	15,91,399	14,12,652	13%
		Exports						
3,97,900	-1%	Two-wheelers	3,95,901	5,77,261	-31%	13,26,541	16,75,781	-21%
58,737	-26%	CV	43,187	80,801	-47%	1,49,994	2,43,349	-38%
4,56,637	-4%	Sub-total	4,39,088	6,58,062	-33%	14,76,535	19,19,130	-23%
		Total						
10,19,034	-16%	Two-wheelers	8,51,047	10,48,545	-19%	27,17,239	29,77,765	-9%
1,31,978	0%	CV	1,32,229	1,32,816	0%	3,50,695	3,54,017	-1%
11,51,012	-15%	Grand Total	9,83,276	11,81,361	-17%	30,67,934	33,31,782	-8%

Business Highlights

- On Domestic Motorcycles, industry festive demand, particularly in the top end commuter/sports segment, was buoyant and the Company outperformed with strong growth in the segment.
- Launched the all-new Pulsar P150, a highly agile and manoeuvrable bike that has been built on the next-gen Pulsar platform, reimagined with a modern/sporty design, and re-engineered to deliver superior performance. Other recent launches of N160 and P125 carbon fibre, continued to display solid traction across markets
- Introduced the Platina 110cc with the first-in-segment ABS feature in Dec 2022. Apart from the promise of great comfort and outstanding real-world mileage that the Platina brand is known for, the ABS braking now provides precise braking, shorter braking distance, and better control & stability – in turn, addressing a foremost safety concern for entry level commuter riders.
- On exports, macro-economic challenges continue to subdue industry volumes across overseas geographies. While the Company continues to navigate this situation through decisive actions, market share remains stable and the resilient performance in ASEAN is alleviating in part, the drop in volumes across other regions
- Commercial vehicles maintained their path of recovery to pre-covid levels (now at ~75%), as the quarter saw strong growth with stepped up volumes and market share hitting an all-time high across segments
- The Chetak EV business continues to steadily expand - volumes are up 5x over previous year, the thrust on augmenting capabilities in the supply chain, R&D and growing dealership presence (62 at Dec 2022 end vs. 35 at the end of FY22) is well underway

Dinesh Thapar
CFO

Pune | 25th January 2023