

Premium bikes drive Bajaj Auto's Q1 PAT; EV output to dip in Q2

REPORT BY

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Pune-based Bajaj Auto is expecting production of its electric two-wheelers to be up to 60 per cent of its planned output in August-September owing to the scarcity of rare-earth magnets. This comes on top of a significant shortfall in its electric 2-wheeler deliveries in July.

The company had earlier flagged a complete halt in production in July due to the non-availability of rare-earth magnet.

However, despite the constraints in Q1, the company's growth, driven by its electric vehicle (EV) portfolio, was

decent, as it reported a 14 per cent increase in consolidated net profit at ₹2,210 crore in Q1 FY26. A 10 per cent increase in revenue from operations was registered in the quarter.

About 21 per cent of Bajaj Auto's domestic revenue in the quarter came from its EV portfolio, which includes its popular Chetak two-wheeler and three-wheelers.

"About ₹1,400 crore for our domestic market revenue comes from the EV portfolio, and Chetak drove the highest-ever Q1 revenue in the domestic market. We have witnessed double-digit growth in premium motorcycles and commercial vehicles," said Rakesh Sharma, Executive Director,



On a fast lane

	Q1 FY26 (₹ cr)	Q1 FY25 (₹ cr)	% growth
Profit	2,210	1,941	14
Revenue	13,133	11,932	10

Bajaj Auto, at a media briefing.

The company that has now moved to light rare-earth magnet and is exploring component system free of rare-earth magnets stated it would take six-nine months for the electric two-

wheeler supply chain to stabilise.

The company stated that the sentiments in the two-wheeler market were impacted due to the early arrival of the monsoon. "The advanced monsoon dampened the consumer demand in June, as we do not expect heavy rainfall in the month. This is why the industry growth was flattish. However, it will pick up during the festive season, and overall, there will be a growth of up to 6 per cent," he said.

The company stated that the demand from mid-towns and rural areas have been consistent. Demand in the metro cities continues to be impacted. "Large towns are

still reeling from inflation. Rental inflation has reduced the disposable income and dampened demand in large cities," he said.

EXPORTS

During the quarter, the company registered a double-digit growth in its exports. It is expected to continue the growth trajectory in exports with a revival in the international market.

"Our outlook for exports is a growth in volume of 16 per cent. The Nigerian market continues to be volatile. We are selling up to 16,000 units every month, and used to sell up to 50,000 units per month earlier. The market is expected to recover," added Sharma.