Robust exports drive Bajaj Auto PAT up 8%

Outbound shipments hit 500K units after 9 qtrs; Chetak margins improve

SOHINI DAS
Mumbai, 28 January

REPORT CARD

Consolidated figures for Bajaj Auto (in ₹cr)

	Q3FY25	Change % Q-o-Q	Change % Y-o-Y
Revenue from ops	13,169	-0.6	8.2
Other income	348	-13.0	-2.5
PBT	2,876	25.1	7.9
Net profit	2,196	58.5	8.0

PBT: Profit before tax Source: Company; compiled by BS Research Bureau

Pune-based Bajaj Auto, which recently forayed into CNG bikes and made the Chetak the best-selling electric scooter in December, posted an 8 per cent year-on-year (Y-o-Y) rise in consolidated profit after tax (PAT) for the third quarter of the current financial year (Q3FY25) to ₹2,196 crore while its revenues grew by 8.2 per cent to ₹13,169 crore.

The Ebitda (earnings before interest, taxes, depreciation and amortisation) margin remained steady at 20.2 per cent — fifth consecutive quarter of over 20 per cent Ebitda margin — as favourable US dollar-INR realisation and judicious pricing and cost efficiencies offset the significant investments Bajaj Auto made on strategic priorities.

The impact of currency fluctuations (rupee depreciation) on Ebitda was around 0.5 per cent (positive) in Q3FY25, a senior company official said. Sequentially, profits grew by 58.5 percent even as revenues dipped marginally. The company said it had the highest-ever festive retail volumes in the domestic market, although billed volumes were recalibrated to normalise channel inventory that was built up between previous quarter and this. Exports saw a broadbased recovery that led to the return of over 500,000 units after nine quarters.

Rakesh Sharma, executive director, Bajaj Auto, said that export revenues have grown by 16 per cent in Q3FY25 to ₹4,500 crore. Going forward they expect exports growth to remain strong (over 20 per cent) in the near-term as they are positive on growth from the Latin American markets.

On the domestic front, Bajaj Auto's focus on green energy has started to pay off. The green energy portfolio now contributes around 45 per cent of revenues (up from 30 per cent last year) as it delivered around 100,000 units of both two-wheelers and three-wheelers in the quarter. It has grown market share in both electric two-wheelers (e2Ws) and electric three-wheelers (e3Ws). The firm's Q3FY25 exit market share in e2Ws was 25 per cent, up 11 per cent Y-o-Y, and in e3Ws it was up to 35 per cent from 13 per cent.

Sharma said that the margin profile of Chetak has improved and with the new 35-series, Bajaj Auto has now gone out of the red zone into profitable growth. Chetak is already the leader in the sub-₹1 lakh segment (2903 series), and now with the 35-series, it aims to gain share in the above-₹1 lakh segment where it has single-digit market share. Bajaj will launch a couple of more variants in the Chetak portfolio in the next two-three months.

Also, the over-125cc motorcycles delivered the highest-ever quarterly volumes in retail and Sharma said that he expects the overall motorcycle industry to clock 6-8 per cent growth over the next 6-8 months. In the first half of the current financial year (H1FY25), industry growth was around 6 per cent and during the festive season, it went up to 11-13 per cent. Overall industry growth has been around 8 per cent for the first nine months of the financial year (9MFY25), Sharma added.

'No impact on KTM's India sales'

Austrian motorcycle maker KTM, which is seeking to raise funding of euro 1–2 billion and is in talks with banks and investors as it is in the middle of a debt restructuring process, is also in talks with Bajaj Auto for potential investments, a senior Bajaj Auto official said. He added that the current situation at the European two wheeler major whose CEO Stefan Pierer stepped down recently, has not impacted the India sales of the bikes. Rakesh Sharma, ED, Bajaj Auto said that the KTM bikes sold in India are made at Chakan and sold through Bajaj's distribution network, and thus it faced no impact. **SOHINI DAS**

Hyundai I

SHINE JACOB
Chennai, 28 January

India's second-largest carmaker, Hyundai Motor India (HMIL), posted a 19 per cent decline in consolidated net profit for the October-December quarter (Q3) of 2024-25 (FY25), at ₹1,161 crore, compared to ₹1,425 crore during the same period in 2023-24 (FY24). The drop in net profit was primarily due to subdued domestic demand and the impact of geopolitical factors in export markets.

Although volumes declined during the quarter, the company expects demand to pick up and projects low single-digit growth in the fourth quarter.

Tarun Garg, whole-time director and chief operating officer, said the company is aiming for a 20 per cent market share in the electric vehicle (EV) sector in the mid-to-long term, with the newly launched Creta Electric expected to play a pivotal role. The company is also focusing on building an EV ecosystem while exploring alternative technologies such as hydrogen, hybrid, and

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India biz sh the arm for C profit swells

ANJALI SINGH
Mumbai, 28 January

India's third-largest pharma company Cipla posted a 48.7 per cent year-on-year (Y-o-Y) growth in its consolidated profit after tax (PAT) at ₹1,570.5 crore for Q3FY25, while revenue from operations during the period grew by 7.1 per cent to ₹7,073 crore.

The increase in the net profit can be attributed to good performance in the domestic market, pro-

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