

Domestic bike sales weigh on Bajaj Auto's Q4 profit

Firms reports 10.4% Y-o-Y profit drop to ₹1,802 cr; revenue increases 8%

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Two-wheeler major Bajaj Auto on Thursday reported a 10.4 per cent year-on-year (Y-o-Y) decline in its consolidated net profit to ₹1,802 crore for the fourth quarter of 2024-25 (Q4FY25), whereas its revenue from operations grew by 8 per cent, reaching ₹12,204 crore.

The decline in the net profit was attributed to subdued performance in the domestic motorcycle market.

For FY25, Bajaj's net profit fell by 5 per cent Y-o-Y, reaching ₹7,325 crore, while revenue from operations grew 12.5 per cent, to ₹49,267 crore.

The company revealed that the auto industry continues to face uncertainty over rare earth imports from China, with no clear resolution yet on the clearance process. Over 30 applications from Indian importers remain pending, raising concerns about production disruptions starting July due to depleting stocks.

Speaking to reporters, Rakesh Sharma, executive director, Bajaj Auto, said: "The rare earth situation remains difficult. While a defined process involving multiple certifications is in place, we've yet to see any clearances coming through. If shipments don't resume soon, production across the industry will be seriously



Speedbumps

Bajaj Auto's consolidated figures in ₹ crore

		Change(%)	
	Q4FY25	Q-o-Q	Y-o-Y
Revenue	12,646	-4.0	9.4
Other income	392	12.9	9.0
Net profit	1,802	-17.9	-10.4

Source: Company
Compiled by BS Research Bureau

impaired by July."

The company revealed that there is no immediate resolution required in the ongoing process related to sourcing from China, as a structured framework has already been set into motion.

While the bottom line impact may be limited in the near term, the electric vehicle (EV) segment could face head-

winds if the situation persists. Efforts to simplify processes and accelerate localisation are expected to offer some relief over the course of the year.

"The entire EV business is at risk. While the bottom line may see a marginal impact, nearly 20 per cent of our annual revenue is linked to the EV segment, making the top line more vulnerable. We're hopeful that process simplification, smoother execution, and ongoing automotive developments through the year will offer some mitigation," added Sharma.

Bajaj Auto recently announced that through its wholly owned subsidiary Bajaj Auto International Holdings BV, it intends to take majority control of the KTM business headquartered in Austria, subject to necessary regulatory approvals. The company noted that these approvals are expected to take two-to-three months, during which the current corporate and control structures will remain unchanged.

Once approvals are secured, Bajaj plans to work closely with KTM to strengthen its position in the high-performance sports bike segment. Despite export disruptions in FY25 related to KTM, Bajaj's joint product manufacturing in India has driven strong domestic performance, and KTM exports are expected to resume in earnest from Q2FY26 onward.