

Bajaj Auto Q2 exports zoom on rupee dip, drive profit up 13 per cent

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Two and three-wheeler maker's sales rose 5.07 per cent to Rs 5,061 cr during quarter against Rs 4,817 cr in same period of previous fiscal.



Bajaj Auto Ltd on Wednesday reported 13 per cent increase in its net profit for the second quarter ended 30 September at Rs 837.16 crore as against Rs 740.67 crore during the same period last year, boosted by export gains from rupee depreciation.

The company said its net sales during the quarter under review stood at Rs 5,061.49 crore as against Rs 4,817.07 crore in the same quarter last fiscal, up 5.07 per cent.

Unit volume sales were, however, down by 8.37 per cent during the second quarter this fiscal to 9,61,330 units as against 10,49,208 units in year-ago period.

Commenting on the profit growth despite decline in volume sales, the company said its international business that account for 40 per cent of total revenue has helped.

'Over the last five years, strategic initiatives taken to enter into difficult markets, like Africa, is yielding rich dividends. The benefits are now further enhanced with the depreciating rupee,' the company said.

Export revenue during the quarter stood at Rs 2,125 crore as against Rs 1,686 crore in the same period last fiscal, up 26 per cent. This was the highest export revenue, it added.

In the first half of the fiscal, the company's turnover grew by 2 per cent to Rs 10,386 crore as against Rs 10,187 crore in the year-ago period. Profit after tax for the first half of the fiscal stood at Rs 1,575 crore as compared to Rs 1,459 crore, a growth of 8 per cent.

*The company is owned and led by one of BusinessWorld's most accomplished, and incisive, minds, alumnus **Rahul Bajaj**.*