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05 June 2025

To Corporate Relations Department BSE Limited 1 st Floor, New Trading Ring Rotunda Building, P J Tower Dalal Street Mumbai 400 001	To Corporate Listing Department National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor Plot No.C-1, G Block Bandra-Kurla Complex Bandra (East), Mumbai 400 051
BSE Code: 532977	NSE Code: BAJAJ-AUTO

Subject: Transcript of Conference Call held in respect of the Company's Q4-FY25 results.

Dear Sirs/Madam,

Please find enclosed the transcript of the conference call held on 29 May 2025 in respect of the Company's Q4-FY25 results.

The transcript will also be hosted on the Company's website at
<https://www.bajajauto.com/investors/financial-and-operational-performance>

Kindly take this on record.

Thanking you,

Yours faithfully,

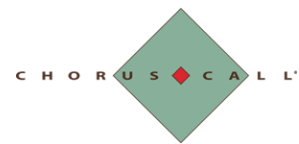
For Bajaj Auto Limited

Rajiv Gandhi
Company Secretary & Compliance Officer
ACS 11263

Encl: as above



“Bajaj Auto Limited
Q4 FY2025 Results Conference Call”
May 29, 2025



**MANAGEMENT: MR. RAKESH SHARMA – EXECUTIVE DIRECTOR –
BAJAJ AUTO LIMITED
MR. DINESH THAPAR – CHIEF FINANCIAL OFFICER -
BAJAJ AUTO LIMITED
MR. ANAND NEWAR – HEAD INVESTOR RELATIONS -
BAJAJ AUTO LIMITED**

Moderator: Ladies and gentlemen, good evening, and welcome to the Q4 FY 2025 Results Conference Call of Bajaj Auto Limited. My name is Sagar, and I will be your coordinator. As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the initial remarks from the management. Should you need assistance during the conference call, please signal an operator by pressing * then 0 on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Anand Newar, Head Investor Relations from Bajaj Auto Limited. Thank you, and over to you, sir.

Anand Newar: Thanks, Sagar. Good evening, everyone, and thank you for joining us for the call today. Welcome to Bajaj Auto's Q4 and FY '25 earnings conference call. On today's call, we have with us Mr. Rakesh Sharma, Executive Director; and Mr. Dinesh Thapar, Chief Financial Officer. We will begin our call with the opening remarks from Rakesh on the business and operational performance for the quarter and for the year, and Dinesh will take you through our financial highlights. We will then open the forum for Q&A. Over to you, sir.

Rakesh Sharma: Thank you, Anand. Good evening, ladies and gentlemen, and thank you for joining our call. FY '25 has again set new benchmarks with revenue hitting the peak of INR50,000 crores, for the first time. EBITDA crossing INR10,000 crore milestone also for the first time, steady EBITDA margins at 20.2% for all the 4 quarters and thus, for the year. Profit after tax crossing INR8,000 crores also for the first time. The spare parts business also delivered our highest ever quarter and clocked 18% growth in FY '25. Since we have been engaging on a quarterly basis, I will focus mostly on the highlights of quarter 4 FY '25 instead of the full financial year '25. With this, let us get into each business unit.

Let's start with the exports business unit. The business unit grew volume by 20% in Q4. As exports recover, our premium brands, Dominar and Pulsar posted highest ever volumes in exports, delivering obvious benefits to revenue and EBITDA performance. We monitor the top 30 overseas markets in some detail, as collectively, they account for over 70% of the industry in emerging markets. Of these top 30 overseas markets, in 26 markets, the industry grew and collectively the 30 markets grew by 26% in quarter 4, which is signalling a very healthy revival. In these markets, Bajaj outpaced the industry growth of 26% and grew by 31%. Latin America is now the largest emerging market region in the world for motorcycles. Hereby, exports grew by over 18%. In Q4, we had a very rich mix of over 65% of premium brands of Pulsars and Dominars.

Bajaj Brazil recorded its highest ever retails of 7,000 units or so in quarter 4 which is more than the sale in the entire FY '24. We have commissioned the Brazil plant with an annual capacity of 20,000 units per annum last July, we have already expanded the capacity to 30,000 units and the plan is in place to expand it further to an annual capacity of 50,000 units, to be achieved by December this year.

Africa and Asian markets are steady, though the uncertain trading environment in Africa means we need to carefully watch these markets and avoid any build-up of stock, endangering the exposure of our distribution partners. The global tariff issue had not any significant direct impact on us as direct exports to these areas, which could be vulnerable to higher tariffs, are mainly the KTM and Triumph brands and they constitute less than 1% of our total revenue.

The impending start-up and revival of KTM Austria will also unlock exports of KTM motorcycles from India to the overseas markets of KTM next quarter onwards. These used to constitute about 5% to 6% of our total exports and as you know, had dropped to almost nil. Given this performance, and revival in the market, our competitive position in key markets and the return of KTM exports, we expect overall exports to continue to grow at 15% to 20% every quarter year on year.

Moving to domestic motorcycles. In quarter 4, the motorcycle industry registration indicates a minor decline of 2% or so. However, for FY '25, the industry delivered an overall growth of 6%, buffeted by a strong performance in Q1 and during the festive. Industry growth was driven by the 125cc+ segment, which grew by 12% compared to a flat performance in the 100cc segment. As you know, the 125cc+ segment is our core focus area in which we continue to hold a solid number 2 position. Estimating market share basis Vahan registrations, we have noticed erosion during the year. From an estimated market share of 21% in financial year '23, we went up to 26% in FY '24 and have closed at 24% in FY '25 in the 125cc+ segment. Our countermeasures to reverse this are already in place from April onwards.

Going forward, we will continue to drive towards leadership in this segment through our two brands, and we have actions outlined for that. First is the rejuvenation of the Pulsar portfolio, which spans from 125cc to 400cc. Six new Pulsar variants have been launched in Q4 to a good reception. These variants are specifically and individually targeting both the sporty and commuter subsegments within the 125cc to 200cc class. Alongside, we have recalibrated prices to adjust for latest competition benchmarking, post OBD IIB changes. We did already see a sequential growth, though marginal of share between March and April.

On the second action, we are steadily expanding the penetration of Freedom, the world's first CNG motorcycle launched in the 125cc segment. It has already retailed 60,000 units basis its key proposition of 50% cut in fuel costs, being adopted mostly by long-distance riders in high-pump density areas. We are now very specifically and vigorously targeting this cohort, a long-distance rider in high pump density areas to drive up the penetration of Freedom, which has reached even 10% to 11% of the 125cc segment in some CNG dense areas like Kerala and Delhi.

Both these brands, Pulsar and Freedom, going forward will be strongly supported by respective marketing campaigns targeting users in all parts of the buying funnel. Overall, we anticipate the industry to continue to grow at 5% to 6% in FY '26. Again, led by the 125cc+ segment, and we will aim for share acquisition based on the above key actions.

In commercial vehicles, the business continues to stand strong in both ICE and now in the electric vehicle segment. It reported its highest ever volume with a 75% market share in ICE segment. The E auto segment of the industry grew at about 60% in FY '25. And here, we have doubled our market share from 17% in FY '24 to 33% in FY '25. The momentum continues with Bajaj securing the number 1 position in electric autos in April and I am told in May till date. The key highlight has been the launch of the GoGo brand. We have introduced GoGo as a new brand for our electric portfolio in autos, distinct from our ICE brand - RE and Maxima, to create a unique and memorable identity in the minds of the customers.

We will launch an e-rick by early July. The segment is fragmented, operating largely with subpar quality products. We want to change the paradigm for both the drivers and passengers by bringing a well-engineered and reliable solution to an important last mile mobility challenge. Our pilot vehicles have covered 10,000 kilometers of extensive testing to confirm the highest levels of build and best-in-class forms. I expect the new e-rick under the new brand to open up a segment of almost 40,000 units, which we will hopefully upgrade over the next few years.

Coming to the electric 2-wheeler business, Chetak. The arc of Chetak's performance has been the steepest in the industry from a market share of 13% in Q4 FY24, Chetak has clocked a market share of 25% in Q4 FY25, a rise of 12% points on the back of the launch of the highly successful 35 series platform in end December. The quarter 4 market share also placed Chetak as the number one electric two-wheeler brand in India.

The 35 series is the best Chetak yet with a higher range, advanced displays, faster charging, and best in boot class space combined with the already popular elegant styling and robust build quality. The two 35 series variants have achieved a higher market share in the upper half of the segment, apart from delivering a positive impact on the bottom line. With the introduction of the third 35 series variant, which is the 3503 in end May 2025, as well as the impending introduction of a new variant in June as an upgrade to the entry level and large selling 2903, the Chetak portfolio will become very potent. Further expansion of this portfolio is envisaged in FY26 to attack emerging sub-segments.

The reach of Chetak is delivered through a combination of high-class Chetak experience centers, which now stand at 310 and are continuously increasing, plus over 3,000 points of sale. We expect these initiatives to build a sustainable and profitable leadership position in FY26. Having said this, I must point out a dark cloud on the horizon in terms of continued supply of rare earth magnets from China, which are an essential component of high-performance EV motors. While finally a process for end use declaration for non-military users has been defined, which includes certification by the Chinese embassy in India and a couple of authorities finally in China, we are yet to see the completion of the process. Any delay or disruption will start to seriously impact production by July. So, we are hoping that in the coming weeks, approvals to ship are secured by exporters from China based on the declarations by our vendors.

Let me now move to ProBiking Business Unit with its two main brands, KTM and Triumph. The premium partnership brands put together hit almost one lakh units this year, up 12 % year

on year. KTM accelerated growth, particularly in second half, basis targeted interventions around product and pricing of Duke 200 and 250, as well as the very well received Adventure 390, which is setting a new benchmark of performance in the growing adventure segment.

Triumph doubled its volumes domestically to close the quarter with 11,000 units on the back of a successful addition of Triumph T4 and the upgrade of the Speed 400. We have also nearly doubled our network year on year, backed by sharp and focused activation in top Tier 2 and Tier 3 cities. We are now in 100 cities with 136 best-in-class stores. The well-accepted models, the high-class stores, and on-ground customer engagements, you may have come across the distinguished gentleman's right, are steadily building a differentiated premium franchise for Triumph.

I'm sure the developments of KTM at KTM AG are being tracked very closely. The Bajaj KTM Alliance commenced in October 2007. Since then, the Alliance has achieved several milestones. The commencement of exports of KTM from India in 2011, which has subsequently reached over 60 countries. Launch of the India-based business based on joint products in 2012, which is now a substantial franchise in India, as discussed above. The millionth KTM was produced in Chakan in 2023, and it introduced several industry firsts in high-performance biking. KTM AG too had a record run, growing top line and bottom line by 4 times in the period of 2007 to 2023, to hit a revenue of EUR2.6 billion and EBIT of EUR116 million in 2023. Along with this, KTM deepened its highly differentiated, ready-to-race position, winning over 500 world titles and even a podium finish in MotoGP. And in this process, thrilling it's considerable as well as passionate fan following.

The unfortunate developments of 2024 onwards had their genesis in the downturn of the e-bike business, the sharp rise in fall of demand for extreme sports during and post COVID. The failure to read the demand volatility lead to increase in stock and debt and then the increase in interest costs. The convergence of all these developments put a huge pressure on liquidity and brought KTM to near insolvency. Even in this extremely stressful period, the customer franchise has not eroded due to its deep and niche positioning, and it is ready to be restored. At Bajaj, we have continued with the India business undisturbed delivering the best year in 2025, though our exports to KTM were compromised.

Looking ahead, we have strong belief in the opportunity for KTM and indeed for Bajaj. And this has been the basis for all the support that we have extended. As you know, Bajaj intends to acquire a controlling stake in PBAG which is Pierer Bajaj AG. Once all the regulated clearances are received, perhaps in 2, 3 months, KTM and Bajaj will commence to work very closely and execute a comprehensive turnaround plan. Dinesh will describe this subject in further details.

Finally, a quick word on our 100% subsidiary, BACL, Bajaj Auto Credit Limited, our captive finance arm. It turned PAT positive in Q3 and has now reported a full year profit for the first time, marking a significant milestone in its journey towards sustainable profitability. With 100% pan-India coverage, disbursements have crossed the INR10,000 crores mark and BACL is now firmly positioned as a strategic enabler in our ecosystem.

In closing, FY '25 was a year of solid outcomes with record revenues, profitability and the establishment of new growth platform. As we step into FY '26, we will focus on the following seven key thrusts. A better competitive position in the 125cc plus segment of domestic motorcycles with high share and firmly on the road towards eventual leadership; a higher-than-market growth in exports, particularly in LATAM, where we will aim to make a quantum shift in our market share and competitive position. Acceleration and scaling up of new growth platforms of Chetak, GoGo, Freedom and the Brazilian business, particularly driving for leadership in electric 2-wheelers and electric 3-wheelers; working together with KTM to turn it around and put it in a better position than ever before in terms of its operations and market performance; strengthening the spare business to deliver the best ever performance in FY '26. Steadily grow the KTM and Triumph businesses in India based on the fundamentals of brand and customer experience; dynamically manage the balance between growth and profitability, recognizing prevalent volatility. These seven thrusts should deliver us the goal of delivering another record year in FY '26 with best-in-class financial performance.

With this, let me hand over to Dinesh.

Dinesh Thapar:

Thank you, Rakesh. Good evening, everyone, and thank you for joining us on the call this evening. Before I dive into the quarterly and annual financial update, let me first address a question that has been asked by a few people in the last few weeks as to why we've delayed our results announcement this time around.

Now you might be aware that to complete our consolidated financial results, we add the results of our investment in the KTM business that has been made through our Netherlands subsidiary. You'll be aware that the creditors of KTM had accepted the restructuring plan and approved it back in February, where essentially a quota of 30% of the claims had to be paid by 23rd of May 2025. At that point of time, the auditors also needed to see the company to demonstrate its ability to remain solvent and as a going concern. And until such time that event wasn't completed, they weren't able to close the audit report and report the audited financials. And so, with the 23rd of May timeline having been met with the quota having been paid, the auditors were able to finalize the accounts that were published by PMAG earlier this week. And so, once that was done, we were able to consolidate and close our accounts and therefore, that's the reason why our results got delayed by this very exceptional event on this instance.

Let me now move quickly to the operating context before getting into the numbers. Rakesh has already spoken to you at length on the business and the view of the industry. So, I'll focus my commentary on two aspects: On commodity and currency. On the commodity front in the quarter, it was a mixed bag, noble metals and precious metals continue to heat up, most specifically Palladium, which saw very steep inflation and Rhodium and Platinum firmed up to some extent. However, the broad energy basket and the metals complex, like steel and aluminium remained relatively soft, Nickel and Lead reflected some signs of inflation, but that was largely offset by relief in rubber and ABS amongst others. So overall, while there were some pockets of inflationary pressure, the broader softness, particularly in the metals and energy

complex helped maintain a relatively stable cost environment for the quarter. And therefore, in net terms for this last quarter, quarter 4, material inflation was about flattish.

On the currency side, we had tailwinds. It was the quarter when USD INR hit its peak and so therefore dollar realization for the quarter came in at 86.5 versus 84.3 in the previous quarter and 83 for the same time last year. However, the rupee appreciated towards the end of the quarter, as you'd be aware and that had a slight impact on our financials as we had to restate our receivables at the closing rate.

Now against this backdrop, our headline revenue from operations stood at INR12,148 crores, registering a growth of 6% year-on-year. The reason I used the word headline is because the number that we have reported has been impacted by a conscious decision that we were forced to take to really suspend exports of vehicles to our KTM business in the course of this last quarter. However, on the continuing part of the business, we have grown double-digit revenue. That was aided by a mix of improved volumes and better realization both on currency and price fronts, but largely the former and a positive product mix that was led by the revenue-accretive electric portfolio.

On KTM, as I just mentioned, it was a conscious decision that we took to temporarily halt shipments given the state of flux and uncertainty on the ongoing restructuring process and essentially not to take any exposure on our receivables. But having said that, this was a call that was taken into very short term. And with the restructuring process now done and the 23rd of May milestone met, we expect to resume exports in the coming months.

On EBITDA, it came in at INR2,451 crores, which was up 6% year-on-year. Margins held steady at 20.2%, marking the sixth consecutive quarter of it being above the 20% threshold. On a year-on-year basis, the benefits arising from currency and operating leverage took care of the drop arising from the profitable KTM exports business and higher discretionary costs, notably on marketing. On the electric portfolio, that's entirely the benefit arising from cost reduction that we've been speaking about for some time now, along with the accrual of the PLI incentives, which we've been doing quite consistently, quarter after quarter that you're quite familiar with, the portfolio now being fully PLI certified has, by and large, funded for the actions that have been taken to drive out competitiveness in the market, notably on pricing as the price table across the broader market came off and the introduction of an affordable variant in many ways, which was a key intervention that propelled us into leadership.

Sequentially, margins were flattish, driven by a favorable currency and better economics that we called out at the time of the launch of the new Chetak 35 platform, which took care of operating deleverage and higher discretionary spends this time, most notably, again, on brand investments and on jigs and fixtures as we stepped up the level of innovation capex across the business.

Tracking the revenue and EBITDA growth, profit after tax for the quarter stood at INR2,049 crores and was up 6% year-on-year. Looking ahead, I'd say on commodity and currency the environment continues to remain quite volatile. Currency, which was a tailwind so far, appears

to be an emerging headwind in this current quarter, quarter 1, as dollar realizations have started to soften. And given our quarterly dollar-linked sales of approximately 500 million thereabouts, the lower USD INR realization will weigh down on the margins in this near term.

On the material cost front, aluminium prices have surged and there is some firmness on a few lines like steel, ABS and rubber. These are expected to be partially offset by declines in precious metals : palladium, rhodium and platinum. However, I expect to see some amount of commodity inflation in net terms for the quarter. And added to this is the cost impact of the OBD IIB norms that have been rolled out from the start of this quarter. So cumulatively put together between material cost inflation and the rollout of the OBD II norms that have been rolled out from the start of this quarter, we are seeing a material cost impact that could add up to anywhere close to 1 percentage point. As for pricing we have been selective in our approach taking pricing up in parts of the portfolio and dropping prices in part of the motorcycle business to really revive the competitive growth momentum. The pricing outlook for the quarter therefore could be anywhere between 30% to 50% of the overall material cost impact.

Now that's the quarter. Since this is the last quarter of the year, let me also spend a couple of minutes to wrap up the year and you've seen this detailed in our press release. Let me start by saying it's been another landmark year of performance with financial metrics setting new benchmarks. Revenue from operations crossed INR50,000 crores for the very first time, registering a 12% growth year-on-year.

Underpinning this, as you would recognize is the very versatile nature of our business and we've been talking about this, and this has been demonstrated yet again. It's the very versatile nature of our business that has driven the resilience of our results. If you recall, the same time last year, we had said that we had delivered a record performance and that was largely built on the back of a buoyant domestic business whilst exports remain subdued. This year, we started the year with a strong domestic momentum. Exports were a bit slow in the first half of the year. But then the story flipped in the back half. Domestic demand slowed and exports accelerated sharply. And so, we've now had another year of record performance, but very differently driven from the previous year.

Building on the strong operating performance, EBITDA for the year crossed the major milestone exceeding INR10,000 crores, closing at INR10,101. Margins held steady right through the year while closing 40 bps higher on a full year-on-year basis. And what we must recognize in this is the fact that the electric vehicle portfolio has moved from being under 10% of our domestic revenue to nearly 20% on a full year basis in the course of this current year. And you're familiar with the fact that the Chetak business continues to remain significantly margin dilutive, although with much better economics that have evolved over the last 18 months and the fact that we've been able to hold margins through this period of time is a reflection of the strong focus on driving the economics for the new growth engine of electric vehicles and for a very dynamic P&L management that we've been doing at a larger enterprise level.

We closed the year with profit after tax at a new record high of over INR8,000 crores registering a 9% growth year-on-year. However, it's worth noting that the growth is after absorbing a onetime exception deferred tax provision for INR211 crores that we had to take in quarter 2 of this year on account of the withdrawal of indexation benefits on certain classes, asset classes and changes in tax rates as was announced in the Finance Act of 2024. If you were to adjust for the one-off impact, profit after tax would have grown by a robust 12% year-on-year, underscoring the quality and sustainability of the key earnings.

Now apart from the key financial measures, there have been a few areas to cheer about across our businesses as new milestones were achieved. On domestic motorcycles, revenue for our strategically important and focused segment of the 125cc hit a new peak. In commercial vehicles, we registered the highest ever volumes and revenue crossed INR10,000 crores for the first time. Notably, the electric 3-wheeler business, which is under 2 years old, has rapidly scaled up to being 20% of the commercial vehicles revenue and hearteningly achieved leadership in the course of the current quarter. This was the year in which Chetak hit the leadership in the electric 2-wheeler market and ended the last quarter as market leader. And so, when you add and look at the performance of both electric 2-wheelers and electric 3-wheelers, we have ended the year with over INR5,500 crores of electric vehicle revenue, which essentially would make it the country's largest electric 2 and 3-wheeler company, right. And this has all been delivered in a span of between 2 and 3 years. In exports, Latin America continued strong momentum, registering another high over what was an already record performance in the last year, and the region now accounts for over 30% of our total exports volume. And this space, as you heard from Rakesh, an important record revenue for this year as well. So, it's been a year of milestones and multiple accounts in addition to the financial benchmarks.

Moving to consolidated results. And since there is a significant impact, I thought it was right to call it out, while standalone profit ended at INR8,151 crores that was up 9% year-on-year. Consolidated profit came in at INR7,325 crores. It was dragged down by the share of loss that we had to account from our investment in the global KTM business that reported a loss and the results of that business flows into our Netherlands subsidiary, which, in turn, we consolidate. The share of that loss accounted for us between the first half and the second half added up to about INR900 crores for the year. And you are aware of the context so I will not get into that for the moment.

We closed the year with the closing surplus cash balance of nearly INR17,000 crores, underscoring the continued strength and resilience of our balance sheet. This was achieved after significant investments done in the year. We invested INR2,100 crores in our capital financing arm, BACL. We spent INR700 crores towards capex, of which about 60% was towards the electric business and the balance to provide for innovation-related capex on the rest of the portfolio. And over INR2,200 crores were returned to shareholders through dividends pertaining to the previous financial year, reflecting our continued commitment to rewarding shareholders. Free cash flow continued a strong track record and remained robust at INR6,500 crores for the year.

The Board of Directors at its meeting today also approved a dividend of INR210 per share today. That will total a tad below INR5,900 crores when we pay this out in a couple of months, which will reflect a 72% payout on our total reported profit after tax.

Now I know a few of you would have questions on KTM and hence, before closing let me just quickly summarize the current announcements that we made to bring everyone on to the same page, and then we'll be happy to take questions that you may have on it. You're familiar with the structure so I'm not going to spend time on the structure, it was part of our release as well. And there have been a range of stock exchange filings and news have been that have been floating about the subject over the last few months. But most notably between the press release that we put out on 22nd of May and the stock exchange intimation the following day on 23rd, we essentially announced our intent to take control of the KTM business as headquartered in Austria, subject to necessary regulatory approvals that are currently underway.

Very clearly, what we said was that our Netherlands subsidiary, BAIHBV has arranged a debt funding package of about Euro 800 million to enable the continuity of the KTM business by paying off the approved quota to the creditors, that was approved by them in the February meeting in furtherance of the debt restructuring with the approval of the court of Austria and for infusing funds into the company to revive its operations and the working capital cycle that had choked up. Of this Euro 200 million cash that was infused in multiple tranches in the last financial year between Feb and March and between April and May to maintain continuity and to revive operations and Euro 600 million debt was provided in the last week to essentially fund the payment of the creditor's quota and associated costs.

Alongside, our Netherlands subsidiary also entered into a call option agreement on 22nd May itself with Pierer Industries and the parent of Pierer Industries, which I will use as a short form called PIKO for the rights to purchase either by itself or by a third party nominated by ourselves from Pierer Industries, the shares that they hold in Pierer Bajaj, recognize that Pierer Industries holds 50.1% in Pierer Bajaj. And so, we've now entered into a call option agreement that allows us to exercise an option to purchase these shares and therefore take control in Pierer Bajaj AG. Of course, this is subject to requisite regulatory approvals. Our right to purchase the 50,000 shares, which is essentially the stake that is held by Pierer Industries either by ourselves or through a nominated third party, can be exercised fully or in installments or in a combination for the next 1 year essentially till 31st of May 2026, but has fixed the consideration for such an exercise to be a maximum amount of Euro 50.65 million. Besides this, we will acquire the balance 0.1% stake in PBAG under a separate arrangement, which is also again subject to regulatory approvals that could take anywhere between 2 to 3 months.

Thus, upon exercising the call options, Bajaj through its Netherlands subsidiary would essentially move from being a current minority investor in PMAG to being a controlling shareholder in keeping with our strategic intent to take charge of rebuilding the KTM business and realizing the synergies that they have with us. The full exercise of the options will essentially

lead BAIHBV, our subsidiary to hold 100% of the shareholding of PBAG and will essentially mark the resultant exit of the Pierer Group from PBAG and the KTM business.

I tried to cover as much as we had announced in those two days, but I'm sure there will be a few follow-up questions, which we'll be happy to take as part of the Q&A session.

With that, let me hand the call back to Anand and open the floor for questions. Thank you.

Anand Newar:

Thank you, Dinesh. Sagar, we can open the forum for Q&A.

Moderator:

Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question, may press * and 1 on their touchtone telephone. If you wish to remove yourself from the question queue, you may press * and 2. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

Our first question comes from the line of Kapil Singh from Nomura.

Kapil Singh:

Good evening, sir. My first question is on KTM, just want to understand what is your vision on operating this business? Would it largely operate the way it was operating prior the issue that they face on account of market turmoil in the sense that the production will continue as it is? Or are there any guarantees for manpower to continue as it is? So that's one part.

And the other part is from a capital requirement perspective, how soon do you think KTM will be in a position to service the debt that we have provided them? And is there a need for more capital in terms of working capital or capex requirements for the year till they come back?

Dinesh Thapar:

Thanks Kapil. And I'm going to draw a reference again to the press release that we put out because we have to be very mindful that there is currently a process of regulatory approvals that is being sought. And so therefore, we have to be mindful till those come in place. We cannot give effect to or getting actively involved at the moment. But it is very clearly our intent, as regulatory approvals come through, and that part of the hoop has crossed, to look at this very, very differently. We've decided that we would take charge and that is the message that we sent out through the announcement that we put out on the 22nd.

Looking at control of the enterprise very clearly, we will initiate a revamp of the entire governance framework as to what will happen at that point of time. There will be a full-fledged work stream that will be put up, which was essentially to leverage the experience and expertise of the Bajaj system and the Bajaj ecosystem that will be aimed at restoring the momentum and competitive growth of the business as well as driving the financial viability, looking for synergies in procurement and component sourcing in production, right. We will also, at some point in time, look at expanding the remit of the joint development program as a possible opportunity. And today, you're aware that, that program only extends up to bikes, which are

under 400cc. But there is clearly an opportunity to be able to expand that all the way up to let's say, the 990cc in the immediate term horizon.

And I think we will continue to look for potential partnerships and collaborations that can help build the KTM business to sustainable competitiveness and long-term value creation. But I want to add that we need to wait for the regulatory processes to come through, for those approvals to come through and they are essentially three in number. We need to get approval from the takeover commission, we need to get approval from the investment authority, and we need to get merger control approvals from key and specific geographies that are relevant to this transaction and that will play out over the next 2 or 3 months. It is only after that, that we can get involved and comment.

And I think you will expect that we will comment in greater detail at that point of time. So, we just don't want to jump the gun at this point of time by commenting prematurely, but this is the broad directional intent that we went in with, to absolutely run the business differently, once those approvals are in place from the way it was run in the past.

Kapil Singh:

Thanks, on that sir. And the second question is on the domestic market. You did allude to the fact that there was a bit of market share pressure, and you have taken some actions. If you could talk about the underlying market conditions, what has caused a bit of a slowdown that we are observing in the market that continues?

And on the market share front, what is the number of new products that you are looking to launch in various segments in the coming year? And how do we see the evolution of market share in the domestic market?

Rakesh Sharma:

So, the market performance as I said, slowed down in quarter 4 and we believe it is largely happening in the smaller urban centers. We feel that the deep rural is the slow, the smaller towns and mid-tier towns are doing well. The metros are also okay, but the larger towns, that kind of a segment is slowing down, perhaps under the pressure of the inflation, which is being experienced by our type of customers, driven particularly by things like rental inflation. And we have seen some pressure on purchasing power.

We've also seen that the southern markets have been under greater pressure in terms of the industry performance while the northern markets particularly Uttar Pradesh, Delhi, Haryana, these types of belts are doing much better. I would like to actually wait and see a few more months before trying to extrapolate this performance because it's very hazardous in this up and down way of market behavior to take a small segment and then extrapolate for the whole year. That is what happened last year. So, you saw that quarter 1 was 11% growth for the industry. Quarter 2 was 2% growth, quarter 3 was, again, just in October, very high growth, and then quarter 4 was minus 2%, but combined, we delivered about 6%. I think it's going to be very, very similar. There will be some high-growth regions, some high-growth periods. But we should be sort of that 5% to 6%.

But what is very, very clear, like I said, is the top half of the industry is certainly growing much faster. Our erosion of about 1 or 2 percentage points has largely been in the 125cc+ segment in the domestic motorcycles' portfolio. And it is based on the timing of competitive launches versus our, there is always a lead, and every launch cannot be timed. We gain when we launch new and successful products and by the time competition responds to them, you get a very nice period where you can acquire market share. And that works for us as well as against us. And so, we had to do some catching up in terms of making our portfolio more feature-rich, which we have responded very quickly because we noticed this erosion by the middle of the year when dust has settled from the festive. And very quickly within a quarter, we have responded with feature-rich products. And we will continue this exercise with the introduction of new products in the Pulsar portfolio right through FY '26. We are also looking at entry-level 125cc product and therefore, it's a full pipeline of products for FY '26.

And hopefully, on that basis, we should be able to start increasing market share. We're in a solid second position, with 1.3x more than the third and the fourth guy but we are behind the number 1 position and our aim is to come as close as possible to the number 1 position in FY '26.

Kapil Singh:

Thank you, sir.

Moderator:

Thank you. The next question comes from the line of Amyn Pirani from JP Morgan.

Amyn Pirani

Thanks for the opportunity. First, just a clarification on the comment that you just made that you are looking at an entry-level 125cc. Would this be of the Pulsar brand? Or will this be a separate brand? And a related question was that you have the Freedom, which has a positioning. You have the Pulsar which spawns a lot of engine and price points. Is there space or is there requirement from Bajaj side to have, say, another brand in the 125cc to say, 150cc category? I would love to hear your thoughts on that.

Rakesh Sharma:

So that question is still open. As the product sort of acquire its specs and its full form, we will decide on the branding. I can say that the 125cc segment, in particular, not the 125cc+, the 125cc segment is almost now equal to the executive 100cc segment, which is like 28% of Indian motorcycle industry is just the 125cc segment. And we can see two or three sub-segments emerging over here. Freedom is, of course, an innovation, though it's a 125cc, but it cuts across different cc classes and is the propositioning for the long-distance rider who is very keen to save money because of the long-distance riding.

Now whether there is space for one more brand beside Pulsar will be based on careful analysis of how distinct these sub-segments are. This work is going on and we will conclude this and reveal it to you closer to the time when we launch the product.

Amyn Pirani:

Sure sir. Look forward to that. And my second question was on 3-wheelers. So broadly, how should we think about the growth potential over the next say, few quarters for the domestic 3-wheeler business. And within that, since you have already talked about the launch of the e-Rickshaw. Obviously, the addressable market is quite large, but I'm guessing that you will start

with a particular subcategory within that. So, should we look at the way you ramped up the E auto volumes? And should that be a way of thinking about or a template to think about how you will ramp up the e-Rickshaw volume? Or should we think about it differently?

Rakesh Sharma:

I am very, very optimistic about the 3-wheeler business. And it may have its ups and downs, and it has its peculiarities in terms of parts of it being regulated, then there is this whole diesel to CNG conversion and of course, now the entry of the electric, which can sort of override the permit, etcetera, which opens the options. Despite all these constraints, let me say, unique features of this industry, the thing that is driving the 3-wheeler business is the enormous requirement for last mile mobility. That is not getting fulfilled by either the metros or the buses or local trains and stuff like that. The 3-wheeler is a very, very important vehicle to satisfy India's hunger for last mile mobility.

And I'm including e-Rick as a 3-wheeler in it. That's 40,000 vehicles per month. So, e-auto gives us a very, very good method to access the regulated market. And it opens things for introducing the e-auto. So, it may sort of go through its ups and downs, but fundamentally, the 3-wheeler business will continue to grow. It's fuel type and shape may change.

Now when it comes to the e-Rick, this is a 40,000 per month segment. Top 10% is Lithium-ion. Obviously, we are going to introduce a lithium-ion product because lead acid has its own problems. I draw parallel to what we did in Africa when we went in and came in with a very high premium to the existing Chinese players there at that time, 10, 15 years ago in recognition of better quality and ownership convenience. Over a period that people got educated, they shifted. Even today, we are seeing that the e-auto itself is upgrading e-Rick. It has its sources of growth in diesel and in e-Rick and we can sort of see one third of the growth of e-auto is being driven by people who are second-time buyers, end-of-life driver of e-Rick. So, by placing a good quality e-Rick, which has its own unique proposition in terms of size and payback and number of passengers it carries, and its access in narrow streets, we feel that we should be able to upgrade the balance, 90% also. But this obviously will take time. Our eyes are set on the entire 40,000, but I'm not saying that that will happen as soon as we want. FY '26 will be a year of observation and a year of building a pace. It will not be the year of solid scale up.

We will see quarter-on-quarter how it goes. But really, our eyes are on the 40,000. It may take some time, and we will begin with putting in a good product, observing it, understanding how it is delighting the drivers and the passengers and then going back and seeing whether we need to modify our product and our go-to-market approach appropriately.

Amyr Pirani:

Thank you for that. I'll come back in the queue.

Moderator:

Thank you. The next question comes from the line of Gunjan Prithyani from Bank of America.

Gunjan Prithyani:

Hi. Thanks for taking up my question. Just a follow-up on this 3-wheeler discussion. I mean there has been some recovery that we've seen on the export side, right? And this did see a lot of drag over the last couple of years. So, anything in terms of the rebound of the business that you

can talk about? And there's an interesting comment that you made that the business saw double-digit revenue growth in quarter 4 despite the single digit volume growth, I think it was about 4%, 5%. So, I'm just trying to understand, if I look at fiscal '26, is it fair to say given that EVs are fast growing within the 3-wheeler piece, can revenue growth be double digits still for fiscal '26? I mean both exports plus EVs put together.

Rakesh Sharma:

You ask lots of questions and it seems a bit weird there. The rebound or the growth in 3-wheeler in exports is largely the result of Asia and little parts of Africa, Ethiopia, etcetera, coming back. And particularly, Asia coming to growth areas, some places like Mexico, etcetera. So, it is part of the 30 countries which I talked about, I was telling you that we monitor 30 countries and 26 of them have grown both in 2-wheelers and 3-wheelers. And as you know, over there, also, we have a very good position.

Obviously, with the growing component of the electric business, it buffets up the top line, beyond the volume growth. But the overall mix, how FY '26 spans out in terms of the volume versus value growth, depends also a lot on the rise of Africa. Right now, Africa is steady like I told you, it is not going down, it's not going up. But we can see that it is still tentative and ready to certainly rise, then it has an adverse effect on the volume to value ratio.

Gunjan Prithyani:

Got it. And the second question I had, Dinesh, was on the margins. I think clearly, a good gross margin improvement in this quarter. You did call out FX and Chetak profitability. Can you talk a little bit more on how the contribution margins or overall platform profitability of Chetak stacks up now? And how should we be directionally thinking about the E2-wheeler business profitability?

Dinesh Thapar:

Yes, Gunjan, I think it's been significant progress, if I just look at it from a 12 to 15-month horizon of where we did not have at that point of time contribution breakeven in sight. We've got to a situation now where with the launch of the 35 series and everything that's followed ever since from December onwards. I'd say we are now very close to line of sight on being EBITDA breakeven, yes.

But that is subject to a big if, which is the fact that pricing needs to hold steady at these levels because you know that over this last 12 to 15 months horizon, market level pricing has come off. But let's for a moment assume that is the case, I would say now with 35 series we're probably slightly away from getting to EBITDA level breakeven with the PLI being accounted for the way we have consistently been doing for this last year. That's where we currently stand from what was possibly a very significant bleed we have now come to line of sight of or being nearly breakeven.

But obviously every time I get asked this question, the way we think of it, I think we're also starting to think of it as once we look at the unit economics from an electric scooter perspective, we also look at it as now how we're doing on the overall profit pool for the electric business. And that has moved from being a few hundred crores of loss about a year ago to a marginal profit situation right now on the back of both improved unit economics of Chetak scooter, but

also the scaling up of the electric 3-wheeler, which is now becoming quite material and significant in the overall scheme of the electric business.

Gunjan Prithyani: And how do you see that going forward? How significant can be the improvement from current levels?

Dinesh Thapar: Yes. I think the journey on cost rationalization continues unabated. So therefore, there is already work underway looking at the next level of savings as it was. So directionally, we continue to look for the opportunities to move cost down even further. PLI will be quite consistent in the course of this year because that's not changing. As per pricing, anyone's guess, but if we make the assumption that pricing is going to hold constant at these levels, it then really comes out to cost savings, which we will continue to do but with the new platform having been launched only in December, I expect the next flush of cost savings to only come towards the later part of this current financial year.

Gunjan Prithyani: Ok. Got it. Thank you so much.

Moderator: Thank you. The next question comes from the line of Chandramouli Muthiah from Goldman Sachs.

Chandramouli Muthiah: Hi, good evening. And thank you for taking my question. My first question is just on the prepared remarks. I think you made a comment that you expect 5% to 6% industry volume growth in FY '26. So, I just want to understand how we look at our own volume growth outlook for FY '26. I think we had a good start in the first half of FY '25 and then it was more sort of negative 7% to negative 8% volume declines in the back half. I just want to understand what milestones we need to achieve to get closer to industry volume growth outlook in FY '26, if not exceed it? That's my first question.

Rakesh Sharma: Our priority is to outpace the industry growth in the 125cc+ segment. That is our core focus area. It will remain so. And we slipped on that in a few months, not the entire year, for the reasons I explained. We have taken few countermeasures. I cannot tell you exactly how much we will outpace the industry by because, again, the industry, like I said, is going to feel like a snake in the tunnel. It's not going to be linear, so it's going to be up and down. But we will, hopefully, over a period, not month-on-month or like that but let's say, every quarter, every 4, 5 months, when we take stock, we should be ahead of the 125cc+ industry growth rates.

Chandramouli Muthiah: Got it. And just a related question on volumes. I think in the prepared remarks, you mentioned that you expect a 15% to 20% growth visibility on exports. Could you just clarify what time frame you have line of sight on that? Is it sort of a 6-month period, or the full year given where inventory levels are in the export market?

Rakesh Sharma: Inventory levels are pretty much in good shape. Maybe there are a few markets here and there. But what I said was that every quarter, we expect to be between 15% to 20%, up over the same quarter in previous year.

- Chandramouli Muthiah:** Got it. That's helpful. My second question is on the rare earth metal issue. At this stage, it appears that most auto companies in India are reasonably well stocked on inventory up to mid or end July. But beyond that, most companies don't seem to be as sure. So just wanted to understand what your thinking is based on the latest updates on the processes that are being followed and the negotiations between the Indian government and Chinese government on the rare earth metal supplies given that China controls almost 90% supplies?
- Rakesh Sharma:** Well, there is no particular negotiation. The process for declaration and certification that the rare earth imports will be not used for military purposes, has been now defined. I mean on fourth of April, an intent was published, but now a process has been defined, which entails self-declaration by the importing company, which would be our vendors. And which is then certified by a couple of agencies of the ministry, and then finally, by the Chinese embassy in India. With these, the certified declarations are sent to China where there were 2-level certification or 2-level approval, one by the provincial government, to which the exporters belong. And once that is done, it goes to a desk in their Ministry of Commerce for the final approval.
- My information suggests that about 30 applications have been made, which have been certified by all the agencies in India, including the Chinese embassy in India and have been forwarded to China. We have to wait to see whether there are any questions, how much time it is going to take and how smooth it's going to be, etcetera. So, we have to wait and see the outcome of these 30 applications to fully understand what this process entails.
- Like you said, almost 90% of the supplies of these materials are from China, building alternative is not an option in the short term because this will take development work. This will take investment. This will take testing, validation and integration into the vehicle systems. So, this will be more of a medium-term option. At this point, we are keen that the process is smoothly followed, and things are expedited both in India and China.
- Chandramouli Muthiah:** All right. That's helpful. And lastly, just a bookkeeping question, if you could share the export revenues and the spares revenues for the quarter, please?
- Dinesh Thapar:** Exports revenues is 470 million.
- Chandramouli Muthiah:** And spares?
- Anand Newar:** Spares revenue INR1,566 crores.
- Chandramouli Muthiah:** Got it. That's helpful. Thank you very much and all the best.
- Moderator:** Thank you. The next question comes from the line of Raghu Nandhan from Nuvama Research. Please go ahead.
- Raghu Nandhan:** Good evening, sir. Thanks for the opportunity. Firstly, on KTM, you're working towards normalizing the international operations, inventory reduction and even production

commencement in CY '25. Would you expect things to turn around in CY '26 with better sales resulting in a positive EBITDA?

Dinesh Thapar:

So, Raghu, we've not started working on it as yet. We're still going through a process, and I want to keep calling that out because it is a regulatory process that we are bound by. It is our intention to get started once all those approvals are in place. And then there's a full turnaround plan, knowing fully well what the diagnosis of the issue is and where the opportunities lie that will be put into action.

With that happening, I imagine we will be past the middle of this year. And so, it is our intention to try and get at least the first set of results to start showing up in the next calendar year once that plan is put into place, so to call. So, CY '25 will be a year of bringing back continuity because you know that production has stopped in December, it came on for a bit and then it went off again. It is about reviving the engagement, the partnership with customers on the extended ecosystem. It is about ensuring normalcy in operations setting in and then, of course, a new way of working, a collaboration kind of setting in once approvals are in place and we can actually get in. So much of this year will be gone, but it'll have at least started the process, and we should start to see the first set of those results reflect in possibly in calendar year '26.

Raghu Nandhan:

Thank you, Dinesh. Second question to Rakesh, sir. Sir, thanks for sharing the industry growth for exports, which is 26%, very strong. Trying to understand the growth drivers. We keep hearing macro challenges, adverse currency, fall in crude prices. Despite all this, exports are growing strongly. What is supporting this 15%, 20% growth expectation? How do you see that? Thanks.

Rakesh Sharma:

See the 26% growth, which I said was just to make that point very clear to you is on the top 30 countries, which account for 72% or 75% of the industry. So first, I just wanted to get the math right, but yes, you can assume that it's 26%. Now this 26% growth is mainly on a base, sort of had got hurt by first by COVID and then by the extreme volatility of the currency in many countries when the dollar went through a phase of getting stronger and that resulted in devaluation in many emerging markets leading to retail inflation and depression of demand.

So, as things stabilize, it's not about devaluation or the appreciation. What happens is that most countries seek steadiness, certainty. And there has been a period of steadiness in the currency movement, at least, as also in the macroeconomic condition, which has allowed people to digest the new prices and get back to the normal routines. And which goes beyond the motorcycle industry. The secure environment, coupled with the fact that in most countries, the penetration of 2-wheelers and 3-wheelers is very, very low outside of ASEAN, India and China; Africa, Latin America, Middle East, all these places, the penetration of 2-wheelers is very low. And that is a fundamental driver for increase. I mean, today for us, for example, Mexico is a very, very large market. If you look at Mexico 10 years back and look at the 2-wheeler industry now, Mexico is the second largest market for 2-wheelers after Brazil. And that is all being driven by the increasing penetration of 2-wheelers per 1,000 population.

What is driving us at 15% to 20% is that we took some early steps in Latin America because we realized that Africa is in for a long haul it may go up and down and it is considerably weakened as an economy, if I would say. We took very early steps in strengthening our brand channel platform, in aligning our partners and in sharpening our portfolio in each of these countries. And therefore, we have very good competitive positions. In the Sports segment, we are number one in Mexico, number one in all 5 countries of Central America, number one in Colombia, number one in Argentina, number one in Peru, and these things come very handy when the markets start to revive. And so, I would say a large part of this and seeing parts of South Asia, for example, Sri Lanka is now experiencing revival. You know that we had a very strong position in Sri Lanka. And today, as the Sri Lankan market returns, 80% to 85% of that benefit is being reaped by us.

So, I would say that some early anticipation in Latin America, strong positions and many of these new markets where revival is there, and the return of the KTM exports as we are expecting in quarter 2, hopefully, all combined to make us feel that, yes, we can aim for a 15% in the quarter, 15% to 20% growth.

Raghu Nandhan:

Thank you, sir. Very helpful.

Moderator:

Thank you. The Next question comes from the line of Vipul Agrawal from HSBC. Please go ahead.

Vipul Agrawal:

Hi. Thank you, sir for taking my question. Sir, you highlighted about CNG penetration, basically share in 125cc about 10%, 11% in certain regions. What about be these regions? And is it just pump density which is impacting the CNG sales? Or there is something else to it like maybe power performance of the CNG bike?

Rakesh Sharma:

The product acceptance is fantastic. 60,000 bikes have been retailed. And obviously, we had done some surveys. And most of the people have a very high acceptance of the product and actually delighted by the product and particularly by the savings that is supposed to deliver.

We are encountering two issues in the scaling up of Freedom. The number one issue is the anxiety of not having enough pumps. And therefore, we are finding a very clear correlation between those space. Now, let's say, Bihar maybe having a lot of pumps. But the density of pumps is what is more important. If the pumps have spread out over a large area, the customer gets obviously anxious about being stranded in an area which it doesn't have a pump. And therefore, we are finding adoption is very slow in these areas. But Kerala, as you know, Kerala is a very, in any case, geographically tight. And Delhi, in these places the pump density is good. And we are finding that Freedom is acquiring 6% to 10%, 11% penetration in these areas.

The second issue, which we are encountering is the filling pressure. This is a 2 kg pump tank, and it's supposed to deliver about 200 kilometers with a full condition. But some of these pumps do not have the right kind of pressure, as a result of which the tank is under filled and the range gets compromised and that becomes an issue with long distance riders. So, it's the quality of the

pumps and the thing. That's why we are right now, as I've said, we are focusing on people where we are now, through experience, know which are the areas which has got the right pump density. And we have started to calibrate our resources in terms of engaging with customers, etcetera, in this. This has been the learning over the last 3, 4 months.

That it takes a while to understand this and now we are using this learning to have very selective targeting in these geographies to these cohorts, which are long-distance riders. So that is the way we feel that we will steadily build up on Freedom. Whoever is using the product is experiencing a good amount of savings.

Vipul Agrawal:

Understood. That's all really helpful. So, my second question is on your BACL and basically the financing in the rural area. We are seeing incrementally NBFCs are becoming averse to financing of the customers, which have weak CIBIL score, which is actually we think is impacting the 2-wheeler growth overall. So normally, we see that captive NBFCs normally come forward and to help in such scenarios. So how is BACL is helping in that? And what will be the share of BACL in total financing in rural and urban?

Rakesh Sharma:

So, we are running BACL at an arms length. It has got an independent board, which the MD of BACL reports to, and we don't want to run it as a handmaiden of Bajaj Auto. So, it has to be run on the sound principles of a financing company. So, I wouldn't say that just because it is captive its risk policies and lending policies are influenced by us. They're completely independently done.

Where it is very helpful is that they have presence, virtual and physical at all our counters, which makes access to customers easier and smoother. He comes in to buy or she comes in to buy a Bajaj motorcycle or a scooter and get Bajaj finance. So, it's seamless operation and it becomes very smooth and friction free. But like I said, the risk policies and the credit assessment of the customer, this is done absolutely independently and by sound principles.

I've heard this comment and question being raised by others also that there is a certain tightening, and we know from our understanding of competition that, that has been a contributory to sort of hitting the industry a little bit. But I must point out that both BFL and BACL, we never worked with them on any subvention basis. So, we have not provided any subvention to them to give user sort of loans. And therefore, there was no need between Q2 and Q3 and Q4 to suddenly pull back, there is no pulling back from Bajaj auto side or the BACL and BACL continues to follow its own risk assessment process. So therefore, we haven't seen much of a change. The penetration of BACL in motorcycles is about 40% and about 50% in 3-wheelers.

Vipul Agrawal:

Thanks a lot for that sir. Really helpful.

Moderator:

Thank you. Ladies and gentlemen, we'll take the last follow-up question from the line of Amyr Pirani from JP Morgan. Please go ahead.

- Amyr Pirani:** Thanks for the opportunity again. My question was also related to the financing business. Can you just remind us how much money you have already invested? And is there a broad number that you can share for fiscal year '26? And also, if you could share the book value or the net worth of the business, if you have it handy?
- Dinesh Thapar:** So, the total capitalization from the time we started the entity is INR2,400 crores, of which INR2,100 crores has gone through this last financial year. Capitalization needs for this business, I expect it would be close to about anywhere between INR1,200 crores to INR1,400 crores more, as the book went up because this is the year in which we will have the full national footprint for the full year. If you recall last year, we were building up the book. We started the transition for BACL on 1st of Jan 2024. So, it was a staggered buildup of the book. The book ended up with an AUM of about INR9,500 crores.
- Amyr Pirani:** Okay. Excellent. Thank you.
- Dinesh Thapar:** Yes. And I think you had a question on net worth, it was just capital of about INR2,400 crores that we've put in, and losses have essentially got recouped because the year has turned a profit of about INR60 crores thereabout in the first financial year.
- Amyr Pirani:** Okay. Great. Thanks for that.
- Moderator:** Thank you. Ladies and gentlemen, I now hand the conference over to the management for closing comments.
- Anand Newar:** Thank you, everyone, for joining the call so late in the day. Thank you so much.
- Dinesh Thapar:** Thank you. Thank you, everybody.
- Moderator:** Thank you. On behalf of Bajaj Auto Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.

This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings.