BAJAJ AUTO LTD.
CIN: L65993PN2007PLC130076

Regd. Office:
Bajaj Auto Ltd. Complex,
Mumbai-Pune Road,
Akurdi, Pune 411 035

NOTICE

Notice is hereby given that the ninth annual general meeting of the shareholders of Bajaj Auto Ltd. will be held on **Wednesday, 27 July 2016** at **12.15 p.m.** at the registered office of the Company at Bajaj Auto Ltd. Complex, Mumbai-Pune Road, Akurdi, Pune 411 035 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the standalone financial statements and the consolidated financial statements of the Company for the year ended 31 March 2016, together with the Directors' and Auditors' Reports thereon.

2. To declare a final dividend of ₹ 5 per equity share of face value of ₹ 10 each, and to approve the interim dividend of ₹ 50 per equity share of face value of ₹ 10 each, already paid during the year, for the year ended 31 March 2016.

3. To appoint a director in place of Manish Kejriwal (DIN 00040055), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

4. To appoint a director in place of Sanjiv Bajaj (DIN 00014615), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

5. To ratify appointment of Dalal & Shah LLP, Chartered Accountants (Registration No.102021W/W100110) as Statutory Auditors of the Company, for the year 2016-17 and to fix their remuneration.

SPECIAL BUSINESS

6. Appointment of Pradeep Shrivastava (DIN 07464437) as a Director

To consider and if thought fit to pass, with or without modifications, the following resolution as an **ordinary resolution:**

'RESOLVED that Pradeep Shrivastava (DIN 07464437) who was appointed by the Board of Directors as an additional director under section 161(1) of the Companies Act, 2013 and who vacates his office at this annual general meeting and in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, be and is hereby appointed as a Director of the Company, liable to retire by rotation.'

7. Approval of appointment of Pradeep Shrivastava (DIN 07464437) as a Whole-time Director, with the designation as Executive Director

To consider and if thought fit to pass, with or without modifications, the following resolution as a **special resolution:**

'RESOLVED that pursuant to the provisions of sections 196,197 and other applicable provisions, if any, of the Companies Act, 2013, schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment thereto or re-enactment thereof for the time being in force) and (including any amendment or statutory modification thereto for the time being in force) and subject to such sanctions as may be necessary, approval is hereby given to the appointment of Pradeep Shrivastava as a Whole-time Director, with the designation as Executive Director of the Company, for a five year term commencing from 1 April 2016 till 31 March 2021 on terms and conditions, including remuneration and minimum remuneration in the event of absence or inadequacy of profits, as set out in the explanatory statement relating to this resolution and in the agreement entered into between the Company and Pradeep Shrivastava, which agreement is hereby approved, with liberty to the Board of Directors, to alter or vary the terms and conditions and remuneration including minimum remuneration in such manner as the Board may deem fit and is acceptable to Pradeep Shrivastava.

'FURTHER RESOLVED that in the event of any statutory amendment, modification or relaxation by the Central Government to schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration including salary, commission, perquisites, allowances, etc. within such prescribed limit or ceiling and the said agreement between the Company and Pradeep Shrivastava be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in general meeting.

'AND FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution.'

8. Approval for payment of commission to non-executive directors for a period of five years commencing from 1 April 2016

To consider and if thought fit to pass, with or without modifications, the following resolution as a **special resolution:**

'RESOLVED that pursuant to the provisions of sections 197 and other applicable provisions, if any, of the Companies Act, 2013, a sum not exceeding one percent per annum of the net profits of the Company, calculated in accordance with the provisions of sections 198 of the Companies Act, 2013 be paid to and distributed amongst the directors of the Company or some or any of them (other than the managing director and whole-time directors, if any) in such amounts, subject to such ceiling/s and in such manner and in such respects, as may be decided by the Board of Directors of the Company and such payments shall be made in respect of the profits of the Company for each year for a period of five years commencing from 1 April 2016.'

By order of the Board of Directors
for Bajaj Auto Ltd.

J Sridhar
Company Secretary

Pune: 25 May 2016

NOTES:

1 A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.

2 During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.

3 Explanatory Statement pursuant to section 102 of the Companies Act, 2013 forms part of this Notice.

4 An interim dividend at the rate of ₹ 50 per equity share of ₹ 10 each declared by the Board at its meeting held on 9 March 2016 has been paid to all the eligible members as on 17 March 2016, being the record date for the purpose of dividend. Directors have further recommended a final dividend for the year 2015-16.

5 Brief details of the directors, who are seeking appointment/re-appointment, are annexed hereto as per requirements of regulation 36(3) of the SEBI Listing Regulations, 2015.

6 Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made thereunder, and in terms of the approval given by the members at the AGM of the Company held on 17 July 2014, the current auditors of the Company, Dalal & Shah LLP, Chartered Accountants are eligible to hold the office for a period of three years, upto 2017, subject to ratification by members at every subsequent annual general meeting. The ratification of appointment of Dalal & Shah LLP, Chartered Accountants as auditors from the conclusion of this annual general meeting till the conclusion of the next annual general meeting along with their remuneration has been put up for the approval of members.

7 Pursuant to the provisions of section 91 of the Companies Act, 2013, the register of members and share transfer books of the Company will remain closed from **Saturday, 16 July 2016** to **Wednesday, 27 July 2016,** both days inclusive.

8 Subject to the provisions of section 126 of the Companies Act, 2013, dividend on equity shares, if declared at the annual general meeting, will be credited/dispatched between **1 August 2016** and/or **2 August 2016** as under:

a) to all those beneficial owners holding shares in electronic form, as per the beneficial ownership data made available to the Company by National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) as of the close of business hours on **Friday, 15 July 2016;** and

b) to all those shareholders holding shares in physical form, after giving effect to all the valid share transfers lodged with the Company/share transfer agent (i.e., Karvy Computershare Pvt. Ltd.) on or before the closing hours on **Friday, 15 July 2016.**

9 Dividend will be preferably paid through NECS, wherever the facility is available. Where dividend payments are made through NECS, intimations regarding such remittances would be sent separately to the members. In cases, where the dividend cannot be paid through NECS, the same will be paid by account payee/not negotiable instruments.

10 **To ensure timely credit of dividend through National Electronic Clearing Service (NECS) or dividend warrants/payment instruments, members are requested to notify change of address, or particulars of their bank account, if changed, along with the 9 digit MICR/NECS details, to the respective depository participant in case of shares held in demat mode/to the share transfer agent of the Company, in case of shares held in physical mode, on or before 15 July 2016.**

11 To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.

12 The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Karvy.

13 In terms of section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members, who have registered their email ids with their respective depository participants or with the share transfer agent of the Company.

14 **To receive shareholders' communications through electronic means, including annual reports and notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their e-mail address with Karvy Computershare Pvt. Ltd. on mohsin.mohd@karvy.com**

15 With a view to help us serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.

16 Members, who still hold share certificates in physical form are advised to dematerialise their shareholding to avail of the numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

17 Documents referred to in the Notice and the explanatory statement shall be open for inspection by the members at the registered office of the Company on all working days (Monday to Friday) from 10.00 a.m. to 1.00 p.m. except holidays, upto the date of the meeting.

18 The Company has been maintaining, inter alia, the following statutory registers at its registered office at Akurdi, Pune, which are open for inspection in terms of the applicable provisions of Companies Act, 2013 by members and others as specified below:

i) Register of contracts or arrangements in which directors are interested under section 189 of the Companies Act, 2013, on all working days during business hours. The said Register shall also be produced at the commencement of the annual general meeting of the Company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.

ii) Register of Directors and Key Managerial Personnel and their shareholding under section 170 of the Companies Act, 2013, on all working days during business hours. The said Register shall be kept open for inspection at the annual general meeting of the Company and shall be made accessible to any person attending the meeting.

19 Pursuant to section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 (a copy of which is available on the website of the Company) with the Company's share transfer agent. In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.

20 Corporate members are requested to send in advance, duly certified copy of the Board Resolution/Power of Attorney authorising their representative to attend the annual general meeting.

21 Members/Proxies are requested to bring the copies of annual reports and attendance slips to the meeting, if the same are received in physical form.

22 Please note that for security reasons, no article/baggage will be allowed at the venue of the meeting.

23 Route map for the directions to venue of the meeting is available on http://www.bajajauto.com/pdf/AGM_Route_map.pdf

24 For more details on shareholders' matters, please refer to the chapter on General Shareholder Information, included in the Annual Report.

25 Voting through electronic means -

In terms of the provisions of section 108 of the Companies Act, 2013 (the Act), read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called `the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, 2015, the Company is providing facility of remote e-voting facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on 20 July 2016 (End of Day), being the Cut-off date for the purpose of Rule 20(4)(vii) of the Rules fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by Karvy Computershare Pvt. Ltd. (Karvy) or to vote at the annual general meeting. Person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

The instructions for remote E-Voting are as under:

A. For members who receive notice of annual general meeting through e-mail:

i. Use the following URL for e-voting: https://evoting.karvy.com

ii. Enter the login credentials, i.e., user id and password mentioned in your email. Your Folio No/DP ID Client ID will be your user ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your votes.

iii. After entering the details appropriately, click on LOGIN.

iv. You will reach the Password change menu, wherein you are required to mandatorily change your password. The new password

shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$,etc.). **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.**

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the EVENT, i.e., **Bajaj Auto Ltd.**

vii. On the voting page, the number of shares (which represents the number of votes) as held by the member as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, then enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR'/'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

ix. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. **Once you confirm, you will not be allowed to modify your vote subsequently.** During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

x. Corporate/Institutional Members (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the scrutiniser through e-mail cssdlimaye@gmail.com They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'Corporate Name_EVENT No.'

xi. Remote e-voting facility where members can cast their vote online shall be open from: **24 July 2016 (9.00 a.m.) till 26 July 2016 (5.00 p.m.)** and at the end of Remote e-voting period, the facility shall forthwith be blocked.

xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the 'download' section of https://evoting.karvy.com or call Karvy Computershare Pvt. Ltd. on 1800 345 4001 (toll free).

B. For members who receive the notice of annual general meeting in physical form:

i. Members holding shares either in demat or physical mode, who are in receipt of notice in physical form, may cast their votes using the e-voting facility, for which the User Id and Initial password is provided on the attendance slip. Please follow steps from Sr. No. (i) to (xii) under heading A above to vote through e-voting platform.

C. Voting facility at Annual General Meeting:

i. In addition to the remote e-voting facility as described above, the Company shall make a voting facility available at the venue of the annual general meeting, through electronic voting system and members attending the meeting, who have not already cast their votes by remote e-voting, shall be able to exercise their right at the meeting.

ii. Members who have cast their votes by remote e-voting prior to the meeting may attend the meeting, but shall not be entitled to cast their vote again.

D. General Instructions:

i. The Board of Directors has appointed Shyamprasad D Limaye, Practising Company Secretary (FCS No. 1587 CP No. 572) as the scrutiniser to the e-voting process, and voting at the venue of the annual general meeting in a fair and transparent manner.

ii. The scrutiniser shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unlock the votes through e-voting in the presence of at least two witnesses, not in the employment of the Company and make, not later than three (3) days from the conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same.

iii. The scrutiniser shall submit his report to the Chairman, who shall declare the result of the voting. The results declared along with the scrutiniser's report shall be placed on the Company's website www.bajajauto.com and on the website of Karvy https://.evoting.karvy.com and shall also be communicated to the stock exchanges. The resolution shall be deemed to be passed at the annual general meeting of the Company, scheduled to be held on **Wednesday, 27 July 2016.**

ANNEXURE TO THE NOTICE

BRIEF RESUME OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF THE SEBI LISTING REGULATIONS, 2015.

Item No. 3 of the Notice

Manish Kejriwal (DIN 00040055)

As regards re-appointment of Manish Kejriwal referred to in Item No. 3 of the notice, following necessary disclosures are made for the information of the shareholders:

Information about the appointee:

Manish Kejriwal (born on 8 November 1968) is the Managing Partner of Kedaara Capital Advisors LLP, a private equity investment fund focused on India. The firm's investors include endowments, private and public pension funds, sovereign wealth funds and global family offices. Kedaara offers solution-oriented capital combining deep strategic and operational expertise in focused sectors, consultative approach and global connectivity to deliver superior returns. The firm enjoys a strategic partnership with Clayton, Dubilier & Rice of the United States.

He brings over 10 years of experience, encompassing the full cycle of experiences in private equity across a variety of industries and sectors in private and public companies and in other private equity funds. His achievements/previous assignments include the following:

- Senior Managing Director of Temasek Holdings Advisors India Pvt. Ltd., which was founded by Kejriwal in early 2004.
- Partner at McKinsey & Company, Inc, and had been a part of their Cleveland, New York and Mumbai offices.
- Worked at the World Bank in Washington D. C, and had spent the summer between his two years at business school with Goldman Sachs (Principal Investment/Corporate Finance) in Hong Kong.
- Received an AB from Dartmouth College, where he graduated Magna Cum Laude with a major in Economics and Engineering Sciences. He holds an MBA from Harvard University, where he graduated with high distinction as a Baker Scholar.
- He has been on the boards of Temasek Holdings Advisors India Pvt. Ltd., Punj Lloyd, Bharti Infratel, Tata Tele, Fullerton Financial Holdings and Fullerton India Credit Company.
- An active member of the Young Presidents' Organisation (YPO) and named a Young Global Leader (YGL) by the World Economic Forum in 2005.

Major Directorships

Bajaj Auto Ltd.

Bajaj Holdings & Investment Ltd.

Bharti Airtel Ltd.

Committee positions

Bajaj Holdings & Investment Ltd.

Bharti Airtel Ltd.

Shareholding in the Company

He holds 200 equity shares of ₹ 10 each in the Company.

Disclosures of his relationship inter-se with other directors and on the number of Board meetings attended by him are given in the Corporate Governance Report.

None of the directors, except Rahul Bajaj and Manish Kejriwal, is concerned or interested in the said resolution.

The Board commends the resolution for approval.

Item No. 4 of the Notice

Sanjiv Bajaj (DIN 00014615)

As regards re-appointment of Sanjiv Bajaj referred to in Item No. 4 of the notice, following necessary disclosures are made for the information of the shareholders:

Information about the appointee:

Sanjiv Bajaj (born on 2 November 1969) is B.E.(Mech), first class with distinction (8th on merit list) from the University of Pune, M.Sc (Manufacturing Systems Engg) with distinction from the University of Warwick, UK and MBA from Harvard Business School, USA.

- Since 2008, he is the Managing Director of Bajaj Finserv Ltd. Bajaj Finserv operates in the insurance business through Bajaj Allianz Life Insurance Company Ltd. and Bajaj Allianz General Insurance Company Ltd., as well as in the lending business through Bajaj Finance Ltd. His role includes guiding the current businesses and building new ones in the financial services space.
- Vice Chairman of Bajaj Finance Ltd. with effect from 15-10-2013.
- Non-executive Chairman of Bajaj Allianz Life Insurance Company and Bajaj Allianz General Insurance Company with effect from 01-04-2013. (Non-executive Director of these two companies from their inception in 2001).
- Managing Director of Bajaj Holdings & Investment Ltd. with effect from 01-04-2012 (earlier its Non-Executive Director). Role includes building the strategy and team, and guiding this investment company, which has almost ₹ 40,000 crore in cash and investments, including over 30% stake in Bajaj Auto and around 40% in Bajaj Finserv.
- Former Executive Director of Bajaj Auto Ltd. (until 31 March 2012), having headed Finance and Control, legal and international business functions of Bajaj Auto over different periods from 1994 until 2012 and currently its Non-Executive Director.

Awards -

- Listed among 'India's Most Valuable CEOs' by Business World in 2015-16.
- EY Entrepreneur of the Year (EOY) Award 2014 in Financial Services by Ernst and Young.
- Selected as one of India Inc's hundred most powerful CEOs in India by Economic Times' Corporate Dossier magazine in its 2009 survey conducted by IMRB International.
- Business Today magazine's Best CFO Awards 2005 as one of the top CFOs of India for 2005.

Major Directorships

Bajaj Allianz General Insurance Company Ltd.

Bajaj Allianz Life Insurance Company Ltd.

Bajaj Finance Ltd.

Bajaj Holdings and Investment Ltd.

Bajaj Finserv Ltd.

Bajaj Auto Ltd.

Maharashtra Scooters Ltd.

Hindustan Housing Company Ltd.

Committee Positions

Bajaj Finserv Ltd.

Bajaj Allianz General Insurance Company Ltd.

Bajaj Allianz Life Insurance Company Ltd.

Bajaj Finance Ltd.

Maharashtra Scooters Ltd.

Shareholding in the Company

He holds 800,448 Equity Shares of ₹ 10 each in the Company.

Disclosures of his relationship inter-se with other directors and on the number of Board meetings attended by him are given in the Corporate Governance Report.

None of the Directors, except Rahul Bajaj, Rajiv Bajaj and Sanjiv Bajaj, is concerned or interested in the said resolution.

The Board commends the resolution for approval.

Explanatory statement to Item No. 6 and 7

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, has appointed Pradeep Shrivastava as an Additional Director effective from 1 April 2016. In terms of section 161 (1) of the Companies Act, 2013, read with Article 119 of the Articles of the Association of the Company, Pradeep Shrivastava holds office as Additional Director only upto the date of the forthcoming annual general meeting. The Company has received a notice pursuant to section 160 of the Companies Act, 2013 along with deposit of the requisite amount from Pradeep Shrivastava, proposing himself as a Director. Notice received under section 160 of the Companies Act, 2013 is available for inspection by the members at the Registered Office of the Company during the business hours on any working day upto the date of the annual general meeting.

Further, at the meeting of the Board of Directors of the Company held on 16 March 2016, Pradeep Shrivastava, subject to necessary approval of shareholders, was appointed as Whole-time Director, with the designation as Executive Director of the Company for a period of five years with effect from 1 April 2016, on the terms of remuneration mentioned hereinbelow, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Companies Act, 2013 or any statutory amendment or relaxation thereof:

1. Salary

a) ₹ 912,450 per month;

b) Allowances viz. House Rent Allowance, Variable Pay, Education Allowance, Washing Allowance, Special Allowance and Miscellaneous Allowance, amounting to ₹ 1,451,725 per month;

c) Performance Reward, Annual Variable Pay, Leave Travel Allowance and Statutory Bonus upto ₹ 11,539,800 p.a. as per Company rules; with such annual increments/increases as may be decided by the Board of Directors from time to time, during the remainder of the tenure.

2. Perquisites

I. Company's contribution to provident fund and superannuation fund as per Company rules.

II. Gratuity as per Company rules.

III. Leave with full pay as per the rules of the Company, with encashment of unavailed leave being allowed.

IV. Reimbursement of medical expenses incurred for self and family or Medical Allowance as per Company rules.

V. Cover of Insurance policies and Contribution to Employee Deposit Linked Insurance Scheme as per Company rules.

VI. Cost of insurance cover against the risk of any financial liability or loss because of any error of judgment, wrongful act or such other reason as may be approved by the Board of Directors from time to time.

VII. Reimbursement of membership fee for one club.

VIII. Reimbursement of entertainment expenses incurred in the course of business of the Company.

IX. Use of Company's two cars maintained by the Company for official as well as for personal purpose with driver salary as per Company rules.

X. Telephone, tele-fax and other communication facilities at Company's cost as per Company rules.

XI. Subject to any statutory ceiling/s, the Executive Director may be given any other allowances, perquisites, benefits and facilities as the Board of Directors from time to time may decide.

3. Valuation of perquisites

Perquisites/Allowances shall be valued as per Income-tax Rules, wherever applicable, and in the absence of any such rules, shall be valued at actual cost.

4. Stock Options

Stock Options as per the schemes as may be framed by the Company.

5. Minimum remuneration

In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment, the Executive Director shall, subject to the approval of the Central Government, if required, be paid remuneration by way of salary and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in Schedule V to the Companies Act, 2013, from time to time.

6. Computation of ceiling

The following shall not be included in the computation of perquisites for the purposes of the ceiling:

a) Contribution to provident and superannuation funds referred to in para 2 (i) above.

b) Gratuity payable as per para 2 (ii), to the extent of half a month's salary for each completed year of service.

c) Encashment of leave as per para 2 (iii) above

Information about the appointee:

Pradeep Shrivastava (born on 31 March 1960) is qualified as a B.Tech (Mechanical Engineer) from IIT Delhi-1981 and also as PGDM-1986 from IIM, Bangalore. He started his career as Asst. Engineer (Maintenance) in Tata Motors during 1981-1984. He joined Bajaj Auto in 1986 and was its Chief Operating Officer, until his elevation as Executive Director with effect from 1 April 2016.

Directorships: Nil

Committee positions: Nil

Shareholding in the Company

He holds 75 Equity Shares of ₹ 10 each in the Company.

The Company has entered into an agreement with Pradeep Shrivastava laying down, inter alia, the terms of remuneration referred to above and the powers and authorities delegated to him. A copy of the said agreement is available for inspection by the members during business hours on any working day between 10.00 a m and 12.00 noon at the registered office of the Company upto and including the date of the meeting.

None of the Directors/key managerial personnel and/or their relatives, except Pradeep Shrivastava is directly or indirectly concerned or interested, financially or otherwise, except to the extent of remuneration that may be received by them and their respective shareholding, if any, in the Company, in the resolution set out in Item No. 6 and 7 of the Notice.

The Board commends the ordinary resolution set out in Item No. 6 and special resolution set out in Item No. 7 for approval by shareholders.

Explanatory statement to Item No. 8

Section 197 of the Companies Act, 2013 permits the payment of remuneration to a director who is neither a whole-time director nor a managing director of a company, by way of commission not exceeding one percent of the net profits of the company, if the Company authorises such payment by a special resolution. Shareholders of the Company had approved such payment by a special resolution passed on 14 July 2011 for a period, which expired on 31 March 2016.

In view of the increased demands on non-executive directors' participation in Board and Committee meetings and the higher responsibilities they are expected to bear in the interest of higher level of excellence in corporate governance on account of statutory and regulatory changes, it is proposed to continue to pay such commission to the non-executive directors for a further period of five years upto and including the year 2020-21.

The amount of commission shall be payable each year after the annual accounts are approved by the Board of Directors and adopted by the shareholders.

No approval of Central Government will be required for the said payment of commission, since it is within the prescribed limits as specified under section 197. The above payment to non-executive directors will be in addition to the sitting fees payable to them for attending Board/committee meetings, which at present is fixed at ₹ 100,000 per meeting.

None of the Directors/key managerial personnel and/or their relatives, except the concerned non-executive director is directly or indirectly concerned or interested, financially or otherwise, except to the extent of remuneration that may be received by them and their respective shareholding, if any, in the Company, in the resolution set out in Item No. 8 of the Notice.

The Board commends the special resolution set out in Item No. 8 of the Notice for approval by shareholders.

By order of the Board of Directors

for Bajaj Auto Ltd.

J Sridhar
Company Secretary

Pune: 25 May 2016

BAJAJ AUTO LTD.
(CIN: L65993PN2007PLC130076)

Registered office:
Bajaj Auto Ltd. Complex,
Mumbai Pune Road, Akurdi, Pune 411035
Email: investors@bajajauto.co.in
Website www.bajajauto.com
Phone: (020)27472851, **Fax:** (020)27407380

PROXY FORM

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	:	L65993PN2007PLC130076
Name of the Company	:	BAJAJ AUTO LTD.
Registered office	:	Mumbai Pune Road, Akurdi, Pune 411035
Name of the member (s)	:	_____
Registered address	:	_____
E-mail ID	:	_____
Folio No/Client ID/DP ID	:	_____

I/We, being the member(s) of _____ shares of the above named company, hereby appoint:

(1) Name : _____ Address : _____
E-mail Id : _____ Signature : _____ or failing him

(2) Name : _____ Address : _____
E-mail Id : _____ Signature : _____ or failing him

(3) Name : _____ Address : _____
E-mail Id : _____ Signature : _____

as my/our proxy to attend and vote for me/us and on my/our behalf at the NINTH annual general meeting of the Company, to be held on **Wednesday, 27 July 2016** at **12.15 p.m.** at Bajaj Auto Ltd. Complex, Mumbai-Pune road, Akurdi, Pune 411035 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business

1. Adoption of standalone and consolidated financial statements for the year ended 31 March 2016 and Directors' and Auditors' Reports thereon
2. To declare a final dividend of ₹ 5 per equity share of face value of ₹ 10 each, and to approve the interim dividend of ₹ 50 per equity share of face value of ₹ 10 each, already paid during the year, for the year ended 31 March 2016
3. Re-appointment of Manish Kejriwal, who retires by rotation
4. Re-appointment of Sanjiv Bajaj, who retires by rotation
5. Ratification of appointment of Dalal & Shah LLP, Chartered Accountants, as Auditors and fixing their remuneration for the year 2016-17

Special Business

6. Appointment of Pradeep Shrivastava as a Director
7. Approval of appointment of Pradeep Shrivastava as a Whole-time Director, with the designation as Executive Director
8. Approval for payment of commission to non-executive directors for a period of five years commencing from 1 April 2016

Signed this_____ day of _____ 2016

Affix revenue stamp of ₹ 1

Signature of shareholder

Signature of Proxy holder(s)

Note:

1. **This form of proxy in order to be effective should be duly completed, signed, stamped and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

BAJAJ AUTO LIMITED
(CIN: L65993PN2007PLC130076)
Registered office:
Bajaj Auto Ltd. complex,
Mumbai–Pune Road, Akurdi, Pune 411 035.
E-mail: investors@bajajauto.co.in
Website: www.bajajauto.com
Phone: (020) 27472851, **Fax**: (020) 27407380

ATTENDANCE SLIP

Reg. Folio No./DP Id No./Client Id No.:

Name & Address :

Name(s) of Joint Member(s),if any :

No. of Shares held :

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/We hereby record my/our presence at the NINTH annual general meeting of the Company on **Wednesday, 27 July 2016** at **12.15 p.m.** at the registered office of the Company at Mumbai-Pune Road, Akurdi, Pune 411 035.

Signature of First holder/Proxy/Authorised Representative

Signature of Joint holder(s)

Place:
Date:

Notes:

1. Please sign this attendance slip and hand it over at the meeting venue.
2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.

E-VOTING

Users who wish to opt for e-voting may use the following login credentials:

EVEN (E-VOTING EVENT NO.)	USER ID	PASSWORD

Note:

Please follow steps for remote e-voting procedure as given in the Notice of AGM by logging on to - **https://evoting.karvy.com** and the same is available on Company's website **www.bajajauto.com**