BAJAJ FINSERV | LENDING

SEC/NSE/QIP&PI/2011/381

10 August 2011

The Manager
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, C- 1. Block G,
Bandra – Kurla Complex, Bandra (East)
MUMBAI – 400 051

6828

DESPATCH ON
10 AUG 2011
BY COURIER

Dear Sir,

**Symbol : BAJFIANACE**

**Sub:** Filing of proceedings of Annual General Meeting

Pursuant to clause 31 of the listing agreement we enclose herewith a copy of the proceedings of the 24th Annual General Meeting held on 13 July 2011.

Thanking you,

Yours faithfully,
For Bajaj Finance Limited

Anant Damle
Company Secretary

Encl: as above

MINUTES OF THE TWENTY-FOURTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF BAJAJ FINANCE LIMITED HELD ON WEDNESDAY, 13 JULY 2011 AT 12 NOON AT THE REGISTERED OFFICE OF THE COMPANY AT C/O BAJAJ AUTO LTD, AKURDI, PUNE - 411 035.

The Twenty-Fourth Annual General Meeting of the Shareholders of Bajaj Finance Limited was held on Wednesday, 13 July 2011 at 12 noon at the Registered Office of the Company at C/o Bajaj Auto Ltd, Akurdi, Pune - 411035.

51 Shareholders were present in person, 17 shareholders were present through proxy and 3 Shareholder companies were present through their authorised representatives.

Shri Rahul Bajaj, Chairman was in the Chair.

As the requisite quorum was present, Chairman called the meeting to order. Chairman then welcomed the Shareholders at the Twenty-Fourth Annual General Meeting.

Chairman informed the shareholders that the Register of Directors' Shareholding under Section 307 of the Companies Act, 1956 as also the audited statement of accounts and the Directors' and Auditors' Reports thereon have been laid on the table and are open for inspection.

Chairman announced that, as required by SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, a certificate from the Auditors of the Company that the Employees Stock Option Scheme has been implemented in accordance with the SEBI Guidelines and in accordance with the resolution of the Shareholders, has been placed on the table.

Chairman then announced that, as required by Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, a Certificate from the Auditors of the Company that the proposed Preferential issue of Warrants to the Promoter of the Company - Bajaj Finserv Limited is in accordance with the SEBI (ICDR) Regulations, has been placed on the table.

The Chairman further announced that the Company has received 17 proxies for 3,11,033 shares, and all the proxies are valid.

With the permission of the members present, notice convening the Twenty-Fourth Annual General Meeting was taken as read.

As directed by the Chairman, Shri Anant Damle, Company Secretary, read the Auditors' Report.

Item No.1: ADOPTION OF ACCOUNTS, DIRECTORS' AND AUDITORS' REPORT:

Shri Rahul Bajaj, Chairman proposed the following resolution as an Ordinary Resolution:

"RESOLVED THAT the audited Balance Sheet as at 31 March 2011 and the Profit & Loss Account for the year ended 31 March 2011 and the Directors' and Auditors' Reports thereon be and are hereby adopted."

Shri Rajendra Lakhotia seconded the resolution.

Chairman then invited queries from the Shareholders.

Queries from the Members were responded by the Chairman, Shri Sanjiv Bajaj, Director and Shri Rajeev Jain, CEO.
Chairman then put the resolution to vote by show of hands and declared the same carried unanimously.

Item No. 2: DECLARATION OF DIVIDEND:

Shri S.K. Gangapurkar proposed the following resolution as an Ordinary Resolution:

"RESOLVED THAT a dividend of ₹ 10.00 per Equity Share, as recommended by the Board of Directors on 3,66,29,076 fully paid Equity Shares of ₹ 10 each of the Company for the year ended 31 March 2011, be and is hereby declared payable out of the profits of the Company for that year."

"FURTHER RESOLVED THAT the Dividend be paid on 18 July 2011 to those shareholders, whose names appear (a) as Beneficial Owners as at the end of the business on 30 June 2011, as per the list furnished by National Securities Depository Ltd., and Central Depository Services (India) Ltd. in respect of the shares held in electronic form and (b) as members in the Register of Members of the Company on 30 June 2011."

Shri A.G. Kelkar seconded the resolution.

Chairman then put the resolution to vote by show of hands and declared the same carried unanimously.

As the next item nos. 3 and 5 on the Agenda pertained to his own re–appointment and the re-appointment of his relative Shri Sanjiv Bajaj ; Shri Rahul Bajaj requested Shri Nanoo Pamnani, Vice - Chairman to take the Chair and conduct further proceedings for the next three items.

Shri Nanoo Pamnani, Vice Chairman then took the Chair and conducted further proceedings.

Item No. 3: RE-APPOINTMENT OF SHRI RAHUL BAJAJ AS DIRECTOR AND CHAIRMAN:

Shri Rajendra Lakhotia proposed the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Rahul Bajaj, who retires by rotation and is eligible for re-appointment, be and is hereby re-appointed a Director and Chairman of the Company."

Shri Ranjan Sanghi seconded the resolution.

Chairman then put the resolution to vote by show of hands and declared the same carried unanimously.

Item No.4: RE-APPOINTMENT OF SHRI MADHUR BAJAJ AS A DIRECTOR:

Shri Yogesh Shah proposed the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Madhur Bajaj, who retires by rotation, and is eligible for re-appointment, be and is hereby re-appointed a Director of the Company."

Shri R B Laddha seconded the resolution.

Chairman then put the resolution to vote by show of hands and declared the same carried unanimously.

Item No.5: RE-APPOINTMENT OF SHRI SANJIV BAJAJ AS A DIRECTOR :

Shri N C Agarwal proposed the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Sanjiv Bajaj, who retires by rotation and is eligible for re-appointment, be and is hereby re-appointed a Director of the Company."

Shri N C Jain seconded the resolution.

Chairman then put the resolution to vote by show of hands and declared the same carried unanimously.

Shri Nanoo Pamnani, Vice Chairman then handed over the Chair back to the Chairman.

Shri Rahul Bajaj took the Chair and conducted further proceedings of the meeting.

Item No.6: APPOINTMENT OF AUDITORS:

Shri R.B. Laddha proposed the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Dalal & Shah, Chartered Accountants, Mumbai, Firm Registration No. 102021W, the retiring Auditors of the Company, be and are hereby re-appointed Auditors of the

Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on a remuneration of ₹ 20,00,000/- (Rupees twenty lacs only) plus Taxes as applicable and out-of-pocket, travelling and living expenses."

Shri Kiran Doshi seconded the resolution.

Chairman then put the resolution to vote by show of hands and declared the same carried unanimously.

Item No.7: INCREASE IN THE AUTHORISED SHARE CAPITAL AND ALTERATION OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY:

Shri Uday Deshpande proposed the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 16 and 94 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Authorised Share Capital of ₹ 50,00,00,000 (Rupees Fifty Crores only) divided into 5,00,00,000 (Five Crores) Equity Shares of ₹ 10 (Rupees Ten only) each be increased to ₹ 75,00,00,000 (Rupees Seventy Five Crores only) divided into 7,50,00,000 (Seven Crore Fifty Lacs) Equity Shares of ₹ 10 (Rupees Ten only) each by creation of 2,50,00,000 (Two Crore Fifty Lacs) Equity Shares of ₹ 10 (Rupees Ten only) each and that Clause V of the Memorandum of Association of the Company be altered accordingly by deleting the words "The Authorised Share Capital of the Company is ₹ 50,00,00,000 (Rupees Fifty Crores only) divided into 5,00,00,000 (Five Crores) Equity Shares of ₹ 10 (Rupees Ten only) each" and substituting the following words, namely, "The Authorised Share Capital of the Company is ₹ 75,00,00,000 (Rupees Seventy Five Crores only) divided into 7,50,00,000 (Seven Crore Fifty Lacs) Equity Shares of ₹ 10 (Rupees Ten only) each."

Shri S.K. Gangapurkar seconded the resolution.

Chairman then put the resolution to vote by show of hands and declared the same carried unanimously.

Item No.8: ISSUE OF EQUITY SHARES TO QUALIFIED INSTITUTIONAL BUYERS:

Shri Uday Deshpande proposed the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Foreign Exchange Management Act, 1999, as amended or restated ("FEMA"), the Foreign Exchange Management (Transfer or Issue of Security by a Person or Resident Outside India), Regulations, 2000, as amended or restated, regulations for Qualified Institutions Placement contained in Chapter VIII of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended ("the SEBI Regulations"), the rules, regulations, circulars, notifications etc issued by the Reserve Bank of India ("RBI") and other applicable laws, listing agreement entered into by the Company with the stock exchanges where the shares of the Company are listed, Articles of Association and subject to all other statutory and regulatory approval(s), consent(s), permission(s) and/or sanction(s) of the Government of India, RBI, Securities and Exchange Board of India ("SEBI") and all other concerned authorities (hereinafter singly or collectively referred to as the 'Appropriate Authorities') as may be required, and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting any such approval, consent, permission and/or sanction and agreed to by the Board of Directors of the Company (the "Board") (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), which the Board be and is hereby authorised to accept, if it thinks fit in the interest of the Company, the Board be and is hereby authorised to create, issue, offer



PUNE * BAJAJ FINANCE LTD.

and allot upto 75,00,000 ( Seventy Five Lacs only) fully paid up Equity Shares of ₹ 10 each for cash in one or more tranches, through Qualified Institutions Placement ("QIP") basis to Qualified Institutional Buyers ("QIB"), including by way of any such instrument or security including convertible debentures or bonds being either with or without detachable warrants attached thereto entitling the warrant holder(s) to apply for Equity Shares/instruments or securities (hereinafter collectively referred to as the "Securities") or any combination of Equity Shares with or without premium, to be subscribed to in Indian and/or any foreign currency(ies) by resident or non-resident/foreign investors (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/or otherwise)/Foreign Institutional Investors ("FIIs")/Mutual Funds/Pension Funds/Venture Capital Funds/Banks and such other persons or entities as covered under Regulation 2(1)(zd) of the SEBI Regulations, whether or not such investors are members of the Company, to all or any of them, jointly or severally through an offer/placement document and/or other letter or circular ("Offering Circular") and on private placement basis, from time to time as may be deemed appropriate by the Board in such manner and on terms and conditions and at a price not less than the price calculated as per the pricing formula prescribed in the SEBI Regulations on the 'Relevant Date' & as may be permitted by the 'Appropriate Authorities', but without requiring any further approval or consent from the shareholders.

RESOLVED FURTHER THAT a minimum of 10% of the Securities issued pursuant to the SEBI Regulations shall be allotted to Mutual Funds and if no Mutual Fund is agreeable to take up the minimum portion or any part thereof, then such minimum portion or part thereof may be allotted to other QIB(s) or otherwise.

RESOLVED FURTHER THAT the 'Relevant Date' for determining the pricing of the Securities as per the provisions of Chapter VIII of the SEBI Regulations is the date of the meeting in which the Board decides to open the proposed issue or such date, if any, as may be notified by SEBI or the RBI or any 'Appropriate Authority' from time to time.

RESOLVED FURTHER THAT as per the provisions of Regulation 85 of Chapter VIII of the SEBI Regulations, issue of Specified Securities shall be made at a price not less than :

the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the two weeks preceding the 'Relevant Date'.

RESOLVED FURTHER THAT the Equity Shares so issued and allotted shall rank pari-passu with the existing Equity Shares of the Company in all respects including payment of dividend.

RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of the aforesaid Securities, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things, as it may at its discretion, deem necessary or desirable for such purpose, including without limitation, determining the form and manner of the issue, the number of Equity Shares and/or other securities to be allotted, the issue price, premium/discount to the prevailing market price, the face value and any other terms and conditions of the issue, including any amendments or modifications thereto, the class of investors to whom the Equity Shares are to be allotted, appointment of merchant banker(s), lead manager(s) in accordance with the SEBI Regulations, financial and/or legal advisor(s), banker(s) and any other advisor(s), professional(s) and intermediaries as may be required and the payment of such fees, commission and other expenses to such intermediaries on such terms as it deems fit and entering into or execution of all such agreement(s)/arrangement(s)/MOUs/placement agreement(s)/any other agreement(s) or document(s) with any such agencies, the listing of Equity Shares, as the Board may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make all filings including the requisite listing application/prospectus/offer document/registration statement or any draft(s) thereof or any amendments or supplements thereof, and of any other relevant documents with the stock exchanges, the RBI, the SEBI, the Foreign Investment Promotion Board, the Registrar of Companies other intermediaries, authorities or institutions in India and/or abroad as may be required for this

purpose and to do all such acts, deeds and things as may be necessary or incidental to give effect to the above resolution and the Common Seal of the Company be affixed wherever necessary as per the provisions of the Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised on behalf of the Company to agree to and make and accept such conditions, modifications and alterations stipulated by any of the 'Appropriate Authorities' while according approvals, consents or permissions to the issue as may be considered necessary, proper and expedient and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing, depository and custodian arrangements and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue(s)/offer(s) or allotment(s) or otherwise and utilisation of the issue proceeds and/or otherwise to alter or modify the terms of issue, if any, as it may in its absolute discretion deem fit and proper without being required to seek any further consent or approval of the Company to the end and intent that the Company shall be deemed to have given its approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT subject to the applicable laws, the Board be and is hereby authorised to constitute or form a Committee or delegate all or any of its powers to any Director(s)/Committee of Directors/officers authorised by the Board to give effect to the aforesaid resolution and to take all such steps and do such acts, deeds, and things as is considered necessary, expedient, usual, proper or incidental in relation to the said matter and to take such actions and give such directions as they may consider as necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable to settle any question or difficulty that may arise in regard to issue and allotment of the Securities, including but not limited to:

(a) approving the draft placement document, preliminary placement document and the placement document and filing the same with any other authority or persons as may be required;

(b) deciding to open the issue, approving the issue price, the number of Securities to be allotted, the basis of allocation and allotment of Securities;

(c) arranging the delivery and execution of all contracts, agreements and all other documents, deeds and instruments as may be required or desirable in connection with the issue of Securities by the Company;

(d) opening a separate special account with a scheduled bank to receive monies in respect of the issue of Securities of the Company and opening such other bank accounts and demat accounts as may be required for the transaction;

(e) making applications for listing of the Securities of the Company on one or more stock exchange(s) and executing and delivering or arranging the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s);

(f) affixing the Common Seal of the Company on any agreement(s)/document(s) as may be required to be executed in connection with the above as per the procedure prescribed in the Articles of Association of the Company;

(g) doing all such acts, deeds, matters and things and executing all such other documents and paying all such fees, as it may in its absolute discretion, deem necessary or desirable for the purpose of the transactions;

(h) making all such necessary applications with the appropriate authorities and making the necessary regulatory filings in this regard; and

(i) authorising or delegating all or any of the powers herein above conferred to one or more persons, if need be.

BAJAJ FINANCE LTD. PUNE

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

Shri S.K. Gangapurkar seconded the resolution.

Chairman then put the resolution to vote by show of hands and declared the same carried unanimously.

Item No.9: PREFERENTIAL ISSUE OF WARRANTS:

Shri A.G. Kelkar proposed the following resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 including any statutory modification(s) or re-enactment thereof for the time being in force and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ("SEBI Regulations"), Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 as amended and other rules/regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India and/or other regulatory authority, the listing agreement entered into by the Company with stock exchanges where the Equity Shares of the Company are listed and subject to approvals(s), consent(s), permission(s) and/or sanction(s), if any, of appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s) and/or sanction(s), the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any Committee of the Board constituted/to be constituted to exercise its powers, including the powers conferred by this resolution) be and is hereby authorised on behalf of the Company to create, offer, issue and allot warrants, entitling the warrant holder(s) from time to time to apply for Equity Shares of the Company in one or more tranches, to the promoter, Bajaj Finserv Limited, on Preferential Issue basis through offer letter and/or circular and/or information memorandum and/or private placement memorandum and/or such other documents/writings, in such manner and on such terms and conditions as may be determined by the Board in its absolute discretion, provided that the aggregate number of resultant Equity Shares of the Company to be issued against such warrants shall not exceed 75,00,000 (Seventy Five Lacs only) fully paid-up Equity Shares of the face value of ₹ 10 each at a price not less than the higher of the following :-

a) The average of the weekly high and low of the closing prices of the Company's Equity Shares quoted on a recognised stock exchange during the six months preceding the 'Relevant Date',

b) The average of the weekly high and low of the closing prices of the Company's Equity Shares quoted on a recognised stock exchange during the two weeks preceding the 'Relevant Date',

The 'Relevant Date' for this purpose being Monday, 13 June 2011, which is thirty days prior to the date of the Annual General Meeting.

RESOLVED FURTHER THAT the resultant Equity Shares to be issued and allotted upon exercise of right attached to the warrants in accordance with the term of the offer(s) shall rank pari-passu with the then existing Equity Shares of the Company in all respects, including payment of dividend and be listed on the domestic stock exchanges, where the Equity Shares of the Company are listed.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid securities and listing thereof with the stock exchange(s) and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the said securities, utilization of the issue proceeds and to do all acts, deeds and things in connection

therewith and incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authorities of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee of Directors or any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution."

Shri Uday Deshpande seconded the resolution.

Chairman then put the resolution to vote by show of hands and declared the same carried unanimously.

Item No.10: RE-APPOINTMENT OF SHRI RAJEEV JAIN AS 'MANAGER' UNDER THE COMPANIES ACT, 1956:

Shri Pankaj Thadani proposed the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force) and Schedule XIII thereto (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 re-appointment of Rajeev Jain as the "Manager" of the Company with the designation of "Chief Executive Officer" (CEO) for 5 (five) year term commencing from 1 April 2011 till 31 March 2016 on the 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 to be entered into between the Company and Rajeev Jain, 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 Rajeev Jain.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the central government to Schedule XIII to the Companies Act, 1956, 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 Rajeev Jain 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.

RESOLVED FURTHER 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."

Shri Rajendra Lakhotia seconded the resolution.

Chairman then put the resolution to vote by show of hands and declared the same carried unanimously.

There being no other business, the Chairman declared the meeting as concluded.

