

**DRAFT**

**AGREEMENT WITH MANAGING DIRECTOR**

(to be executed on Non-judicial Stamp Paper of appropriate value)

AN AGREEMENT made this \_\_\_\_ day of \_\_\_\_ 2025

BETWEEN

**Bajaj Auto Limited**, a Public Limited Company incorporated under the Companies Act, 1956 and having its Registered Office at Mumbai-Pune Road, Akurdi, Pune 411 035 hereinafter referred to as "the Company" (which expression shall unless it be repugnant to the meaning or context thereof mean and include its successors and assigns) of the One Part;

AND

**Shri Rajiv Bajaj**, residing at Yog, 34-35 Koregaon Park, Lane No.2, Pune 411 001 hereinafter referred to as the "MANAGING DIRECTOR" of the Other Part;

WHEREAS Shri Rajiv Bajaj joined the services of the erstwhile BAL on 19 December 1990;

AND WHEREAS Shri Rajiv Bajaj was last re-appointed as Managing Director of the Company for a 5-year term with effect from 1 April 2020 vide agreement dated 15 July 2020;

AND WHEREAS Shri Rajiv Bajaj is eligible for re-appointment as the Managing Director for the further term of five years in terms of the provisions of Sections 196, 203 and Schedule V to the Companies Act, 2013;

AND WHEREAS the Board of Directors at its meeting held on 18 March 2025, as per recommendation made by the Nomination and Remuneration Committee, re-appointed Shri Rajiv Bajaj as Managing Director of the Company for a further 5-year term commencing from 1 April 2025 and the Managing Director agrees to act as such on the terms mentioned below;

AND WHEREAS the parties are desirous of executing this agreement being these presents;

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

- I. Subject to the approval of the shareholders, the Company hereby appoints the said Shri Rajiv Bajaj as the Managing Director of the Company and the Managing Director agrees to act as such for a further period of five years with effect from 1 April 2025, on the remuneration and on terms and conditions as hereinafter provided.

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- II. The Managing Director shall carry out such duties as may be assigned by the Board of Directors, subject to its supervision and control and he shall also perform such other functions and services as shall from time to time be entrusted to him by the Board of Directors.
- III. Subject to the supervision, directions and control of the Board of Directors of the Company and provisions of the Companies Act, 2013 and the Articles of Association of the Company, the Managing Director is hereby entrusted with substantial powers of management of the business and affairs of the Company and / or subsidiaries in the best interests of the business of the Company. Without prejudice to the general powers hereby conferred upon him and so as not in any way to limit or restrict those powers, it is hereby expressly declared that he shall have the following powers, that is to say, the powers:
1. To enter into, carry out and perform all contracts, including registration, on behalf of the Company, in the ordinary course of business and to sign and execute the same; and wherever required in accordance with the provisions of the articles of association of the Company;
  2. To do acts relating to Business strategies and to manage Brand, R&D, Marketing and Supply Chain towards achieving goals set;
  3. To do acts relating to administrative, accounting, banking, human resources and personnel matters;
  4. To do acts relating to legal, taxation, arbitration, regulatory and government matters;
  5. To purchase, take on lease, hire or rent any movable or immovable properties, including capital equipment required for the purpose of business of the Company on such terms and conditions as the Managing Director may think fit;
  6. To attend, vote and otherwise to represent the Company and to take part in all meetings held in connection with any other Company with which the Company is concerned or in relation to any investments of the Company and to sign proxies and authorities for the purpose of voting thereat or for any other purpose connected therewith;
  7. To do acts concerning investments and insurance, subject to such ceilings and conditions as may be specified by the Board of Directors from time to time;
  8. To appoint, remove and/or re-appoint bankers, solicitors, advocates, accountants, architects, valuers, engineers,

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mechanics and other experts, consultants and advisers of the Company upon such terms as the Managing Director may think fit;

9. To delegate such of his powers as can be delegated, to any executives / officers / employees of the Company and subject to such limits as the Managing Director may deem fit;
  10. To carry out any resolution of the Board of Directors;
  11. And generally to do all acts, deeds and things as may be necessary for and on behalf of the Company to all intents and purposes as may be deemed fit and proper by the Managing Director;
- V. The Company shall subject to the ceiling limits laid down in Section 197 of the Companies Act, 2013 read with the provisions of Schedule V to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pay to the Managing Director as from 1 April 2025, remuneration for his services as Managing Director as under:
1. Salary

₹ 97,81,900/- (Rupees Ninety-Seven Lakh Eighty-One Thousand Nine Hundred only) per month with such annual increments / revision as may be decided by the Board of Directors from time to time.
  2. Commission

Payable for each financial year, subject to such ceilings as may be set out in the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such ceiling as may be fixed by the Board of Directors from time to time.

The amount of commission shall be payable after the annual audited financial statements are approved by the Board of Directors and adopted by the shareholders.
  3. Perquisites
    - i. Company's contribution to provident fund and superannuation fund as per applicable rules.
    - ii. Gratuity as per the Payment of Gratuity Act as applicable to all other employees.
    - iii. Leave with full pay as per the rules of the Company, with encashment of unavailed leave being allowed.

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- iv. Free furnished residential accommodation with gas, electricity, water and furnishings.
- v. Medical expenses incurred for self and family in India or abroad including hospitalization, nursing home and surgical charges and in case of medical treatment abroad, the airfare and boarding / lodging expenses for patient and attendant.
- vi. Actual travelling expenses for proceeding on leave from Pune to any place in India and return therefrom once a year in respect of himself and family.
- vii. Membership fees for clubs in India or abroad, including any admission / life membership fees.
- viii. Salary to two house keepers / attendants, subject to maximum of ₹ 30,000/- per month per head.
- ix. Personal accident insurance policy in accordance with the scheme applicable to senior employees.
- x. 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.
- xi. Entertainment expenses incurred in the course of business of the Company.
- xii. Free use of Company's two cars for Company's work as well as for personal purposes along with drivers.
- xiii. Telephone, tele-fax and other communication facilities at the Company's cost.
- xiv. Subject to any statutory ceiling/s, the Managing Director may be given any other allowances, perquisites, benefits and facilities as the Board of Directors from time to time may decide.

Perquisites covered under clause (v) to clause (xiv) above may be provided either by way of reimbursement of expenses incurred by the Managing Director, or by way of direct payment by the Company on his behalf.

4. 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.

5. Minimum remuneration :

In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment, the Managing Director & CEO shall 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 3 (i) above.
- b) Gratuity payable as per para 3 (ii) above.
- c) Encashment of leave as per para 3 (iii) above.

7. In the event of any change taking place in the relevant laws, rules, schedules, regulations or guidelines or in the event of their being withdrawn, repealed, substituted or differently interpreted at any time hereafter, the Board of Directors of the Company, including Committee of the Board, if necessary, may revise the terms of remuneration (including minimum remuneration) and perquisites as set out hereinabove and add to, change or delete any of the said terms, if agreed to by the Chairman.
- VI. If before the expiration of the said term, the tenure of office of the Managing Director is determined, the Managing Director shall be entitled in accordance with and subject to the provisions of the Companies Act, 2013 in that behalf, to compensation from the Company for the loss of office.
  - VII. The Managing Director shall be entitled at any time to resign office as Managing Director after giving the Company at least ninety days' notice in writing in that behalf.
  - VIII. The Managing Director shall be entitled to reimbursement of all expenses, which may be incurred by him for and on behalf of the Company.
  - IX. The Managing Director shall not as long as he continues to be the Managing Director of the Company be liable to retire by rotation, provided that if at any time the number of directors (including any managing or whole-time directors) as are not subject to retirement by rotation shall exceed one-third of the total number of directors for the time being then the Managing Director or whole-time director to retire shall be determined in the manner laid down in the Articles of Association of the Company & as may be decided

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by the Board of Directors of the Company. In case of re-appointment after retirement by rotation, it will not be considered as break in service.

- X. The terms and conditions of appointment contained hereinabove may be altered or varied by the Board in such manner as it may deem fit and as is acceptable to the Managing Director.
- XI. No regulation made by the Company in a general meeting or a resolution passed by the Board of Directors shall invalidate any prior act of the Managing Director of the Company, which would have been valid if the regulation or resolution had not been made or passed.
- XII. In the event of any dispute or difference at any time arising between the Company and the Managing Director in respect of this agreement or the several matters specified herein or with reference to anything out of or incidental thereto, such dispute or difference shall be submitted to and be decided by arbitration of two arbitrators, one to be appointed by each party to the dispute or difference, which arbitrators shall appoint an umpire before taking upon themselves the burden of the reference and this agreement shall be deemed to be submission to the Arbitration and Conciliation Act, 1996 and all the provisions of that Act (except as is hereby expressly varied) shall be deemed to apply to any reference thereunder.
- XIII. The Courts of Pune shall have the exclusive jurisdiction over all proceedings arising out of or in connection with this Agreement.

IN WITNESS WHEREOF the common seal of the Company has been hereunto affixed and the said Shri Rajiv Bajaj set his hand and seal hereto the day and year first hereinabove mentioned.

The common seal of Bajaj Auto Limited  
is hereunto affixed pursuant to resolution  
of the Board of Directors dated 18 March 2025  
in the presence of Shri Niraj Bajaj, Chairman of the Company, and  
countersigned by Shri Rajiv Gandhi Company Secretary

SIGNED, SEALED AND DELIVERED  
by the withinnamed Shri Rajiv Bajaj  
in the presence of: