

Date:

To,

Dear Sir/Madam,

Sub: Appointment/Re-appointment as a Non-Executive Independent Director of Bajaj Finance Limited(the 'Company')

We are pleased to confirm your appointment/re-appointment as a Non-executive Independent Director of the Company (the 'appointment') with effect from _____, as approved by the Board of Directors at its meeting held on _____ pursuant to provisions of the Companies Act, 2013 (the 'Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the 'Listing Regulations') and amendments thereto.

As required under section 149(7) of the Act, we have received from you a declaration that you meet the criteria of independence as provided under section 149(6) of the Act and Regulation 16 of the Listing Regulations and amendments thereto.

Further, as stipulated under the Act, the appointment of Independent Directors shall be governed by Schedule IV to the Act - 'Code for Independent Directors', as enclosed to this letter as Annexure A, which primarily covers -

- I. Guidelines of professional conduct**
- II. Role and functions**
- III. Duties**
- IV. Manner of appointment**
- V. Re-appointment**
- VI. Resignation or removal**
- VII. Separate meetings**
- VIII. Evaluation mechanism**

As stipulated under Regulation 17 of the Listing Regulations, the Board has also laid down a Code of Conduct for all Board members for their compliance as enclosed to this letter as Annexure- B.

The terms of the appointment, which in any event shall be subject to the Act, Rules made thereunder and the Articles of Association of the Company, are set out below, as stipulated in Schedule IV to the Act.

Appointment:

1. The appointment is for a term of _____ consecutive years, commencing from _____ till _____ (close of day). The appointment will be subject to the approval of the shareholders.
2. During your tenure as an Independent Director, you may be asked to serve on one or more of the Board Committees. Copies of the terms of reference for all committees would be provided to you.

3. You will strictly abide by the Code for Independent Directors referred to above.
4. The Company expects a commitment of sufficient time and attention as necessary in order to perform your duties under the appointment. This will include attendance at regular and emergency Board Meetings, annual meeting of Independent Directors and the Annual General Meeting. You may also be required to attend regular meetings of any Board committee of which you are a member.
5. In addition, you will be expected to devote appropriate preparation time ahead of each meeting.
6. By accepting the appointment, you confirm that you are able to allocate sufficient time to perform your role.
7. In case of removal/resignation for any reason, you shall not be entitled to any damages for loss of office and no fees will be payable to you in respect of any unexpired portion of the term of the Appointment.

Role & Duties:

8. As a Non-Executive Independent Director, you have the same general legal responsibilities to the Company as any other Director, except that you shall be held liable only in respect of such acts of omission or commission by a Company which had occurred with your knowledge, attributable through Board processes and with your consent or connivance or where you had not acted diligently.
9. You will adhere to the following duties of Directors, which are more specifically stipulated in Section 166 of the Act, as under –
 - Subject to the provisions of the Act, a director of a company shall act in accordance with the articles of the company.
 - A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
 - A director of a company shall exercise his/her duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
 - A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
 - A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his/her relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
 - A director of a company shall not assign his/her office and any assignment so made shall be void.

Fees/Commission:

10. You will be paid a sitting fee and commission for your services as a Non- Executive Independent Director per meeting of the Board and Committee thereof attended by you as a member, as the Board may approve from time to time. Presently, the sitting fees of Rs.100,000/- and Commission of Rs.4,00,000/- is paid per meeting of the Board and/or Committees (except Corporate Social Responsibility Committee and Duplicate Share Certificate Issuance Committee) attended by a Director. The Commission for a financial year is paid post the AGM at which the financial statements for the relevant period are approved by the shareholders.
11. You will have no entitlement to any bonus during the appointment and no entitlement to participate in any share scheme and no stock options will be issued to you by the Company.

Reimbursement of Expenses:

12. In addition to the fee described in 10 above, the Company will reimburse you for all reasonable and properly documented expenses you may incur while performing your role. You may submit details of expenses incurred to the Company.
13. During the appointment, circumstances may arise in the furtherance of your duties as a Director when it will be appropriate for you to seek advice from independent advisors at the Company's expense. The Company will reimburse the full cost of expenditure incurred as deemed necessary.

Other directorships and business interests:

14. The Company acknowledges that you may have business interests other than those of the Company and that you may have declared any conflicts that are apparent at present. In the event that you become aware of any potential conflicts of interest, not declared so far, these may be disclosed to the Chairman and the Board as soon as they become apparent.
15. During the appointment, you may please inform us prior to accepting any other (or further) directorships or any major external appointments, to avoid any conflict of interest with your current position in the Company.

Code of Conduct & other compliances:

16. During the appointment, you will comply with any relevant regulations as may be issued by the Government of India and such other authorized bodies as set up by the Government on its behalf, including the Code for Independent Directors and such other requirements as the Board of Directors may from time to time specify.
17. At the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect your status as an Independent Director, you shall give a declaration to that effect confirming that you meet the criteria of independence as provided in Section 149(6) of the Act, in the prescribed format.
18. During the appointment, you will comply with any relevant regulations as may be

issued by Securities and Exchange Board of India, Ministry of Corporate Affairs and any other regulatory authorities including the Schedule IV (code of conduct) of the Companies Act, 2013, various policies of the Company and such other requirements as the Board of Directors may from time to time specify.

Confidentiality:

19. You must apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the appointment or at any time after its termination) any confidential information concerning the Company and any of the Group Companies with which you come into contact by virtue of your position as a Non-Executive Independent Director of the Company.
20. You shall not communicate, provide or allow access to any unpublished price sensitive information, that you may have access/ possess in course of your duties, relating to company or its securities listed or proposed to be listed to any person save and except required in pursuance of legitimate purpose, performance of duties or discharge of legal obligations and abide the relevant SEBI (Prohibition of Insider Trading) Regulations, 2015 and other regulations applicable to the Company.
21. In case of end of tenure/ Removal/ Resignation, you will deliver to the Company all books, document, papers and other property of or relating to the business of the Company which are in your possession, custody or power by virtue of your position as a Non-Executive Independent Director of the Company.

Performance review process:

22. The performance of individual Directors and the Board as whole and its Committees, if any, shall be evaluated by the Nomination and Remuneration Committee/ Board/ independent external agency. If, in the interim, there are any matters arising in connection with your role as a Non-Executive Independent Director which cause you concern, you may discuss with us as soon as appropriate.

Insurance:

23. The Directors of the Company are covered under the Directors' and Officers' liability insurance and it is intended to maintain such cover for the full term of the appointment.

Letter of appointment:

24. In line with the provisions Schedule IV of the Act, the Company may make public a generic copy of this letter on its website at <https://www.bajajfinserv.in/finance-investor-relations-policies-and-documents> and the same shall be open for inspection at the registered office of the Company by any member during normal business hours.

This letter is governed by, and shall be construed in accordance with, the laws of India, and the parties agree to submit to the exclusive jurisdiction of the courts of Pune, Maharashtra, India.

Please confirm your agreement to the above by signing and returning the enclosed

duplicate of this letter.

Thanking you.

**Yours sincerely,
For Bajaj Finance Limited**

Chairman

Encl:

Annexure A – Code for Independent Directors

Annexure B- Code of Conduct for Board and Senior Management

Date:

To,

Dear Sir/Madam,

Subject: Addendum to Appointment/Re-appointment as a Non-Executive Independent Director of Bajaj Finance Limited (the 'Company')

We refer to your appointment as an Independent Director of the Company vide appointment letter dated _____.

This letter serves as an addendum to the said appointment letter to revise the clause no. 10 with effect from 1 May 2025 as under:

Fees/Commission:

You will be paid a sitting fee and commission for your services as a Non- Executive Independent Director per meeting of the Board and/or its Committee thereof attended by you as a member and for separate meeting of Independent Directors, as the Board may approve from time to time. Presently, the sitting fees of Rs. 100,000/- and Commission of Rs. 5,00,000/- is paid per meeting of the Board and/or Committees (except Corporate Social Responsibility Committee and Duplicate Share Certificate Issuance Committee) attended by a Director. The Commission for a financial year is paid post the AGM at which the financial statements for the relevant period are approved by the shareholders."

Please confirm your acceptance of the above by signing and returning the enclosed duplicate of this letter.

Thanking you.

**Yours sincerely,
For Bajaj Finance Limited**

Chairman

To,
Bajaj Finance Limited

I have read and I agree to the above terms regarding my appointment as a Non-Executive Independent Director of Bajaj Finance Limited.

Signature
Place:
Date:

ANNEXURE - A

CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent Directors. Adherence to these standards by independent Directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent Directors.

I. Guidelines of professional conduct:

An independent director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a *bona fide* manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

The independent Directors shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;

(4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;

(5) safeguard the interests of all stakeholders, particularly the minority shareholders;

(6) balance the conflicting interest of the stakeholders;

(7) determine appropriate levels of remuneration of executive Directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive Directors, key managerial personnel and senior management;

(8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties:

The independent Directors shall–

(1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;

(2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;

(3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;

(4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;

(5) strive to attend the general meetings of the company;

(6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;

(7) keep themselves well informed about the company and the external environment in which it operates;

(8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

(9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;

(10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

(11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;

(12) 1["acting within his authority"], assist in protecting the legitimate interests of the company, shareholders and its employees;

(13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

IV. Manner of appointment:

(1) Appointment process of independent Directors shall be independent of the company management; while selecting independent Directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

(2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.

(3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

(4) The appointment of independent Directors shall be formalised through a letter of appointment, which shall set out :

(a) the term of appointment;

(b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;

(c) the fiduciary duties that come with such an appointment along with accompanying liabilities;

(d) provision for Directors and Officers (*D and O*) insurance, if any;

(e) the Code of Business Ethics that the company expects its Directors and employees to follow;

(f) the list of actions that a director should not do while functioning as such in the company; and

(g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

(5) The terms and conditions of appointment of independent Directors shall be open for inspection at the registered office of the company by any member during normal business hours.

(6) The terms and conditions of appointment of independent Directors shall also be posted on the company's website.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

(1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.

(2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within ²["three months"] from the date of such resignation or removal, as the case may be..

(3) Where the company fulfils the requirement of independent Directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

(1) The independent Directors of the company shall hold at least one meeting ³["in a financial year"], without the attendance of non-independent Directors and members of management;

(2) All the independent Directors of the company shall strive to be present at such meeting;

(3) The meeting shall:

(a) review the performance of non-independent Directors and the Board as a whole;

(b) review the performance of the Chairperson of the company, taking into account the views of executive Directors and non-executive Directors;

(c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism:

(1) The performance evaluation of independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

(2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

ANNEXURE-B

BAJAJ FINANCE LIMITED

**CODE OF CONDUCT FOR DIRECTORS AND SENIOR
MANAGEMENT**

Version control			
Version	Date of approval / amendment	Remarks	Author
1.0	17 May 2011	Formulation of document	Secretarial Team
1.1	10 September 2014	Amendment to policy	Secretarial Team
1.2	16 March 2023	Annual Review	Secretarial Team
1.3	20 March 2024	Annual Review	Secretarial Team
1.4	20 March 2025	Annual Review	Secretarial Team

BAJAJFINANCE LIMITED

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

A. For Directors and Members of Senior Management

This part shall apply to all the Directors and Senior Management of the Company.

For the purpose of this code, the word 'Senior Management' shall have the same meaning as assigned to it under Regulation 16(1)(d) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and as may be amended from time to time.

1. The directors and senior management shall disclose to the Company all information that is relevant and necessary for the Company to ensure compliance with the applicable laws;
2. Directors and Senior Management shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgment;
3. The Board of Directors shall maintain high ethical standards and shall take into account the interests of stakeholders;
4. Directors and Senior Management shall be governed by the rules and regulations of the company as are made applicable to them from time to time;
5. Directors and Senior Management shall ensure that they use the Company's assets, properties and services for official purposes only or as per the terms of appointment;
6. Directors and Senior Management shall not receive directly or indirectly any benefit from the Company's business associates, which is intended or can be perceived as being given to gain favour for dealing with the Company;
7. The Board of Directors and Senior Management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making;
8. No director or Senior Management, other than the designated spokespersons shall engage with any member of press and media in matters concerning the Company. In such cases, they should direct the request to the designated spokespersons;
9. Directors and Senior Management shall not engage in any material business relationship or activity, which conflicts with their duties towards the Company;
10. Senior Management shall not, without the prior approval of the Chairman & Managing Director of the Company, accept employment or a position of responsibility with any organization for remuneration or otherwise. In case of Whole-time Directors, such prior approval must be obtained from the Board of Directors of the Company;
11. Directors and Senior Management shall declare information about their relatives (spouse, children and parents) employed in the Company;
12. Senior Management shall follow all prescribed safety and environment related regulations;
13. Senior Management shall make disclosures to the Board of Directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large. *[Conflict of interest relates to dealing in the shares of listed entity,*

commercial dealings with bodies, which have shareholding of management and their relatives, etc.]

B. For Directors

In addition to the above, all the Directors of the Company shall abide by the following duties, as prescribed under section 166 & applicable provisions of the Companies Act, 2013:

1. Subject to the provisions of the Companies Act, 2013, they shall act in accordance with the articles of the Company;
2. They shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment;
3. They shall exercise their duties with due and reasonable care, skill and diligence and shall exercise independent judgment;
4. They shall not involve in a situation in which he/she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company;
5. They shall not achieve or attempt to achieve any undue gain or advantage either to himself/herself or to his/her relatives, partners, or associates and if such director is found guilty of making any undue gain, he/she shall be liable to pay an amount equal to that gain to the Company;
6. They shall not assign their office and any assignment so made shall be void.

C. For Independent Directors

As required by the SEBI LODR Regulations, in addition to the duties specified in (A) and (B) above, the Independent Directors shall abide by the following duties, as specified in Schedule IV to the Companies Act, 2013:

1. Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
2. Seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
3. Strive to attend all meetings of the Board of Directors and of the Board Committees of which he/she is a member;
4. Participate constructively and actively in the Committees of the Board in which they are chairpersons or members;
5. Strive to attend the general meetings of the Company;
6. Where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
7. Keep themselves well informed about the Company and the external environment in which it operates;
8. Not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;

9. Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
10. Ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
11. Report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
12. Acting within his/her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
13. Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

This Code is subject to review by the Board from time to time.