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**BAJAJ AUTO LIMITED**  
**Dividend Distribution Policy**  
**(As amended on 17 March 2021)**

Pursuant to Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Dividend Distribution Policy for the company is as follows:

1. The financial strategy of the company encompasses the dividend policy, which is primarily aimed at enhancing long-term shareholder value and sustainable growth, such that the shareholders can participate in the company's growth, while maintaining the company's long-held strong financial foundation.
2. Dividend distribution will be subject to internal and external factors. Some of these factors are: (i) general economic and market conditions, (ii) funding requirements for expansion, diversification, growth, (iii) funding needs for new projects, brand / business acquisitions, (iv) long-term strategic plans, (v) joint-venture plans, (vi) fresh investments in subsidiaries / associates, (vii) absorbing unfavourable market conditions, (viii) meeting unforeseen contingencies and other circumstances which, in the opinion of the Board, require retention of profits.
3. **Subject to the caveats given in the paragraph immediately above (paragraph 2)**, the Board shall endeavour that the dividend amount in every financial year will be stable and steady. Subject to profits and other financial parameters as per applicable legal provisions, the Board shall endeavour to arrive at a dividend pay-out as a percentage of profits after tax on the company's standalone financials, taking into account the surplus funds available with the company, on the following lines to the extent possible:

Surplus funds as defined immediately below (Before Dividend distribution)	Dividend Payout %
Over Rs.15,000 crore	Up to 90%
Rs.7,500 crore to Rs.15,000 crore	Up to 70%
Less than Rs.7,500 crore	Up to 50%

Note: "Surplus funds" for this purpose comprises investments in Financial Assets other than in Equity shares of group companies and strategic investments.

4. The final dividend will be recommended by the Board for approval of the shareholders in a general meeting, while interim dividend, if any, may be declared by the Board. The company currently has only one class of shares, i.e. equity shares.

This Policy is subject to review from time to time.

Pune  
Date: 17 March 2021

  
Chairman