

CORPORATE GOVERNANCE REPORT

1. THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance continues to be a strong focus area for the Company.

Our philosophy on Corporate Governance in Eicher emanates from resolute commitment to protect stakeholder rights and interests, proactively manage risks and create long-term wealth and value. It permeates in all aspects of working - workplace management, marketplace responsibility, community engagement and business decisions.

The code of conduct and the governance are based on the corporate principles and strong emphasis laid on transparency, accountability, integrity and compliance.

The governance processes of the Company include creation of empowered sub-committees of the Board to oversee the functions of executive management. These sub-committees of the Board mainly comprises of Non-executive Directors and Independent Directors, which meet and deliberate regularly to discharge their obligations.

In India, Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Earlier, Clause 49 of the listing agreement of the Stock Exchanges.) The Company has adopted best practices mandated in SEBI (LODR) Regulations, 2015.

2. BOARD OF DIRECTORS

2.1 Composition

The Board is responsible for the management of the affairs of the Company's businesses. As on March 31, 2016, the Board strength comprises of the following:

TABLE 01		
Sl. No.	Name of the Director	Category
1.	Mr S. Sandilya DIN No. 00037542	Chairman - Non-executive Independent Director
2.	Mr Siddhartha Lal DIN No. 00037645	Promoter – Executive – Managing Director
3.	Mr Priya Brat DIN No. 00041859	Non-executive Independent Director
4.	Mr M. J. Subbaiah DIN No.00044799	Non-executive Independent Director
5.	Mr Prateek Jalan DIN No. 02170139	Non-executive Independent Director
6.	Ms Manvi Sinha DIN No. 07038675	Non-executive Independent Director

No Director of the Company is related to any other Director on the Board.

Your Company's Board has an optimum combination of Executive, Non-executive and Independent Directors with one women Director, as per the requirements of Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). The composition of the Board and the Independent Directors of the Company meet all the criteria mandated by SEBI Listing Regulations and the Companies Act, 2013.

2.2 Appointment of Directors

Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and terms and conditions of appointment. The Company has issued letter of appointment to all the Independent Directors and the terms and conditions of their appointment have been disclosed on the Company's website www.eicheromotors.com.

2.3 Meetings and Attendance

Attendance of Directors at Board Meetings and Annual General Meeting (AGM)

TABLE 02				
Sl. No.	Name of the Director	No. of Board Meetings held	No. of Board Meetings attended	Whether attended the 33rd AGM held on March 20, 2015
1.	Mr S. Sandilya – Chairman - Non-executive and Independent Director	6	5	Yes
2.	Mr Siddhartha Lal - Managing Director	6	5	Yes
3.	Mr Priya Brat - Non-executive and Independent Director	6	5	Yes
4.	Mr M. J. Subbaiah - Non-executive and Independent Director	6	5	Yes
5.	Mr Prateek Jalan - Non-executive and Independent Director	6	6	Yes
6.	Ms Manvi Sinha- Non-executive and Independent Director	6	6	Yes

Meetings of the Board of Directors were held on February 13, 2015, May 8, 2015, July 21, 2015, November 6, 2015, February 5, 2016 and March 12, 2016.

Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI Listing Regulations, a separate meeting of the Independent Directors of the Company was held on July 21, 2015 without the attendance of non-independent directors and members of management to:

- (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.

2.4 Other Directorships

TABLE 03					
Sl. No.	Name of the Director /DIN No.	Category Independent/ Non executive / Executive	Number of Directorship held in other Companies#*	Number of Committee memberships /Chairmanships held in other Companies*	
				Memberships	Chairmanships
1.	Mr S. Sandilya-Chairman DIN No. 00037542	Non-executive Independent Director	4	-	4
2.	Mr Siddhartha Lal- Managing Director DIN No. 00037645	Promoter, Managing Director and Executive Director	1	-	1
3.	Mr Priya Brat - Director DIN No. 00041859	Non-executive Independent Director	3	3	1
4.	Mr M. J. Subbaiah -Director DIN No.00044799	Non-executive Independent Director	-	-	-
5.	Mr Prateek Jalan - Director DIN No. 02170139	Non-executive Independent Director	1	1	-
6.	Ms Manvi Sinha - Director DIN No. 07038675	Non-executive Independent Director	-	-	-

None of the Directors hold Chairmanship of the Board Committees in excess of the maximum ceiling of five and membership in excess of the maximum ceiling of ten as specified under regulation 26 of SEBI Listing Regulations.

#For the purpose of this disclosure directorship in public limited companies alone, whether listed or not, is considered.

* (i) For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, are included and all other companies including private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 or Section 25 of the Companies Act, 1956 shall be excluded.

(ii) For the purpose of reckoning the limit under this sub-clause, Chairmanship / membership of the Audit Committee and the Stakeholders' Relationship Committee (formerly "Shareholders' and Investors' Grievance Committee) alone is considered.

2.5 Shareholding of Directors

The details of Shareholding of Directors as on March 31, 2016 are as under:

TABLE 04		
Sl. No.	Name of the Director	No. of Equity Shares
1.	Mr S. Sandilya, Chairman and Non-executive and Independent Director	12,766
2.	Mr Siddhartha Lal, Managing Director	2,94,694

Mr Priya Brat, Mr M.J. Subbaiah, Mr Prateek Jalan and Ms Manvi Sinha do not hold any shares in the Company. The Company has not issued any convertible instruments.

2.6 Induction and Familiarization Program for Directors

The Company has a program to familiarize Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc. and the same is available on the weblink <http://www.eicher.in/corporate-governance>

2.7 Information supplied to the Board

The Board has complete access to all information of the Company. The following information is provided to the Board as a part of the agenda papers:-

- A. Annual operating plans and budgets and any updates.
- B. Capital budgets and any updates.
- C. Annual and Quarterly results for the Company
- D. Minutes of meetings of audit committee and other committees of the board of directors.
- E. The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- F. Show cause, demand, prosecution notices and penalty notices, which are materially important, if any.
- G. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems, if any.
- H. Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any.
- I. Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- J. Details of joint venture or collaboration agreement.
- K. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- L. Significant labour problems and their proposed solutions, wherever necessary. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- M. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- O. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc., if any

While formulating and approving policies concerning appointment of directors and other senior officers, board diversity, remuneration and evaluation, the Board seeks to ensure business continuity with due weightage to succession planning.

3. AUDIT COMMITTEE

In terms of provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations, Audit Committee of the Board of Directors presently consists of four Non-executive Directors who are Independent Directors and one Executive Director. The role of the Audit Committee is to provide directions to and oversee the internal audit and risk management functions, review of financial results and annual financial statements, interact with statutory auditors and such other matters as are required in terms of the Companies Act, 2013 and SEBI Listing Regulations.

Constitution of the Audit Committee complies with requirements of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 with all members being financially literate and most having accounting or related financial management expertise.

3.1 Major terms of reference

- (i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 - (ii) Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
 - (iii) Reviewing with the management the quarterly, half yearly and annual financial statements and auditors' report thereon before submission to the Board for approval.
 - (iv) Reviewing the Company's financial and risk management policies.
 - (v) Review and monitor the Auditor's independence and performance, and effectiveness of audit process.
 - (vi) Approval or any subsequent modification of transactions of the Company with related parties.
 - (vii) Scrutiny of inter-corporate loans and investments.
 - (viii) evaluation of internal financial controls and risk management systems;
 - (ix) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - (x) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - (xi) discussion with internal auditors of any significant findings and follow up there on;
 - (xii) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board
 - (xiii) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - (xiv) to review the functioning of the whistle blower mechanism;
 - (xv) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- The Company has system and procedures in place to ensure that the audit committee mandatorily reviews:
- (i) management discussion and analysis of financial condition and results of operations;
 - (ii) statement of significant related party transactions submitted by management;
 - (iii) internal audit reports relating to internal control weaknesses.

3.2 Meetings and Attendance

TABLE 05			
Sl. No.	Name of the Member	No. of meetings held	No. of meetings attended
1.	Mr M. J. Subbaiah - Chairman - Non-executive Independent Director	5	4
2.	Mr Siddhartha Lal - Managing Director	5	2*
3.	Mr Priya Brat - Non-executive Independent Director	5	5
4.	Mr S. Sandilya - Non-executive Independent Director	5	4
5.	Mr Prateek Jalan- Non-executive Independent Director	5	5

*Mr Siddhartha Lal was appointed as member of Audit Committee in the Board meeting held on July 21, 2015. After his appointment, only 2 Audit Committee meetings were conducted which were attended by him.

Meetings of the Audit Committee of the Board of Directors were held on February 13, 2015, May 8, 2015, July 21, 2015, November 6, 2015 and February 5, 2016.

The Chief Financial Officer, the Head of Internal Audit and the Statutory Auditors are permanent invitees at the Audit Committee meetings. Mr Manhar Kapoor, the Company Secretary acts as the Secretary to the Audit Committee.

4. STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of provisions of Clause 49 of the erstwhile Listing Agreement, a Shareholders' and Investors' Grievance Committee of the Board of Directors was formed by the Board of Directors on July 23, 2001 and presently consists of two Non-executive and Independent Directors. The Committee has been re-nomenclated as Stakeholders Relationship Committee. The Committee is required to look into the redressal of Shareholders' and Investors' complaints like transfer of shares, Non-receipt of Annual Report, Non-receipt of declared dividend etc.

4.1 Meetings and Attendance

TABLE 06			
Sl. No.	Name of the Member	No. of meetings held	No. of meetings attended
1.	Mr Priya Brat - Chairman Non-executive Independent Director	4	4
2.	Mr S. Sandilya- Non-executive Independent Director	4	4

Meetings of the Stakeholders Relationship Committee of Board of Directors were held on February 13, 2015, May 8, 2015, July 21, 2015 and November 6, 2015.

The Managing Director and the Chief Financial Officer are the permanent invitees at the Stakeholders Relationship Committee meetings. Mr Manhar Kapoor, the Company Secretary acts as the Secretary to the Shareholders Relationship Committee. He is the compliance officer of the Company.

4.2 Status of Complaints

TABLE 07		
Sl. No.	Particulars	Numbers
1	No. of complaints received	359
2	No. of complaints not resolved to the satisfaction of the shareholders	0
3	No. of pending complaints	0

5. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to Section 178 of Companies Act, 2013, the Nomination and Remuneration Committee of the Board of Directors was formed by the Board of Directors on May 9, 2014 and presently consists of three Non-Executive Independent Directors.

5.1 Major terms of Reference

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommending to the Board their appointment and removal
- Carrying out evaluation of every director's performance.
- Laying down the evaluation criteria for performance evaluation of Independent Directors.
- Formulating the criteria for determining qualifications, positive attributes and independence of a director.

Change in terms of reference of Nomination and Remuneration Committee and dissolution of Compensation Committee:

SEBI (Share Based Employee Benefits) Regulations, 2014, provided that the Compensation Committee shall be consisted of three or more non-executive Directors out of which not less than one-half shall be Independent Directors. The regulations also provided that the Company may designate such of its other committees as compensation committee if they fulfill the criteria as specified above.

The Compensation Committee of the Company was responsible for the administration and superintendence of Employee Stock Option Plan – 2006 (ESOP – 2006) of the Company and related activities. The Board of Directors of the Company in their meeting held on May 8, 2015 designated Nomination and Remuneration Committee for administration of ESOP related activities of the Company by changing terms of reference of Nomination and Remuneration Committee and dissolved the Compensation Committee. Before dissolution, two meetings of the compensation committee were held on January 12, 2015 and March 20, 2015.

5.2 The additional terms of reference, role, responsibilities and powers of Nomination and Remuneration Committee are as under:

- To undertake and perform all such functions, powers for administration and superintendence of ESOS – 2006, inter alia as contained under SEBI (Share Based Employee Benefit) Regulations, 2014 including any amendments thereof.
- The Nomination and Remuneration Committee shall meet at least once a year.
- To review and approve any other matter relating to the aforesaid Employee Stock Option Scheme – 2006 (ESOS) which may be considered necessary and incidental thereto.

5.3 Meetings and Attendance

TABLE 08			
Sl. No.	Name of the Member	No. of meetings held	No. of meetings attended
1.	Mr Prateek Jalan - Chairman, Non-executive Independent Director	5	5
2.	Mr S. Sandilya - Non-executive Independent Director	5	4
3.	Mr M J Subbaiah - Non-executive Independent Director	5	4

Meetings of the Nomination and Remuneration Committee of the Board of Directors were held on February 13, 2015, May 8, 2015, July 21, 2015, November 6, 2015 and February 5, 2016.

Mr Manhar Kapoor, the Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

5.4 Remuneration Policy

The Remuneration Policy of the Company is designed to attract, motivate and retain manpower. This Policy applies to directors and senior management including its Key Managerial Personnel (KMP) and other employees of the Company. The compensation strategy revolves around getting the "most suited talent in the market".

The remuneration of the Managing Director, Executive Director and KMPs of the Company is recommended by the Nomination and Remuneration Committee based on established criteria. The Company generally pays remuneration by way of salary, perquisites and allowances (fixed component), incentive remuneration and/or commission (variable components).

Remuneration by way of commission to the Non-Executive Directors is decided by the Board of Directors in line with the approval granted by shareholders.

5.5 Evaluation Criteria

The Company has adopted an Evaluation policy to evaluate performance of each director, the Board as a whole and its committees. Evaluation is also carried out by the Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act 2013 and Code for Independent Directors' as outlined under Schedule IV of the Companies Act, 2013. Such evaluation factors various criteria including contribution, domain expertise, strategic vision, industry knowledge, participation in discussions etc.

During the financial period, formal annual evaluation of the Board, its committees, the Chairman and individual Directors was carried out pursuant to the Board Performance Evaluation Policy on July 21, 2015.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of Companies Act, 2013, the Corporate Social Responsibility Committee of the Board of Directors was formed by the Board of Directors on 9th May, 2014 and presently consists of three Directors.

6.1 Major terms of Reference

- Formulating and recommending to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommending the amount of expenditure to be incurred on the activities referred to in CSR Policy.
- Monitoring the CSR Policy of the Company from time to time.

6.2 Meetings and Attendance

TABLE 09			
Sl. No.	Name of the Member	No. of meetings held	No. of meetings attended
1.	Mr S. Sandilya – Chairman, Non-executive Independent Director	2	1
2.	Mr Siddhartha Lal - Managing Director	2	2
3.	Mr Prateek Jalan - Non-executive Independent Director	2	2

Meeting of the Corporate Social Responsibility Committee of Board of Directors was held on February 13, 2015 and February 5, 2016.

Mr Manhar Kapoor, the Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee.

7. RISK MANAGEMENT COMMITTEE

In terms of Clause 49 of the erstwhile Listing Agreement, a Risk Management Committee of the Board of Directors was constituted by the Board of Directors on May 9, 2014 and reconstituted on November 12, 2014 and presently consists of two Directors and the Chief Financial Officer.

7.1 Major Terms of Reference

- To assist the Board in formulating the Risk Management Plan and practices;
- To monitor and review risk management plan and practices of the Company as approved by the Board.

7.2 Members of the Committee

TABLE 10	
Sl. No.	Name of the Member
1.	Mr Siddhartha Lal – Managing Director, Chairman of the committee
2.	Mr S. Sandilya - Non-executive Independent Director
3.	Mr Lalit Malik-Chief Financial Officer

8. SHARES COMMITTEE

The Shares Committee of the Company consists of three members i.e. Mr Siddhartha Lal - Managing Director, Mr Lalit Malik - Chief Financial Officer and Mr Manhar Kapoor - Company Secretary to look after and approve transfer of equity shares including dematerialisation, issue of duplicate certificates, transmission of securities, etc.

During the fifteen months ended March 31, 2016, 27 meetings of the Committee were held whereby 12182 shares were transferred by the Committee and 1445 requests for dematerialisation, 115 requests for duplicate certificates and 36 requests for transmission of securities were approved.

9. REMUNERATION OF DIRECTORS

9.1 Remuneration to Managing Director

The remuneration of the Managing Director is fixed by the Board of Directors and approved by shareholders in the Annual General Meeting. The details of remuneration to Managing Director for the fifteen months ended March 31, 2016 is as under:

Name of the Director	Remuneration	Commission	Perquisites	Service Contract	
				Tenure	Notice period
				RS. IN CRORES	
Mr Siddhartha Lal – Managing Director	2.78	4.50	1.21	5 years (Mr Siddhartha Lal was reappointed as Managing Director w.e.f. May 1, 2011 up to April 30, 2016 which was approved by members of the Company in its Annual General Meeting held on March 18, 2011)	3 months notice or salary in lieu of notice for 3 months or for such period which falls short of 3 months.

Total remuneration paid as Salary and allowances, Perquisites and Commission does not exceed 5% of the net profits computed in the manner laid down in Sections 198 of the Companies Act, 2013.

No sitting fee has been paid to Mr Siddhartha Lal during the fifteen months ended March 31, 2016.

9.2 Remuneration to Non-Executive and Independent Directors

The remuneration comprising sitting fees and commission to Non-executive and Independent Directors for the fifteen months ended March 31, 2016 is as under:

Name of the Director	Remuneration	
	Sitting fees*	Commission#
	RS. IN LACS	
Mr S. Sandilya – Non-executive and Independent Director	3.10	55.00
Mr Priya Brat – Non-executive and Independent Director	2.80	10.31
Mr M. J. Subbaiah – Non-executive and Independent Director	2.20	10.31
Mr Prateek Jalan – Non-executive and Independent Director	2.90	30.25
Ms Manvi Sinha – Non-executive and Independent Director	1.20	10.31
Total	12.20	116.18

*Remuneration paid to Non-executive and Independent Directors represent sitting fees as approved by the Board of Directors for attending the Board Meetings and Committee Meetings thereof.

#Annual commission payable to Non-executive and Independent Directors is subject to approval of annual accounts by the shareholders in the forthcoming Annual General Meeting.

Notes:

The Non-executive and Independent Directors are paid sitting fees @ Rs. 20,000/- for attending each meeting of the Board of Directors, Audit Committee and Compensation Committee.

The Non-executive and Independent Directors are paid sitting fees @ Rs. 10,000/- for attending each meeting of Nomination and Remuneration Committee, Stakeholders' Relationship Committee (formerly Shareholders' and Investors' Grievance Committee) and the Corporate Social Responsibility Committee.

The members of the Company in their 33rd Annual General Meeting held on March 20, 2015 had approved payment of remuneration by way of commission to the Non-Executive Directors of the Company not exceeding 1% of the net profits of the Company, calculated in accordance with the provisions of the Companies Act 2013, for a period of five years with effect from the financial year ended December 31, 2014.

Independent Directors are not entitled to any stock options.

Further, there has been no other material pecuniary relationship or business transactions by the Company with any Non-executive and Independent Directors of the Company.

10. SUBSIDIARY COMPANIES

Subsidiary companies of the Company are managed by their respective Board having the rights and obligations to manage such companies in the best interest of their stakeholders. The Company monitors performance of significant unlisted subsidiary company, inter alia, by the following means:

- (i) Financial statements, in particular the investments made by the subsidiary company are reviewed by the Audit Committee of the Company.
- (ii) All minutes of Board meetings of subsidiary company are placed before the Company's Board on regular basis.
- (iii) All significant transactions and arrangements entered into by the subsidiary company are reviewed on regular basis.
- (iii) Mr Prateek Jalan, a non-executive independent director of the Company is a director on the board of unlisted material subsidiary, incorporated in India.

11. OTHER DISCLOSURES

11.1 Related Party Transactions

In terms of the Accounting Standard-18 "Related Party Disclosures", as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014, the Company has identified the related parties covered therein and details of transactions with such related parties have been disclosed in Note No. 39 to the Accounts forming part of this Annual Report.

Transactions with related parties entered into by the Company are in the ordinary course of business and on arm's length basis and do not have potential conflicts with the Company. Further, these transactions are also placed in the Audit Committee Meeting(s) for its prior approval or omnibus approval. There is no materially significant related party transaction during the fifteen months ended March 31 2016.

11.2 Compliances by the Company

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities relating to the above.

11.3 Code of Conduct for Directors and Senior Management

The Board of Directors of the Company has adopted a Code of Conduct for Directors and Senior Management and the same is available on Company's website at www.eicheromotors.com.

11.4 Prevention of Insider Trading Code:

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window for dealing in securities of the Company is closed as per the provisions of the code.

11.5 CEO / CFO Certification

The CEO and the CFO of the Company have certified to the Board with regard to the compliance in terms of Regulation 17(8) of SEBI Listing Regulations and that the certificate forms part of the Annual Report.

11.6 Status of compliance of Non-Mandatory requirements under regulation 27(1) of SEBI Listing Regulations

The Company complies with the following non-mandatory requirements:

1. A non-executive Chairman is entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.
2. The Auditors have expressed no qualification in their report.
3. The Company has appointed separate persons to the post of the Chairman and the Managing Director/CEO.
4. The Internal auditor periodically reports to the Audit Committee.

11.7 Accounting treatment in preparation of the financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on accrual basis under the historical cost convention.

11.8 Whistle Blower Policy

The Board of Directors of the Company has adopted a Whistle Blower Policy to establish a vigil mechanism and the same is available on Company's website at www.eicheromotors.com. No person has been denied access to the Audit Committee.

12. MEANS OF COMMUNICATION

- (i) The consolidated quarterly and annual results are published in the Business Standard (English) - All Editions and Business Standard (Hindi), Delhi edition. The Standalone and Consolidated quarterly and annual results of the Company are available on the Company's website at www.eicheromotors.com
- (ii) The Standalone and Consolidated quarterly and annual results are filed with the Stock Exchanges in terms of Regulation 33(3) of SEBI Listing Regulations.
- (iii) The following are displayed on the Website of the Company i.e. www.eicheromotors.com:
 - Business of the Company;
 - Terms and conditions of appointment of Independent Directors;
 - Composition of various committees of the Board
 - Whistle Blower Policy
 - Annual Report of the Company;
 - Policy on dealing with related party transactions;
 - Policy for determining material subsidiaries;
 - Details of familiarization programs for Independent Directors;
 - Standalone and Consolidated Quarterly and Annual Financial Results of Company;
 - Shareholding Pattern;
 - Company Profile;
 - Press Releases;
 - Schedule of analyst or institutional investor meet and presentations made to them;
 - Code of Conduct for the Directors and Senior Management;
 - Investors/analysts conference call information and transcripts; and
 - Contact information - for solving any investor's queries.
 - Other information as required under regulation 46 of SEBI Listing Regulations.
- (iv) Management Discussion and Analysis Report forms part of the Annual Report.

13. GENERAL SHAREHOLDER INFORMATION

- | | | |
|-------------|---|---|
| 13.1 | Day, date, time and venue of the Annual General Meeting | Saturday, June 18, 2016 at 10:00 A.M at Shri Ram Centre 4, Safdar Hashmi Marg, New Delhi-110001 |
|-------------|---|---|

13.2 Financial Year

The period under review is for 15 (fifteen) months from January 1, 2015 to March 31, 2016.

13.3 General Body Meetings

TABLE 13					
Year	Date	Day	Time	Location	Whether passed any Special Resolution
December 31, 2014	20.03.2015 (AGM)	Friday	10.00 A.M	Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110 003	Yes*
December 31, 2013	21.03.2014 (AGM)	Friday	10.00 A.M	LTG Auditorium, Copernicus Marg, New Delhi – 110 001.	No
December 31, 2012	22.03.2013 (AGM)	Friday	10.00 A.M	LTG Auditorium, Copernicus Marg, New Delhi – 110 001.	No

*The Company in its AGM held on March 20, 2015, passed two special resolutions for the following:

- Approval of payment of remuneration by way of commission not exceeding one percent of the net profits of the Company in every financial year for five years, effective from the financial year ended on December 31, 2014 to the Directors of the Company (other than the managing director(s) or whole-time director(s), if any)
- Approval for increase in limit of investment by FII in the Company to 49% of Company's total capital.

13.4 Postal Ballot

Detail of postal ballot conducted by the Company during last year is as follows:

TABLE 14				
Special Resolutions Passed	Votes in favor		Votes against	
	No. of votes	%	No. of votes	%
Alteration of Objects clause of Memorandum of Association of the Company	2,11,13,849	99.99%	1,003	0.01%
Alteration of Liability clause of Memorandum of Association of the Company	2,11,15,348	99.99%	1,734	0.01%

M/s. RDA & Associates, Company Secretaries were appointed as Scrutinizer for the postal ballot. CS Ranjeet Pandey, Partner, RDA & Associates signed the scrutinizers report.

Procedure for Postal Ballot:

In compliance with Clause 35B of the Listing Agreement and Sections 108, 110 and other applicable provisions of the Act, read with related Rules, the Company provided electronic voting facility to all its Members, to enable them to cast their votes electronically. The Company engaged the services of NSDL for the purpose of providing e-voting facility to all its Members. The Members had the option to vote either by physical ballot or by e-voting.

The Company dispatched the postal ballot notices and forms along with postage pre-paid business reply envelopes to its Members whose names appear in the Register of Members/ the List of beneficiaries as on the cut-off date. The Postal Ballot Notice was sent to members in electronic form to

the email addresses registered with their depository participants (in case of electronic shareholding)/the Company's Registrar and Transfer Agents (in case of physical shareholding). The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and the applicable Rules.

Voting rights are reckoned on the paid-up value of shares registered in names of Members as on the cut-off date. Valid Votes cast physically and through e-voting were considered by the scrutinizer for the purpose of their report.

The Scrutinizer submitted their report to the Chairman, after the completion of scrutiny and the consolidated results of the voting by shareholders. The Chairman announced the result on December 29, 2015. The result was placed on the website of the Company www.eichermotors.com besides being communicated to the Stock Exchanges, Depositories and the Registrar and Transfer Agent.

13.5 Financial Calendar – 2015-2016

TABLE 15			
Adoption of Quarterly/ Annual Results for the quarter/period ended	Date of Board Meetings	Date of publication	Name of Newspapers
March 31, 2015 (Quarterly Results)	08/05/2015	09/05/2015	Business Standard- All Editions (English), and Business Standard (Hindi), Delhi Edition
June 30, 2015 (Quarterly Results)	21/07/2015	22/07/2015	Business Standard- All Editions (English), and Business Standard (Hindi), Delhi Edition
September 30, 2015 (Quarterly Results)	06/11/2015	07/11/2015	Business Standard- All Editions (English), and Business Standard (Hindi), Delhi Edition
December 31, 2015 (Quarterly Results)	05/02/2016	06/02/2016	Business Standard- All Editions (English), and Business Standard (Hindi), Delhi Edition
March 31, 2016 (Annual Results)	05/05/2016	06/05/2016	Business Standard- All Editions (English), and Business Standard

Tentative Financial Calendar – for the financial year ending March 31, 2017

Quarterly results for the quarters ending June 30, 2016, September 30, 2016, December 31, 2016 and annual results for the year ending March 31, 2017 will be approved in the Board Meetings which will be tentatively held in the months of July 2016, November 2016, February 2017 and May 2017 respectively (subject to the finalization of dates by the Board of Directors). The Consolidated quarterly and annual results will be published in the Business Standard (English) in all Editions and in Business Standard (Hindi), Delhi edition. The Standalone and Consolidated quarterly and annual results will be intimated to Stock Exchanges. Additionally, the same will be posted on Company's website at www.eichermotors.com.

13.6 Cut-Off Date : June 11, 2016

13.7 Interim Dividend payment date : Interim dividend declared by the Board on March 12, 2016 was paid on or before March 31, 2016

13.8 Listing on Stock Exchanges

The equity shares of the Company are listed on the following Stock Exchanges

BSE Limited

Phiroze Jeejeebhoy Towers, Dalal Street

Mumbai - 400 001

National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor, Plot No. C/1, G Block

Bandra Kurla Complex, Bandra (E)

Mumbai - 400 051

The Company confirms that the annual listing fees to both the stock exchanges for the financial year 2016-17 have been paid.

13.9 Name of Depositories for dematerialisation of equity shares

TABLE 16	
Name of the depository	ISIN No.
National Securities Depository Limited (NSDL)	INE 066A 01013
Central Depository Services (India) Limited (CDSL)	INE 066A 01013

The equity shares are quoted under the following Codes

Stock Exchanges	Code / Symbol
BSE Limited, Mumbai (BSE)	505200
National Stock Exchange of India Limited, Mumbai (NSE)	EICHERMOT

13.10 Registrar and Share Transfer Agent / Address for correspondence:

Share transfer and other communication regarding change of address, dividends, share certificates, investor complaints, etc. may be addressed to

M/s Link Intime India Pvt. Ltd.
 Registrar and Share Transfer Agent
 44, 2nd Floor, Community Centre
 Naraina Industrial Area, Phase-I, New Delhi 110028
 Phone No: 011-41410592
 Fax No: 011-41410591
 E-Mail: delhi@linkintime.co.in

Members may write for any queries / information to Mr Manhar Kapoor, General Counsel and Company Secretary at Eicher Motors Limited, 3rd Floor- Select Citywalk, A-3 District Centre, Saket, New Delhi-110017, or at # 96, Sector 32, Gurgaon- 122001, Haryana, or any query can be sent by email to investors@eicher.in.

13.11 Market Price Data at BSE and NSE:

January 2015 to March 2016	BSE			NSE		
	High (Rs. per share)	Low (Rs. per share)	Volumes (No. of shares)	High (Rs. per share)	Low (Rs. per share)	Volumes (No. of shares)
January 2015	16,650.00	14,560.00	67,270	16,650.20	14,550.00	9,65,059
February 2015	17,200.00	14,777.00	1,46,696	17,200.00	14,755.05	9,63,339
March 2015	16,699.00	15,108.65	14,83,803	16,700.00	15,111.00	13,04,880
April 2015	16,800.00	13,930.00	99,692	16,700.00	13,900.10	12,77,602
May 2015	19,525.00	14,498.60	2,55,383	19,545.00	14,494.95	38,96,210
June 2015	20,020.00	16,651.90	14,70,833	20,049.90	16,649.75	25,01,848
July 2015	21,618.30	18,689.00	2,20,207	21,620.00	18,695.00	18,61,086
August 2015	21,578.00	17,805.15	1,96,251	21,596.00	17,821.00	15,42,216
September 2015	19,113.60	16,731.85	1,27,143	19,088.00	16,711.10	15,39,343
October 2015	19,050.00	17,288.05	96,424	19,005.25	17,273.80	11,19,652
November 2015	18,300.00	15,032.45	1,22,468	18,186.65	15,020.00	11,54,377
December 2015	16,890.00	15,107.00	67,632	16,920.00	15,100.00	9,24,587
January 2016	17,974.45	14,817.75	92,658	17,974.90	14,800.00	9,10,904
February 2016	19,441.15	16,607.15	1,38,391	19,420.00	16,600.25	15,09,921
March 2016	20,274.40	17,906.80	1,08,812	20,272.50	17,895.00	14,30,599

Chart 1// Share Price Performance Eicher Motors Limited (EML) vs BSE Index

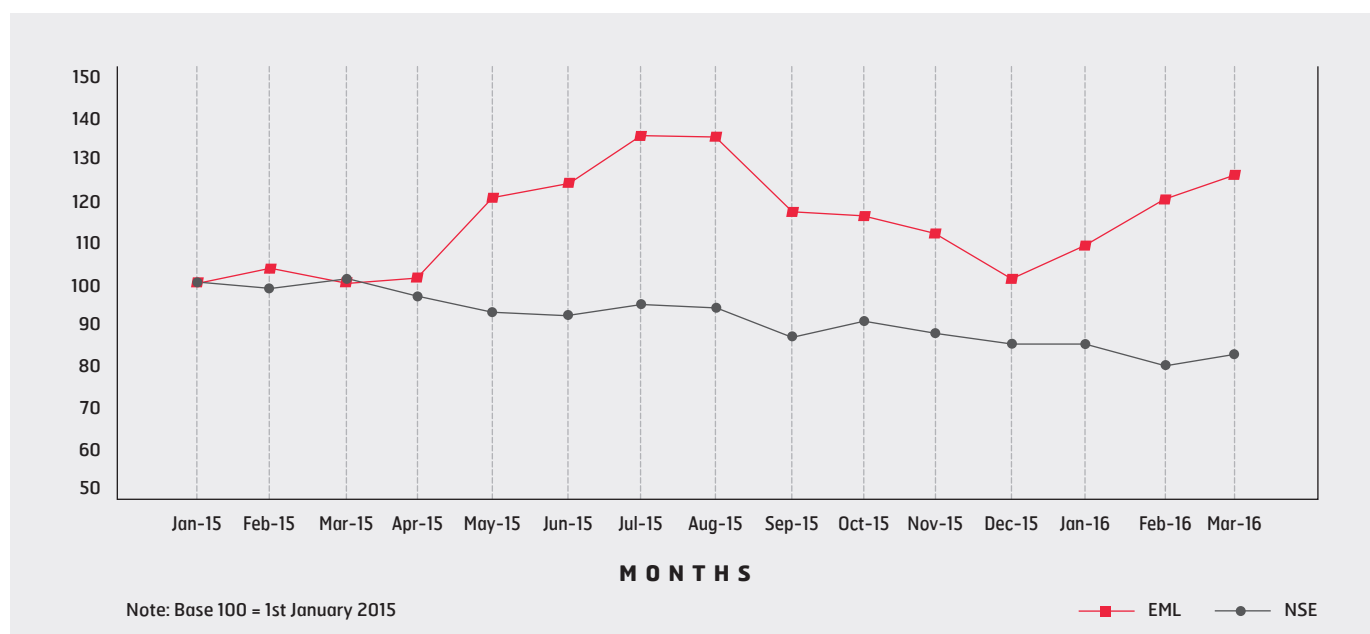
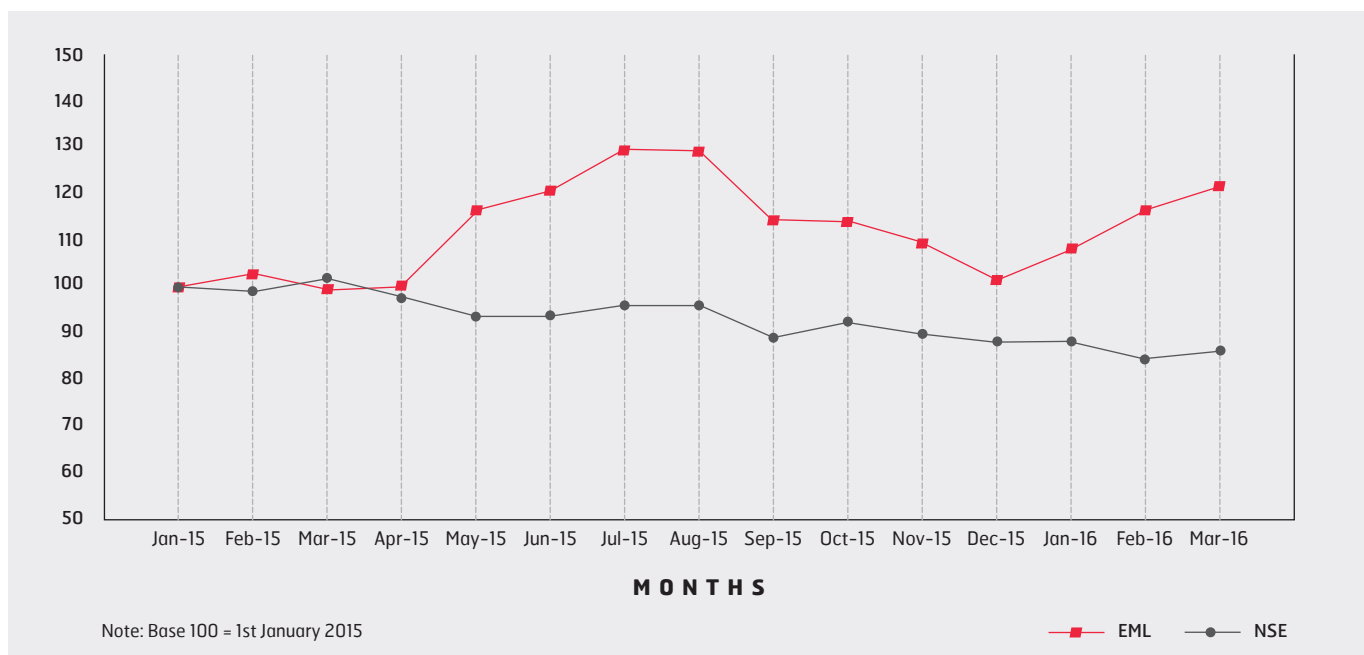


Chart 2// Share Price Performance Eicher Motors Limited (EML) vs NSE Index**13.12 Share transfer system**

Shares of the Company were transferred through M/s. MCS Limited till September 4, 2015. Thereafter shares of the Company are transferred through M/s. Link Intime India Pvt. Ltd., the Registrar and Share Transfer Agents of the Company and the Shares Committee of the Company approves the said share transfers.

Total number of shares transferred within the stipulated period during the fifteen months ended March 31, 2016 was 16,976 shares.

13.13 Dematerialisation of shares and liquidity

As per SEBI's circular dated February 21, 2000, the Company's equity shares are under the Compulsory Demat Category and can now only be traded in the dematerialized form w.e.f. March 22, 2000.

Members are requested to avail the facility of the depository system by opening of Demat account with any of the Depository Participant (DP). Members who hold shares in dematerialized form, should send all their communications concerning dematerialisation / rematerialisation of share

certificates, transfers/transmissions, dividends, change of address, change in mandate, nominations, etc. to the concerned DPs with whom they have opened Demat Account.

As on March 31, 2016, 2,64,75,585 shares constituting 97.48% of the total paid up equity share capital of the Company have been dematerialized with NSDL and CDSL.

13.14 Shareholding Pattern as on March 31, 2016

TABLE 18		
Category	No. of Shares	Percentage (%)
Promoters	1,49,03,030	54.87
Institutional Investors	87,01,595	32.04
Body Corporates	4,57,528	1.68
Individuals	30,99,030	11.41
Total	2,71,61,183	100.00

13.15 Distribution of shareholding as on March 31, 2016

TABLE 19				
Category	No. of shareholder	% holders	No of shares	% Shareholding
1-500	65,284	98.44	21,76,943	8.01
501-1,000	392	0.59	2,84,910	1.05
1,001-2,000	210	0.32	3,04,754	1.12
2,001-3,000	78	0.12	1,90,940	0.70
3,001-4,000	45	0.07	1,59,020	0.59
4,001-5,000	35	0.05	1,57,709	0.58
5,001-10,000	98	0.15	6,97,795	2.57
10,001-50,000	123	0.19	25,27,978	9.31
50,001-1,00,000	24	0.04	17,07,153	6.29
1,00,001 and above	27	0.04	1,89,53,981	69.78
	66,316	100.00	2,71,61,183	100.00

The Company has not issued any GDRs / ADRs, and there are no warrants or any convertible instruments.

13.16 Transfer of Unclaimed / Unpaid Dividend:

The Company shall be transferring the unclaimed / unpaid dividends as mentioned hereunder to the Investor Education and Protection Fund, established by the Central Government, in terms of the provisions of Sections 205A and 205C of the Companies Act, 1956.

The tentative schedule for unclaimed dividend to be transferred to Investors Education and Protection Fund is as under:

TABLE 20	
For the Financial Year	Due date for transfer to the Central Government
2008 (April to December)	July 5, 2016
2009 (January to December)	April 18, 2017
2010 (January to December)	April 25, 2018
2011 (January to December)	April 25, 2019
2012 (January to December)	April 25, 2020
2013 (January to December)	April 25, 2021
2014 (January to December)	April 25, 2022
2015-2016 (January to March)*	April 18, 2023

*Interim Dividend declared by the Board of Director on March 12, 2016

Members who have not encashed their Dividend Warrants for the above financial years/period may approach the Company for obtaining duplicate Dividend Warrants/Revalidation of Dividend Warrants.

13.17 Investors' services

Correspondence / complaints received during the fifteen months ended March 31, 2016:

TABLE 21			
Sl. No.	Nature of correspondence / complaints	Received (in Nos.)	Cleared (in Nos.)
1.	Non-receipt of share certificates	147	147
2.	Letters from Stock Exchange(s), SEBI, Advocate Letters, etc.	13	13
3.	Non receipt of Dividend Warrants / Annual Reports	199	199
	Total	359	359

The Company has attended to most of the investors' grievance/ correspondence within a period of 10 days from the date of receipt of complaint for the fifteen months ended March 31, 2016.

13.18 Unclaimed shares suspense account

The Company has opened Unclaimed Suspense Account, i.e. "Eicher Motors Limited - Unclaimed Suspense Account" with Kotak Securities Limited and the unclaimed shares lying with the Company have been dematerialized and credited to Eicher Motors Limited - Unclaimed Suspense Account.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the details with respect to the unclaimed shares of the Company for the fifteen months ended March 31, 2016 are as under:

TABLE 22			
Sl. No.	Particulars	No. of shareholders	No. of shares
(i)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	874	22,042
(ii)	Number of shareholders who approached the Company for transfer of shares from the Suspense Account during the period	10	402
(iii)	Number of shareholders to whom shares were transferred from the Suspense Account during the period	10	402
(iv)	Aggregate number of shareholders and the outstanding shares lying in the Suspense Account at the end of the period	864	21,640

The voting rights on shares in suspense account shall remain frozen till the rightful owner of such shares claims the shares.

13.19 Nomination facility

Your Company is pleased to offer the facility of nomination to members. Pursuant to Section 72 of the Companies Act, 2013, the Members, who hold shares in the physical form and wish to avail nomination facility, are requested to send the duly completed form to the Registrar and Share transfer Agent of the Company. The Members, who hold shares in the electronic form and wish to avail nomination facility, are requested to send separate request to their respective DP(s) only.

13.20 Consolidation of folios and avoidance of multiple mailing

In order to enable the Company to reduce costs and duplicity of efforts for investor servicing, members who may have more than one folio in their individual name or jointly with other persons mentioned in the same order, are requested to consolidate all similar holdings under one folio. This would help in monitoring the folios more effectively. Members may write to the Registrar and Share Transfer Agent at the address given at Para 13.25, indicating the folio numbers to be consolidated.

13.21 National Electronic Clearing Services (NECS) Mandate

Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Company's Registrars and Transfer Agents.

13.22 Registered Office

3rd Floor- Select Citywalk
A-3 District Centre, Saket
New Delhi- 110 017
Tel. No. (011)- 29563722
Website: www.eichermotors.com

13.23 Corporate Office

#96, Sector 32,
Gurgaon- 122 001, Haryana.
Tel. No. (0124)- 4415600
Website: www.eichermotors.com

13.24 Plant locations

(i) Thiruvottiyur High Road,
Thiruvottiyur, Chennai - 600 019, (Tamil Nadu)
(ii) A-19/1, SIPCOT Industrial Growth Centre,
Oragadam, Kanchipuram - 602 105
(Tamil Nadu)

13.25 Address for Correspondence with Registrar

M/s Link Intime India Pvt. Ltd.
Registrar and Share Transfer Agent
44, 2nd Floor, Community Centre
Naraina Industrial Area, Phase-I New Delhi 110028
Phone No: 011-41410592
Fax No: 011-41410591
E-Mail: delhi@linkintime.co.in

The Board of Director in its meeting held on July 21, 2015 had appointed M/s Link Intime India Pvt. Ltd. as Company's registrar and shares transfer agent in place of MCS Limited.

13.26 Web Links in terms of Regulation 46 of SEBI Listing Regulations

Policy for determining Material Subsidiaries:
http://www.eicher.in/uploads/1454671647_policy-for-determining-material-subsidiaries.pdf

Policy on Related Party Transactions:
http://www.eicher.in/uploads/1427720283_PMDRPT.pdf

Familiarization program for Independent Directors:
<http://www.eicher.in/corporate-governance>

Other Code and Policies:
<http://www.eicher.in/code-of-conduct>

This is to certify that the information given above is true and correct.

For Eicher Motors Limited

	Siddhartha Lal	S. Sandilya
Place : Gurgaon	Managing Director	Chairman
Date : May 05, 2016	DIN 00037645	DIN 00037542

DECLARATION

As per regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have affirmed to the compliance with the Code of Conduct of Board of Directors and Senior Management for the fifteen months ended March 31, 2016.

For Eicher Motors Limited

	Siddhartha Lal	S. Sandilya
Place : Gurgaon	Managing Director	Chairman
Date : May 05, 2016	DIN 00037645	DIN 00037542

INDEPENDENT AUDITOR'S CERTIFICATE TO THE MEMBERS OF EICHER MOTORS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by EICHER MOTORS LIMITED ("the Company"), for the fifteen months ended on March 31, 2016, as stipulated in:
 - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchanges for the period from January 01, 2015 to November 30, 2015.
 - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchanges for the period from January 01, 2015 to September 01, 2015.
 - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and
 - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period December 01, 2015 to March 31, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the fifteen months ended March 31, 2016.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm Registration No.015125N)

Jaideep Bhargava
Partner
(Membership No 090295)

Place : Gurgaon
Date : May 05, 2016

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

We, Siddhartha Lal – Chief Executive Officer and Managing Director, and Lalit Malik – Chief Financial Officer, hereby certify that:

- a) we have reviewed the financial statements and cash flow statement for the financial year ended March 31, 2016 and that to the best of our knowledge and belief :
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2016 are fraudulent, illegal or in violation of the Company's Code of Conduct.
- c) we accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) we have indicated to the Auditors and the Audit Committee that:
- (i) there have not been any significant changes in internal controls over financial reporting during the year ended March 31, 2016;
- (ii) there have not been any significant changes in accounting policies during the year ended March 31, 2016 and that the same have been disclosed in the notes to the financial statements; and
- (iii) there has not been any instance during the financial year ended March 31, 2016 of significant fraud with involvement therein of the management or any employee having a significant role in the company's internal control system over financial reporting.

Place : Gurgaon
Date : May 05, 2016

Lalit Malik
Chief Financial Officer
ICAI Mem. No. 92890

Siddhartha Lal
Managing Director
DIN 00037645