

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 32nd ANNUAL GENERAL MEETING OF THE MEMBERS OF EICHER MOTORS LIMITED WILL BE HELD AT 10.00 A.M. ON FRIDAY, MARCH 21, 2014 AT LTG AUDITORIUM, COPERNICUS MARG, NEW DELHI-110 001, TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at December 31, 2013 and Statement of Profit & Loss for the year ended on that date together with the Auditors' and Directors' Report thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr S. Sandilya who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Statutory Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration.

The Company has received a confirmation from M/s Deloitte Haskins & Sells, Chartered Accountants, the retiring Statutory Auditors, that their reappointment if made, will be in accordance with the limits specified in Sub-Section (1B) of Section 224 of the Companies Act, 1956.

Special Business

5. To consider and, if thought fit, to pass the following resolution with or without modification(s) as an Ordinary resolution:
"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII thereto including any statutory modification(s) or re-enactment(s) thereof and such other approvals, permissions and sanctions, as may be required, consent of the shareholders of the Company be and is hereby accorded to revise the terms and conditions of appointment of Mr. Siddhartha Lal, Managing Director of the Company, as set out herein below w.e.f. April 1, 2014:

Revised terms & conditions of appointment of Mr. Siddhartha Lal

Subject to the control and supervision of the Board of Directors, Mr. Siddhartha Lal, Managing Director shall be in charge of the management of the affairs of the Company and he shall perform such duties and exercise such powers as may be entrusted to him from time to time by the Board of Directors except such matters which are specifically to be done by the Board of Directors or the Company Secretary under the Articles of Association of the Company or under the Companies Act, 1956 and the rules thereunder.

The appointment shall be terminable by either party by giving 3 months' written notice provided that the Company shall have the option to pay salary in lieu of notice for the full period of 3 months or for such period by which such notice falls short of 3 months.

I. Salary and allowances:

- i) Basic Salary: Rs. 63.25 lacs (Rupees Sixty three lacs twenty five thousand only) per annum with such annual revision as may be decided by Board of Directors from time to time.
- ii) Flexible Payment Allowance (FPA): Rs. 126.50 lacs (Rupees One hundred twenty six lacs fifty thousand only) per annum with such annual revision as may be decided by Board of Directors from time to time.

II. Perquisites: In addition to the above Salary & Allowances, he shall be entitled to the following perquisites:

- i) Residential Accommodation: Managing Director shall be provided free furnished residential accommodation with free use of all the facilities and amenities provided by the Company.
- ii) Medical Reimbursement: Reimbursement of actual medical expenses incurred by the Managing Director and his family.
- iii) Club Fees: Actual fees of clubs will be paid by the Company.
- iv) Personal Accident Insurance: Actual premium to be paid by the Company.
- v) Car: Facility of two cars with drivers.
- vi) Telephone: Free telephone facility at residence including mobile phone.
- vii) Contribution to provident and superannuation funds: Company's contribution to Provident and Superannuation Funds will be as per the rules of the Company.
- viii) Gratuity: Not exceeding half months salary for each completed year of service.
- ix) Reimbursement of entertainment and all other expenses incurred for the business of the Company as per rules of the Company.
- x) Other Allowance/benefits/perquisites: Any other allowance, benefits and perquisites as per the Rules applicable to Senior Executives of the Company and/or which may be applicable in the future and/or any other allowance, benefit, perquisite as the Board of Directors may decide from time to time.

III. Leave Travel Concession: For the Managing Director and his family once in a year incurred in accordance with any rules specified by the Company.

Explanation:

- (i) For the aforesaid purposes "Family" means the spouse, the dependent children and dependent parents of the Managing Director.
- (ii) Perquisites shall be evaluated as per Income Tax Rules, 1962, wherever applicable and in the absence of any such rules, perquisites shall be valued at actual cost.

IV. Commission:

As the Board of Directors of the Company and/or a Committee of the Board may at their sole discretion approve/decide, from time to time payment of commission provided that the remuneration paid as Basic Salary, Flexible Payment Allowance, Perquisites and Commission shall not exceed 5% of the net profit computed in the manner laid down in Section 198 of the Companies Act, 1956 as amended from time to time.

- V.** The aggregate of salary, allowances and perquisites including commission in any financial year shall not exceed the limit prescribed from time to time under Sections 198, 309, 310 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956 as may for the time being in force.

VI. Minimum Remuneration:

In the event of absence or inadequacy of profits in any financial year, the aggregate of salary, allowances, perquisites shall not exceed the applicable (maximum) ceiling limits prescribed under Section II of Part II of Schedule XIII of the Companies Act, 1956 or such other limits as may be prescribed by the Government from time to time.

- VII.** The Company shall not pay any commission to Mr. Siddhartha Lal in the event of absence/inadequacy of profits.

RESOLVED FURTHER THAT the said terms and conditions of the appointment may be altered and varied from time to time by the Board as it may, in its discretion deem fit within the maximum amount payable to the Managing Director in accordance with the provisions of the Companies Act, 1956 or any amendments made therein or with the approval of Central Government, if required.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as it may consider necessary or expedient to give effect to the aforesaid resolution."

Place: Gurgaon
Date: February 12, 2014

By order of the Board
Lalit Malik
Chief Financial Officer & Compliance Officer

Notes:

1. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, which sets out details relating to Special Business to be transacted at the meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON A POLL ONLY) INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. THE SAME SHOULD BE DULY SIGNED AND STAMPED IN ORDER TO BE EFFECTIVE.**
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, March 14, 2014 to Friday, March 21, 2014 (both days inclusive) in terms of Section 154 of the Companies Act, 1956.
4. The payment of Dividend as recommended by the Board of Directors, and if, approved by the members at the forthcoming Annual General Meeting, will be made by March 28, 2014 as under:
 - a) To all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the Company by National Securities Depository Limited (NSDL) and the Central Depository (India) Limited (CDSL) as on the closure of the business hours on March 13, 2014 and,
 - b) To all those shareholders holding shares in physical form after giving effect to all valid share transfers lodged with the Company before the closing hours on March 13, 2014.
5. Pursuant to provisions of Section 205A(5) of the Companies Act, 1956, the amount of dividend which remains unpaid/unclaimed for a period of 7 years is transferred to the "Investor Education and Protection Fund" (IEPF), constituted by the Central Government and member(s) would not be able to claim any amount of dividend so transferred to the IEPF. As such, member(s) who have not yet encashed his/their dividend warrant(s) is/are requested in his/their own interest to write to the Company immediately for claiming outstanding dividend declared by the Company during the years 2007 and onward.
6. As per the Circular No. MRD/Dop/Cir-05/2009 dated May 20, 2009 issued by Securities and Exchange Board of India (SEBI), it is mandatory to quote PAN for transfer of shares in physical form. Therefore, the transferee (s) is required to furnish a copy of their PAN card to the Company/ Registrar and Share Transfer Agent of the Company for registration of transfer of shares.
7. Shareholders holding shares in physical form, are requested to intimate their change in address/ Bank Mandate/ National Electronic Clearing Service (NECS) details, if any, to M/s MCS Limited, Registrar and Share Transfer Agent, F-65, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi 110 020. Beneficial owners holding shares in electronic form are requested to intimate their change in address/ Bank

- Mandate/ National Electronic Clearing Service (NECS) details, if any, to their respective Depository Participants (DP) in order to get the same registered before March 13, 2014.
8. Members are requested to quote their folio numbers /Client ID No. and contact details in all correspondence with the Company/ Registrar and Share Transfer Agent.
 9. Members are requested to bring their copies of the Annual Report to the meeting, since additional copies will not be available.
 10. Pursuant to provisions of Section 109A of the Companies Act, 1956, every member or joint holders holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or the joint holders and register the same with M/s MCS Limited, Registrar and Share Transfer Agent. Members or joint holders holding shares in demat form may contact their respective DP for availing this facility.
 11. The Register of Directors' shareholding, maintained under Section 307 of the Companies Act, 1956 will be made available for inspection by the Members on all working days during business hours during the period beginning fourteen days before the date of Annual General Meeting and ending three days after its conclusion.
 12. For faster communication and for supporting in full measure, a green initiative taken by the Ministry of Corporate Affairs, allowing services of notice/documents including Annual Report through e-mail, the shareholders holding shares in electronic form are requested to kindly register/update their e-mail addresses with their respective depository participants. The shareholders holding shares in physical form are requested to register/ update their email addresses with M/s MCS Limited, Registrar and Share Transfer Agent of the Company.
 13. In case you intend to raise any queries in the forthcoming Annual General Meeting, you are requested to please forward the same at least 10 days before the date of the Meeting to Mr D. S. Mehta, Dy. Manager at the following address so that the same may be attended appropriately to your entire satisfaction.

By order of the Board

Lalit Malik

Chief Financial Officer &
Compliance Officer

Registered office:

3rd Floor-Select Citywalk
A-3 District Centre, Saket
New Delhi – 110 017
Tel. No.: 011-29563722
Website: www.eicher.in

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 5

Mr. Siddhartha Lal was reappointed as the Managing Director of the Company w.e.f. May 1, 2011 for a period of five years and approved by shareholders of the Company at the Annual General Meeting held on March 18, 2011.

The Board of Directors of the Company at its Board Meeting held on February 12, 2014 has, pursuant to sections 198, 309, 310 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII thereto and amendment(s) thereof and subject to shareholders' approval and other statutory approvals as may be necessary, revised the terms and conditions of appointment of Mr. Siddhartha Lal, Managing Director of the Company w.e.f. April 1, 2014 within the ceiling of maximum remuneration permitted under the Companies Act, 1956.

The revised terms and conditions of appointment of Mr. Siddhartha Lal being Managing Director are set out in the proposed resolution and his tenure of appointment as Managing Director will remain unchanged i.e. for a period of 5 years effective from May 1, 2011 upto April 30, 2016.

The explanatory statement together with accompanying notice should be treated as an abstract of revision of the terms and conditions of appointment of the Managing Director of the Company and Memorandum of concern or interest of Director as required under the provisions of Section 302 of the Companies Act, 1956.

The resolution as set out in Item No.5 of this Notice is accordingly commended for your approval.

None of the Directors of the Company except Mr. Siddhartha Lal, being the Managing Director of the Company, is concerned or interested in the above resolution.

Additional information as per Clause 49 of the Listing Agreement

A brief resume of Mr S. Sandilya, Director liable to retire by rotation and is eligible for reappointment at the Annual General Meeting is given below:

Mr. S. Sandilya is the Chairman of the Board and the Company in a non-executive capacity. He has been associated with Eicher since 1975 in various capacities. He is a Commerce graduate with MBA from IIM, Ahmedabad. He has over 44 years of experience.

Mr. S. Sandilya prior to joining Eicher Group in 1975, he was with DCM group of companies at their Group Headquarters in the Finance function. After DCM, he was employed with Union Carbide India Limited where he worked for five years in Systems as well as Finance and Accounts.

He has been part of the growth journey of the Eicher Group and held various positions in different business units. He was the Managing Director of Eicher Motors Limited, the Commercial Vehicles Manufacturing business unit till 1998 before moving to the Group Office to take responsibility for Group Finance and Strategic Planning in addition to being the Managing Director of Eicher Motors Limited. He was appointed Group Chairman and CEO in April 2000.

He is also the President of Association of Indian Automobile Manufacturers. He is on the board of Lean Global Network and also President of International Motorcycle Manufacturers Association (2012-2014).

Name of the Companies in which Mr. S.Sandilya holds the Directorship and the Chairmanship / membership of Committees of the Board:

Name of Company	Designation on Board (As Chairman/ Director)	Name of Committee				
		Shareholders Grievance Committee (As Chairman/ Member)	Audit Committee (As Chairman/ Member)	Compensation Committee (Chairman/ Member)	Compensation & Nomination Committee (Chairman/ Member)	Remuneration Committee (Chairman/ Member)
Eicher Motors Limited	Chairman, Independent & Non-Executive Director	Member	Member	Member	-	-
Tube Investments of India Ltd	Director	-	Chairman	-	Member	-
Rane Brake Lining Limited	Director	-	Chairman	-	-	Chairman
Mastek Limited	Chairman & Non-Executive Director (Independent)	-	Chairman	-	Chairman	-
Mastek UK Limited	Non-Executive Director					
GMR Infrastructure Limited	Director	-	-	-	-	-
Lean Management Institute of India	Director	-	-	-	-	-
Association of Indian Automobile Manufacturers	President	-	-	-	-	-

Proxy Form**EICHER MOTORS LIMITED**

Registered Office
3rd Floor-Select Citywalk
A-3 District Centre, Saket
New Delhi – 110017

I/We _____ of _____
in the district of _____ being a member/members of the above mentioned Company hereby appoint
_____ of _____ in the district of _____ as my our proxy
to vote for me/us on my / our behalf at the 32nd Annual General Meeting of Eicher Motors Limited to be held at LTG Auditorium,
Copernicus Marg, New Delhi – 110 001 on Friday, March 21, 2014 at 10.00 A.M. and at any adjournment thereof.

Signed this _____ day of _____ 2014

Member's folio No. _____ Signature _____

**Revenue
Stamp**

Note: The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

Attendance Slip

To be handed over at the entrance of the Meeting Hall

Name of the attending Member _____

Member's folio No. _____ No. of shares held _____

Name of proxy _____

(To be filled in if the proxy attends instead of the Member)

I, hereby record my presence at the 32nd Annual General Meeting of Eicher Motors Limited to be held at LTG Auditorium,
Copernicus Marg, New Delhi – 110 001 on Friday, March 21, 2014 at 10.00 A.M.

Member's/Proxy Signature

Note: Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.