

**MINUTES OF THE 31<sup>st</sup> ANNUAL GENERAL MEETING OF EICHER MOTORS LIMITED HELD ON FRIDAY, MARCH 22, 2013 AT 10.00 A.M. AT LTG AUDITORIUM, COPERNICUS MARG, NEW DELHI-110 001.**

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Mr. Vinit Kumar, Company Secretary introduced the dignitaries sitting on the Dais-Mr. S Sandilya-Chairman, Mr. Siddhartha Lal-Managing Director, Mr. M J Subbaiah-Chairman of the Audit Committee, Mr. Priya Brat-Independent Director, Mr. Prateek Jalan-Independent Director, Mr. Vinod Aggarwal-Chief Executive Officer of VE Commercial Vehicles Limited, the subsidiary Company and Mr. Lalit Malik-Chief Financial Officer.

451 members and 92 proxy holders holding 1,69,69,306 equity shares were present at the commencement of the meeting as per the attendance recorded and Proxy Register.

The Company Secretary confirmed that the requisite quorum was present and called the meeting in order.

The Registers of Proxies and the Register of Director's shareholding under section 307 of the Companies Act, 1956 were available and open for inspection.

The Company Secretary requested Mr. S Sandilya to take the Chair.

Mr. S Sandilya took the Chair and welcomed the members present.

With the unanimous consent of the members, the notice convening the meeting was taken as read.

Thereafter, the Chairman delivered his speech along with a presentation highlighting the performance of the Company and its subsidiary.

The Chairman invited comments and queries from the members on the accounts and reports. Some shareholders sought clarifications on Company's prospects and raised queries. The Chairman replied to all the queries raised and gave the information asked for. The Chairman expressed gratitude to shareholders for the continual trust and support provided to the Company.

The Chairman requested the Company Secretary to read the Auditors' Report. The Auditors' Report was read by the Company Secretary.

Thereafter the Chairman took up the Agenda Items as per the Notice circulated for convening the Meeting:

**Ordinary Business**

**Resolution No. 1: Adoption of Annual Accounts together with Auditors' and Directors' Report thereon for the year ended December 31, 2012**

The Chairman put up the resolution regarding adoption of Annual Accounts together with Auditors' Report and Directors' Report for the year ended December 31, 2012 for consideration.

Mr. S K Agarwal (Folio No- 00089029) proposed and Ms. Sushma Agarwal (Folio No-00089030) seconded the following resolution as an ordinary resolution:

“RESOLVED THAT Audited Balance Sheet, Statement of Profit and Loss and Cash Flow Statement for the year ended on December 31, 2012, the Auditors' Report along with Directors' Report and other Annexure thereon, as circulated amongst the Members' of the Company be and are hereby received, considered & adopted.”

The Chairman put the motion to vote and on a show of hands declared the same as carried unanimously.

**Resolution No. 2: Declaration of dividend on equity shares of the Company**

The Chairman put up the resolution regarding declaration of dividend on equity shares for consideration.

Mr. Ankit Agarwal (Folio No- 00089027) proposed and Ms. Akanksha Agarwal (Folio No-IN301428/10016090) seconded the following resolution as an ordinary resolution:

"RESOLVED THAT the dividend @ 200% i.e.(Rs.20/- per equity share) out of the current year's profit for the year ended December 31, 2012, be and is hereby declared and approved on equity shares of the Company.

RESOLVED FURTHER THAT the dividend be paid to the members of the Company as existing as on the date of book closure"

The Chairman put the motion to vote and on a show of hands, declared the same as carried unanimously.

**Resolution No. 3 : Reappointment of Mr. M J Subbaiah, Retiring Director**

The Chairman put up the resolution regarding reappointment of Mr. M J Subbaiah as Director of the Company for consideration.

Mr. Jai Kishan Gupta (Folio No- 00090012) proposed and Mr. Prem Chachra (Folio No-120150000003633) seconded the following resolution as an ordinary resolution:

"RESOLVED THAT Mr. M J Subbaiah be and is hereby reappointed as a Director of the Company, liable to retire by rotation."

The Chairman put the motion to vote and on a show of hands, declared the same as carried unanimously.

**Resolution No. 4: Reappointment of Statutory Auditors of the Company for the year 2013**

The Chairman put up the resolution regarding reappointment of Statutory Auditors for consideration.

Mr. Subhash Bhutani (Folio No- 00087639) proposed and Mr. Jaswinder Singh (Folio No-IN301959/10027413) seconded the following resolution as an ordinary resolution:

"RESOLVED THAT M/s Deloitte Haskins & Sells, Chartered Accountants, Gurgaon (Firm Registration Number: 015125N) be and are hereby reappointed as Statutory Auditors of the Company for the year ending December 31, 2013 to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and the Board of Directors of the Company be and is hereby authorized to fix their remuneration."

The Chairman put the motion to vote and on a show of hands, declared the same as carried unanimously.

### **Special Business**

#### **Resolution No. 5: Revision in the terms and conditions of appointment of Mr. Siddhartha Lal, Managing Director of the Company**

The Chairman put up the resolution regarding revision in the terms of appointment of Managing Director of the Company for consideration.

Mr. Jai Kishan Gupta (Folio No- 00090012) proposed and Mr. S K Agarwal (Folio No- 00089029) seconded the following resolution 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. May 1, 2013:

#### **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.55 lacs (Rupees Fifty Five lacs 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.110 lacs (Rupees One Hundred Ten lacs 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 be 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 above 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."

The Chairman put the motion to vote and on a show of hands, declared the same as carried unanimously.

Except Mr. Siddhartha Lal, no other Director was concerned or interested in the above resolution.

**Resolution No. 6: Reappointment of Mr. R L Ravichandran, Whole Time Director of the Company for a period of 2 years w.e.f. January 1, 2013.**

The Chairman put up the resolution regarding reappointment of Whole Time Director of the Company for consideration.

Mr. Jai Prakash Narain (Folio No- IN301565/10000942) proposed and Mr. S K Agarwal (Folio No- 00089029) seconded the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and all other applicable provisions, if any, of the Companies Act, 1956 (the “Act”) read with Schedule XIII thereto, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and all other applicable guidelines relating to managerial remuneration issued by the Central Government from time to time or any other law and such other approvals as may be necessary, consent of the shareholders of the Company be and is hereby accorded for the appointment of Mr. R.L. Ravichandran as the Whole Time Director of the Company for a period of 2 years with effect from January 1, 2013, not liable to retire by rotation, on the terms and conditions as set out herein below:

**Terms & conditions of reappointment of Mr. R.L. Ravichandran**

Subject to the control and supervision of the Board of Directors, Mr. R.L. Ravichandran, Whole Time Director 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 there under.

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.

**Salary:** Rs 67.50 lacs (Rupees Sixty Seven lacs Fifty Thousand only) per annum with such increments as may be decided by Board of Directors from time to time.

**I. Perquisites :** In addition to the above Salary, he shall be entitled to the following perquisites:

- i. Club Fees: Actual fees of one club will be paid by the Company.
- ii. Car: Facility of one car with driver.
- iii. Telephone: Free telephone facility at residence including mobile phone.
- iv. Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company as per the Rules of the Company.

**Explanation:**

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.

**II.** The aggregate of salary and perquisites 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 of the Companies Act, 1956 as may be for the time being in force.

### **III. 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 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.

RESOLVED FURTHER THAT the terms and conditions of the said reappointment may be altered and varied from time to time by the Board of Directors as it may, in its discretion deem fit within the maximum amount payable to the Whole Time Director in accordance with the provisions of the said Act 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 authorized to take such steps as it may consider necessary or expedient to give effect to the aforesaid resolution.”

The Chairman put the motion to vote and on a show of hands, declared the same as carried unanimously.

The Company Secretary proposed a vote of thanks to the Chair and Shareholders present at the Meeting. The meeting was then concluded.

Sd/-  
**CHAIRMAN**

Date : 22.03.2013

Place : New Delhi