

**Independent Auditor's Report on the Employees Stock Option Plan, 2006 and the Restricted Stock Unit Plan, 2019, as required by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014**

To,  
The Board of Directors  
Eicher Motors Limited  
#96, Sector 32,  
Gurugram – 122 001, Haryana

1. This Report is issued in accordance with the terms of our service scope letter dated July 8, 2020 and master engagement agreement August 8, 2017 with Eicher Motors Limited (hereinafter the "Company").
2. As requested, we have examined the Employees Stock Option Plan, 2006 of Eicher Motors Limited (the "Company"), which was approved by the Shareholders of the Company on July 5, 2006, and the amendments made to the same, which was approved by the Board of Directors on May 8, 2015 and the Restricted Stock Unit Plan, 2019 of the Company which was approved by the Shareholders of the Company on August 1, 2019 (hereinafter referred as the "Plans") to determine whether the Plans are in compliance with the relevant provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 including circulars issued thereunder (the "SEBI Regulations"). We understand that this certificate is required by the Company for placing before the shareholders at the ensuing 38<sup>th</sup> Annual General Meeting of the Company, for confirming that the Plans have been implemented in accordance with the aforesaid SEBI Regulations and in accordance with the resolutions of the shareholders of the Company passed in the Annual General Meetings held on July 5, 2006 and August 1, 2019 respectively for approval of the Plans.
3. Management is responsible for:
  - i. Maintaining the information and documents, which are required to be kept and maintained under the relevant laws and regulations;
  - ii. Implementing the Plans in accordance with the SEBI Guidelines and the resolutions passed at the general meetings of the Company;
  - iii. Establishing and maintaining effective internal control for properly recording the information related to the Plans in the records maintained by the Company.

**Auditor's Responsibility**

4. Pursuant to this, our responsibility is to express reasonable assurance in the form of an opinion whether the Company has implemented the Plans in accordance with the provisions of the SEBI Regulations.
5. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria. In this connection, we have performed the following procedures:
  - i. Read copies of the Plans, provided to us by the Company, to examine the compliance by the Company with the provisions of the SEBI Regulations.
  - ii. Read the shareholders' resolutions passed in the Annual General Meetings held on July 5, 2006 and August 1, 2019 and noted the approval accorded to the Nomination and Remuneration Committee of the Board of Directors of the Company to issue employee stock options and restricted stock units to the eligible employees and directors of the Company.
  - iii. Read the minutes of the meetings of Nomination & Remuneration Committee held on April 1, 2019 and August 1, 2019 in terms whereof, 1,00,000 and 3,600 options were respectively granted, and 5,000 restricted stock units were granted during the financial year ended March 31, 2020 to the eligible employees of the Company.

- iv. Read the minutes of the meetings of the Board of Directors of the Company held on May 10, 2019, July 31, 2019, November 8, 2019 and February 6, 2020 in terms whereof, 5,479, 770, 14,840 and 911 options respectively, were exercised into equal number of equity shares, during the financial year ended March 31, 2020 by the eligible employees.
  - v. Obtained necessary representations from management.
6. We conducted our examination of the Plans in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
  7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

8. Based on our examination, as above, in our opinion, the Company has implemented the Plans in accordance with the provisions of the SEBI Regulations.

**Restriction on use**

9. This report is intended solely for your information and in connection with the purpose mentioned above and is not to be used or referred to for any other purpose or distributed to anyone other than placing before the shareholders of the Company at the ensuing 38<sup>th</sup> Annual General Meeting of the Company. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij  
Partner  
Membership Number: 095169

UDIN: 20095169AAAACJ1623

Place of Signature: Gurugram  
Date: July 17, 2020