MINUTES OF THE **29th ANNUAL GENERAL MEETING** OF **EICHER MOTORS LIMITED** HELD AT 10.00 A.M. ON FRIDAY, **MARCH 18, 2011** AT LTG AUDITORIUM, COPERNICUS MARG, NEW DELHI–110 001.

Ms. Shaila Aggarwal, Company Secretary introduced the dignitaries sitting on the Dais – Mr. S Sandilya–Chairman, Mr. Siddhartha Lal– Managing Director, Mr. Priya Brat–Independent Director, Mr. M J Subbaiah–Independent Director and Chairman of Audit Committee, Mr. Prateek Jalan–Independent Director and Mr Lalit Malik–Chief Financial Officer.

463 members and 84 proxy holders holding 14,595,227 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 to 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 subsidiaries.

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 and Reports thereon for the year ended December 31, 2010

The Chairman put up the resolution regarding adoption of Annual Accounts together with Auditors' Report and Directors' Report for the year ended December 31, 2010 for consideration.

Mr. J K Gupta proposed and Mr. R C Aggarwal seconded the following resolution as an ordinary resolution:

"RESOLVED THAT Audited Balance Sheet and the Profit and Loss account for the year ended on December 31, 2010, 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.

CHAIRMAN'S INITIALS

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

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

Mr. Pradeep Gupta proposed and Ms. Shashi Gupta seconded the following resolution as an ordinary resolution:

"RESOLVED THAT the dividend @ 110% i.e.(Rs.11/- per equity share) out of the current year's profit for the year ended December 31, 2010, 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 dates, i.e. from March 10, 2011 to March 18, 2011 (both days inclusive)."

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. Prateek Jalan, Retiring Director

The Chairman put up the resolution regarding reappointment of Mr. Prateek Jalan as Director of the Company for consideration.

Mr. R C Aggarwal proposed and Mr. Sandeep Jain seconded the following resolution as an ordinary resolution:

"RESOLVED THAT Mr. Prateek Jalan 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 2011

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

Mr. Pawan Kumar Khemka proposed and Mr. J K Bhutani seconded the following resolution as an ordinary resolution:

"RESOLVED THAT M/s Deloitte Haskins & Sells, be and are hereby reappointed as Statutory Auditors of the Company for the year 2011 to hold office from the conclusion of this Annual General Meeting till 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 of appointment of Mr Siddhartha Lal, Managing Director of the Company

CHAIRMAN'S INITIALS

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

Mr. J K Gupta proposed and Mr. C B Gandhi 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 or re-enactment thereof) and such other approvals, permissions and sanctions, as may be required, consent of the Company be and is hereby accorded to revise the terms of appointment of Mr. Siddhartha Lal, Managing Director of the Company, as set out herein below w.e.f. July 1, 2010 till the expiry of his tenure as the Managing Director of the Company i.e. upto April 30, 2011.

Revised terms & conditions of appointment of Mr. Siddhartha Lal

A. Salary and allowances:

a) **Basic Salary**: Rs. 3,00,000/- (Rupees Three Lakh only) per month with such annual increments/increases as may be decided by Board of Directors from time to time.

b) **Flexible Payment Allowance (FPA)** : Rs. 4,50,000/- (Rupees Four Lakh Fifty Thousand Only) per month.

I. 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; and

viii. Gratuity: Not exceeding half months salary for each completed year of service.

II. 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.

III.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.

IV. 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 of the Companies Act, 1956 as may for the time being be in force.

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V. **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.

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

B. The terms and conditions of the said 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 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 and/or Company Secretary of the Company be and are hereby authorized severally 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. Siddhartha Lal as Managing Director of the Company

The Chairman put up the resolution regarding reappointment of Mr. Siddhartha Lal as Managing Director of the Company for a period of five years w.e.f. May 1, 2011 for consideration.

Mr. C B Gandhi proposed and Mr. R C Aggarwal 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 subject to such other approvals as may be necessary, consent of the Company be and is hereby accorded for the reappointment of Mr. Siddhartha Lal as Managing Director of the Company for a period of five years with effect from May 1, 2011, not liable to retire by rotation on the terms and conditions as set out herein below.

Terms & conditions of reappointment 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.

CHAIRMAN'S INITIALS

The reappointment 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:

a) Basic Salary: Rs. 3,75,000/- (Rupees Three Lakh Seventy Five Thousand Only) per month with such annual increments as may be decided by Board of Directors from time to time.

b) Flexible Payment Remuneration (FPA): Rs. 5,62,500 /-(Rupees Five Lakh Sixty Two Thousand Five Hundred Only) per month with such annual increments 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, travelling and all other expenses incurred for the business of the Company as per the Rules of the Company.

(x) Other Allowances/benefits/perquisites: Any other allowances, benefits and perquisites as per the Rules applicable to Senior Executives of the Company and/or which may become applicable in the future and/or any other allowance, benefits, perquisites as the Board of Directors may from time to time decide.

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 may at their sole discretion approve/decide from time to time for the 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.

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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 of the Companies Act, 1956 as may for the time being be 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 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 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 Managing 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 and/or Company Secretary of the Company be and are hereby authorized severally 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.7: Regularisation of appointment of Mr. R.L. Ravichandran as Director of the Company

The Chairman put up the resolution regarding regularisation of appointment of Mr. R.L. Ravichandran as Director of the Company w.e.f. January 1, 2011 for consideration.

Mr. J K Gupta proposed and Mr. J K Bhutani seconded the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 260 and other applicable provisions, if any, of the Companies Act, 1956 (the "Act") Mr. R L Ravichandran, who was appointed as an Additional Director by the Board of Directors of the Company in the Board Meeting held on November 8, 2010 w.e.f. January 1, 2011 and who holds office as such only up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing along with a deposit of Rs. 500/- pursuant to the provisions of Section 257 of the Act from a Member signifying his intention to propose Mr. R L Ravichandran as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company."

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Except Mr. R.L. Ravichandran, no other Director was concerned or interested in the above resolution.

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

Resolution No. 8: Appointment of Mr. R.L.Ravichandran as the Whole Time Director of the Company

The Chairman put up the resolution for appointment of Mr. R.L.Ravichandran as the Whole Time Director of the Company for a period of two years w.e.f. January 1, 2011 for consideration.

Mr. B B Gandhi proposed and Mr. R C Aggarwal seconded the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 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 two years with effect from January 1, 2011, not liable to retire by rotation on the terms and conditions as set out herein below:

Terms & conditions of appointment 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:

Salary: Rs. 4,50,000/- (Rupees Four Lakhs Fifty Thousand Only) per month 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 for the time being be in force.

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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 appointment 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 and/or Company Secretary of the Company be and are hereby authorized severally 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. R.L. Ravichandran, no other Director was concerned or interested in the above resolution.

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

CHAIRMAN

Date : 18/03/2011
Place : New Delhi

bdj/sa/eml-agmin 2011

CHAIRMAN'S INITIALS