



September 24, 2021

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400 001
Security Code: 505200

The Secretary
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra Kurla Complex, Bandra (E)
Mumbai-400 051
Symbol: EICHERMOT

Ref: Regulation 30 of the SEBI (LODR) Regulations, 2015

Subject: Submission of Postal Ballot Notice

Dear Sir/Madam,

Pursuant to the Regulation 30 of the SEBI (LODR) Regulations, 2015, please find enclosed a copy of the Postal Ballot Notice together with the Explanatory Statement for seeking approval of the members of Eicher Motors Limited ("the Company") on the following Special Businesses by way of Ordinary Resolutions as set out in the said Postal Ballot Notice, through remote e-voting:

1. To Consider and approve re-appointment of Mr. Siddhartha Lal as Managing Director of the Company for a period of 5 years commencing from May 1, 2021; and
2. To approve payment of remuneration to Mr. Siddhartha Lal as Managing Director of the Company.

The e-voting period will commence from Saturday, September 25, 2021, at 9.00 a.m. IST and shall end on Sunday, October 24, 2021, at 5.00 p.m. IST. The e-voting module shall be disabled by National Securities Depository Limited (NSDL) for voting thereafter.

In compliance with the requisite circulars issued by Ministry of Corporate Affairs, the Notice of the Postal Ballot is being sent by electronic mode only to those members whose names appeared in the Register of Members/List of Beneficial Owners as maintained by the Company/ Depositories, respectively, as at close of business hours on Tuesday, September 21, 2021 (the 'Cut-off date') and whose e-mail addresses are registered with the Company / Depositories. The said Postal Ballot Notice is also available on the website of the Company at www.eichermotors.com

You are requested to take the same on your records.

Thanking you,
For **Eicher Motors Limited**

Manhar Kapoor
General Counsel & Company Secretary

Encl: a.a.

EICHER MOTORS LIMITED

CIN: L34102DL1982PLC129877

Registered Office: 3rd Floor-Select Citywalk, A-3 District Centre, Saket, New Delhi-110017**Corporate Office:** #96, Sector 32, Gurugram - 122 001, Haryana**Telephone:** +91 124 4415600**Website:** www.eichermotors.com, **Email:** investors@eichermotors.com

NOTICE OF POSTAL BALLOT

Notice is hereby given to the Members of **EICHER MOTORS LIMITED** (the ‘**Company**’), pursuant to Section 108 and Section 110 of the Companies Act, 2013 (**‘the Act’**) read with Rule 20 and Rule 22 of Companies (Management and Administration) Rules, 2014, as amended (**‘Management Rules’**) read with the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 22/2020 dated June 15, 2020, Circular No. 33/2020 dated September 28, 2020, Circular No. 39/2020 dated December 31, 2020 and circular number 10/2021 dated June 23, 2021 issued by the Ministry of Corporate Affairs (**‘MCA’**) (hereinafter collectively referred to as **‘MCA Circulars’**), and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the Act, rules, circulars and notifications issued thereunder (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time), that the Ordinary Resolutions as set out in this Notice are proposed for consideration by the Members of the Company for passing by means of Postal Ballot by voting through electronic means (**‘remote e-voting’**).

In compliance with the aforesaid MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. If your e-mail address is not registered with the Company/Depositories, please follow the process provided in the Notes to receive this Postal Ballot Notice and login ID and password for remote e-voting. The communication of the assent or dissent of the Members would only take place through the remote e-voting.

1. To Consider and Approve Re-Appointment of Mr. Siddhartha Lal as Managing Director:

In this regard, it is proposed to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 196, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (**‘the Act’**), the rules framed thereunder and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and

such other provisions as may be applicable and subject to the approval of the Central Government in terms of Part I of Schedule V of the Act and in respect of whom the Company has received a notice in writing in terms of Section 160(1) of the Act, approval of the Members of the Company be and is hereby accorded for re-appointment of Siddhartha Lal (DIN: 00037645) as Managing Director of the Company, liable to retire by rotation, for a period of 5 (five) years, with effect from May 01, 2021.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to decide the terms and conditions of re-appointment including alteration of such terms & conditions as it may deem appropriate in relation to Mr. Siddhartha Lal in the capacity of Managing Director of the Company during his tenure of 5 (five) years commencing from May 01, 2021 on the recommendations of Nomination & Remuneration Committee of the Company and in compliance with the applicable provisions of the Act including but not limited to Section 197 read with Section 198 and the rules made thereunder and other applicable laws.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

2. To Approve Payment of Remuneration to Mr. Siddhartha Lal as Managing Director of the Company

In this regard, it is proposed to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 196(4), 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (**‘the Act’**) read with the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) approval of the Members be and is hereby accorded

for payment of such remuneration to Siddhartha Lal as Managing Director of the Company, for a term of 5 (five) years with effect from May 01, 2021 till April 30, 2026, as detailed in the explanatory statement annexed hereto, with authority to the Board of Directors (on the recommendations of the Nomination and Remuneration Committee) to alter, enhance or widen the scope of remuneration (including the Fixed pay, Variable Pay/ Commission and other benefits) including periodical increase in his remuneration as may be permissible within the overall remuneration limits as mentioned in the explanatory statement in accordance with Section 197, read with Schedule V of the Act and rules made thereunder and other applicable laws, regulations, as amended from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

By order of the Board of Eicher Motors Limited

Manhar Kapoor

General Counsel & Company Secretary

Place: Gurugram, Haryana

Membership No. FCS 5564

Date: August 23, 2021

CIN: L34102DL1982PLC129877

Regd. Off: 3rd Floor-Select Citywalk

A-3 District Centre, Saket

New Delhi - 110017

Phone: 0124-4415600

Website: www.eichermotors.com

E-mail: investors@eichermotors.com

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Businesses mentioned in the Postal Ballot Notice is annexed herewith and forms part of this Postal Ballot Notice.
2. As per the MCA Circulars and on account of the threats posed by the COVID-19 pandemic, physical copies of this Postal Ballot Notice, postal ballot forms and pre-paid Business Reply Envelopes are not being sent to Members for this Postal Ballot. Members are requested to provide their assent or dissent through remote e-voting only.
3. In compliance with provisions of Section 108 and Section 110 and other applicable provisions of the Act read with the Management Rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility to all the Members of the Company. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating e-voting to enable the Members to cast their votes electronically.
4. Members may please note that the Postal Ballot Notice will also be available on the Company's website at www.eichermotors.com, websites of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL at <https://nsdl.co.in/>.
5. All the documents referred to in this Notice and the Explanatory Statement pursuant to Section 102 of the Act, will be available for inspection via electronic mode from the date of circulation of this Notice upto the date of declaration of Postal Ballot results. Members can inspect the same by writing an e-mail to the Company at postalballot2021@eichermotors.com
6. Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if the same have been passed at a general meeting of the Members.
7. In compliance with the MCA Circulars, the Notice is being sent by electronic mode to those Members whose names appear in the Register of Members / Beneficial Owners as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Tuesday, September 21, 2021 and whose e-mail IDs are registered with the Company / Depositories. For Members who have not registered their e-mail IDs, please follow the instructions given under Note No. 10. Further, the Members whose names appear in the Register of Members/ List of Beneficial Owners as on Tuesday, September 21, 2021, being the cut-off date, are entitled to vote on the Resolutions set forth in this Postal Ballot Notice. A person who is not a Member as on the cut-off date should treat this Notice of Postal Ballot for information purpose only.
8. The e-voting period will commence from Saturday, September 25, 2021, at 9.00 a.m. IST and end on Sunday, October 24, 2021, at 5.00 p.m. IST. The e-voting module shall be disabled by National Securities Depository Limited (NSDL) for voting thereafter.

Electronic Dispatch of Postal Ballot Notice and Process for Registration of Email ID for obtaining copy of Postal Ballot Notice:

9. In compliance with the aforesaid MCA circulars, notice of this Postal Ballot is being sent only through electronic

mode to Members whose e-mail address is registered with the Company or with the Depository Participant(s). The aforesaid Notice has been uploaded on the website of the Company i.e. www.eichermotors.com, the same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and is also available on the website of NSDL (agency providing the remote e-Voting facility) at www.evoting.nsdl.com.

10. Members holding shares in physical mode and who have not updated their e-mail addresses with the Company are requested to visit portal of Link Intime India Pvt. Ltd., Registrar & Share Transfer Agent of the Company at https://linkintime.co.in/emailreg/email_register.html and update their respective email address by uploading the requisite documents thereat. Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participants. After successful registration of the e-mail address, a copy of this Postal Ballot Notice along with the remote e-voting user ID and password will be sent to your registered e-mail address, upon request received from the Members.
11. Members may send their queries related to items included in the Postal Ballot Notice or any other matter concerning the Company on the email id postalballot2021@eichermotors.com, from their registered email address, mentioning their name, folio number/DP ID-Client ID, as applicable, mobile number, copy of PAN card. Said queries shall be appropriately replied by the Company.
12. **General Guidelines for Shareholders for Voting:**
 - (a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. of the duly authorized signatory(ies) who are authorized to vote through remote e-voting, to the Scrutinizer by e-mail to vijaygupta.vkgn@gmail.com with a copy marked to evoting@nsdl.co.in.
 - (b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon (5) five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
 - (c) In case of any queries related to e-voting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free

no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in.

- (d) The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date Tuesday, September 21, 2021. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to do e-voting on the resolutions included in the Postal Ballot Notice.
13. The Company has appointed Mr. Vijay Gupta, Chartered Accountant, Managing Partner of VKGN & Associates, or any of its authorized nominee as the Scrutinizer, for conducting this Postal Ballot process through remote e-voting, in a fair and transparent manner and required consent for such appointment has been received.
14. The Scrutinizer shall after the conclusion of the e-voting on Sunday, October 24, 2021, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make scrutinizer's report within the prescribed time. Such report shall contain details of the total votes cast in favour of or against, if any, and submit the report to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the e-voting of the Postal Ballot forthwith. The Resolutions, if passed by requisite majority, shall be deemed to have been passed on Sunday, October 24, 2021, being the last day of remote e-voting.
15. Results of voting shall be declared within 48 hours from the time of conclusion of the remote e-voting. The results along with the Scrutinizers' report would be intimated to the Stock Exchanges where securities of the Company are listed, Depositories and Registrar & Share Transfer Agent and will be displayed on the Company's website www.eichermotors.com and on the website of NSDL www.evoting.nsdl.com and at the registered as well as corporate Office of the Company.

Instructions for Members for Remote E-Voting are as Under:

16. In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and other applicable provisions of the Act and rules made thereunder, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is pleased to provide Members facility to exercise their right to vote on business items as provided in this Postal Ballot Notice by electronic means. The facility of casting the votes by the Members using an electronic voting system ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

17. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other provisions as may be applicable, the Company had fixed Tuesday, September 21, 2021 as cut-off date for determining the Members who shall be entitled to vote through remote e-voting on the Postal Ballot resolutions. The remote e-voting period commences on Saturday, September 25, 2021 (9:00 am IST) and ends on Sunday, October 24, 2021 (5:00 pm IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, September 21, 2021, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. A person who is not a Member as on the cut-off date should treat this notice for information purpose only.

18. The details of the process and manner for remote e-voting are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

Step 2: Cast your vote electronically

Details on Step 1 are mentioned below:

A) Login method for remote e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Type of Shareholder: Individual Shareholders holding securities in demat mode with NSDL

Login Method:

A. NSDL IDeAS facility

If you are already registered, follow the below steps:

1. Visit the e-Services website of NSDL. Open the web browser by typing the following

<https://eservices.nsd.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section.
3. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.
4. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page.
5. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period.

If you are not registered, follow the below steps:

1. Option to register is available at <https://eservices.nsd.com/>.
2. Select "Register Online for IDeAS" Portal or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
3. Please follow steps given in points 1-5.

B. E-voting website of NSDL

1. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
4. After successful authentication, you will be redirected to NSDL website wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Type of Shareholder: Individual Shareholders holding securities in demat mode with CDSL

Login Method:

1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.

- After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.
- If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
- Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where e-Voting is in progress.

Type of Shareholder: Individual Shareholders holding securities in demat mode login through their depository participants

- You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.
- Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.
- Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use "Forgot User ID" and "Forgot Password" option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login Type | Helpdesk Details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542/43 |

B) Login Method for e-Voting other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below:

| Manner of holding shares i.e. demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12***** |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 118458 then user ID is 118458001*** |

- Password details for shareholders other than Individual shareholders are given below:
 - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you

- need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of beneficiary ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your e-mail ID is not registered, please follow steps mentioned under Para 10 of these foregoing notes.
 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - (a) Click on "Forgot User Details/Password?"
(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - (b) Click on "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - (c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - (d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.
- Details on Step 2 are mentioned below:**
- How to cast your vote electronically on NSDL e-Voting system?
1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
 2. Select EVEN - 118458 of company for which you wish to cast your vote during the remote e-Voting period.
 3. Now you are ready for e-Voting as the Voting page opens.
 4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
 5. Upon confirmation, the message "Vote cast successfully" will be displayed.
 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- By order of the Board of Eicher Motors Limited
- Manhar Kapoor**
General Counsel & Company Secretary
Place: Gurugram, Haryana Membership No. FCS 5564
Date: August 23, 2021
- CIN: L34102DL1982PLC129877
Regd. Off: 3rd Floor-Select Citywalk
A-3 District Centre, Saket
New Delhi - 110017
Phone: 0124-4415600
Website: www.eichermotors.com
E-mail: investors@eichermotors.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 1 and 2:

Siddhartha Lal is one of the promoters of the Company and has been associated with the Company for more than two decades - notably as CEO of Royal Enfield from the year 2000 onwards, Managing Director of Eicher Motors Ltd from 2006 onwards, and with additional charge as CEO and MD of VE Commercial Vehicles Ltd. (VECV) w.e.f. May 2008. He continued as CEO of VECV until July 2010 and as MD of VECV until October 2016 and now serves as Chairman of VECV.

Over these years, Siddhartha Lal has been instrumental in scripting the phenomenal growth and global success of the Company. Eicher Motors Ltd is one of the leading automotive companies in India with a consistent track record of growth, best in class profitability and a very strong balance sheet, enabling the company to withstand unforeseen challenges such as this pandemic and global supply-chain disruptions, and allows the company to continue to invest in its long range plans.

Under Siddhartha Lal's leadership, Royal Enfield pioneered the growth of the leisure motorcycle segment in India, and today, is the leading premium motorcycle brand in the country with more than 90% share in the above 250cc segment. Subsequently, Siddhartha moved to the UK in 2015 to drive the company's ambition of becoming the first global premium consumer brand to emerge from India. There he has been directly overseeing product development and international expansion plans of the Company. Over the last five years, the Company has significantly expanded its product portfolio and several of its motorcycle models have gone to become class-leading in their space. This has resulted in enormous global success of Royal Enfield's new products and a strong presence in the most important global motorcycling markets, catapulting Royal Enfield to become the largest mid-size motorcycle brand in the world today.

The Company's joint venture with Volvo Group, VE Commercial Vehicles Ltd, has scripted a similar success story since its inception in 2008. It has gained market share in all segments of the commercial vehicle industry in India and is seen as the company driving modernisation in the commercial transportation segment. It is now growing rapidly in other developing countries especially in South Asia, Africa, Middle-east and ASEAN.

Siddhartha Lal was initially appointed as Managing Director of the Company w.e.f May 01, 2006 and since then has continued to discharge his duties in the capacity as the Managing Director. His recent tenure as the Managing Director of the Company was from May 01, 2016 to April 30, 2021, which was duly approved in the 34th Annual General Meeting of the Company held on June 18, 2016. Siddhartha Lal's remuneration was thereafter duly approved by the shareholders in the 35th Annual General Meeting held on August 08, 2017 for his remaining term, with the overall ceiling limit of 3% (three per cent) of net profits of the Company computed in terms of Section 198 of the Companies Act, 2013 ("**Act**").

Furthermore, considering the Profile, Experience & Qualification of Siddhartha Lal (the details of which are provided in Annexure I attached to this postal ballot notice) and Company's performance under the aegis of Siddhartha Lal (the details of which are provided in Annexure II attached to this postal ballot notice), the Board of Directors of the Company ("**Board**"), at its meeting held on February 10, 2021 had, subject to the approval of the shareholders in the 39th Annual General Meeting and the Central Government in terms of Part I of Schedule V of the Act, re-appointed Siddhartha Lal as the Managing Director for another term of five (5) years with effect from May 01, 2021 on the terms and conditions (including remuneration) as recommended by the Nomination and Remuneration Committee of the Company ("**NRC**") and approved by the Board. In the light of the foregoing, the approval of shareholders was sought at the 39th Annual General Meeting held on August 17, 2021.

It may be noted that the resolution for the said appointment and payment of remuneration to Siddhartha Lal at the said 39th Annual General Meeting was proposed by way of Special Resolution with the overall limit on his remuneration at 3% (three per cent) of the net profits of the Company in accordance with Section 197 of the Act, in view of the requirement under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR**"). The resolution received majority votes however it could not muster special majority votes as required for approval of ceiling of remuneration limit of not exceeding 3% of net profit. Hence as abundant reaffirmation of shareholders and to eliminate any ambiguity it is intended to approach the shareholders again.

With regard to the above, the Nomination and Remuneration Committee and the Board at their respective meetings held on August 23, 2021 have considered the matter in significant detail and have inter-alia considered the following:

- (i) Re-evaluated industry benchmarks on remuneration drawn by executives at similar levels;
- (ii) Re-evaluated impact of the COVID-19 pandemic on the automobile industry and medium and long term outlook;
- (iii) Considered the inputs from various stakeholders including institutional shareholders;
- (iv) Noted that during Siddhartha Lal's previous term (i.e. from May 01, 2016 to April 30, 2021), despite the overall ceiling of 3% (three per cent) of the net profits of the Company being approved by the shareholders, the overall remuneration including fixed salary, perquisites and variable commission paid to Siddhartha Lal was in the range of 0.35 % to 1.04 % of the net profits of the Company computed in terms of section 198 of the Act. Hence, the earlier ceiling limit of 3% (three per cent) of net profits in relation to Siddhartha Lal's remuneration for his term ending on April 30, 2021 was only an enabling resolution with no intention of being utilized.

- (v) Siddhartha Lal's enormous contribution towards the Company's growth and success and continued role in leading the Company towards achieving its long term objectives:

Under his leadership Royal Enfield has seen tremendous growth in India and in international markets. The Company's international business has been performing very well, with exports showing steady increase year on year. More recently, the company sold 17,493 units in international markets in Q1-FY22, an increase of 400% over the same period in FY21, and an 83% increase over Q1-FY20.

New motorcycles launched by the Company have seen tremendous success in global markets. Launched in September 2008, the Interceptor 650 has been the reigning No.1 motorcycle in the 500cc+ segment in India, and has been the No.1 highest selling motorcycle in the middleweight (250cc - 750cc) in the UK. Launched in 2016, the Royal Enfield Himalayan has also seen huge success internationally and has been instrumental in creating a niche category under adventure touring.

Today, in addition to the three state-of-the-art manufacturing facilities in Chennai, India, the Company has world-class technology centres in the UK and in India, and has CKD operations in Argentina and Colombia, with plans to introduce more in APAC countries. With four fully owned subsidiaries around the world and established operations in more than 60 countries, Royal Enfield is well on its way to becoming a global premium consumer brand from India.

- (vi) As the Company's nominee on the Board of Directors of VE Commercial Vehicles Ltd (VECV) that is run as a Joint Venture with Volvo Group of Sweden and presently as its chairman, Siddhartha Lal's vital role in enabling VECV lead the modernisation and transformation of India's commercial transportation sector while consistently improving market share in various segments over the years is noteworthy.
- (vii) In addition to the above, it was noted that for the financial year 2020-2021, despite the severe pandemic situation in the country, the Company made significant profit before tax of Rs 1783 Cr. and generated cash from operations of Rs 1697 Cr. This is testament to the strong business model of the Company built over the years under leadership of Siddhartha Lal.
- (viii) The average increase in the compensation of employees of the Company (who were eligible to receive the raise based on their performance) was 9.7% and was in the range of 7% to 14% for individual employees. During the year 267 employees joined the company, out of which 77% were hired at below the median salary being junior / entry level resources and 284 employees exited the company out of which 66% were at higher than the median salary of the company. Owing to this, despite

there being a 9.7% average increase, the median, which is a measure of central tendency impacted by entry and exits of employees, showed an increase of 1% only and thus not a reflection of the actual increase given to employees. During the financial year 2020-21, the increase in Siddhartha Lal's remuneration has been 10% which is in line with the general compensation increase across the Company.

Thus, after considering the above-stated factors, the Board, on the recommendation of the Nomination and Remuneration Committee has now approved the re-appointment of Siddhartha Lal as Managing Director of the Company for a period of five (5) years with effect from May 01, 2021 on revised initial terms of annual remuneration (with effect from May 01, 2021) as given below, with the power to the Board, upon recommendation of the Nomination and Remuneration Committee, to revise it from time to time in accordance with applicable law. The approval of the shareholders for payment of remuneration to Siddhartha Lal, as mentioned in item number 2 read with explanatory statement of this Postal Ballot notice, would require an ordinary resolution, as the remuneration proposed to be paid is within the limits of the Companies Act and SEBI LODR.

Subject to the control and supervision of the Board of Directors, 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 and shareholders except such matters which are specifically required to be undertaken by the Board under the Articles of Association of the Company or under the Act and the rules made thereunder or under SEBI LODR, as amended from time to time.

Remuneration:

- (a) Fixed pay, including allowances:** Rs. 12 Cr per annum.
- (b) Perquisites (evaluated as per taxation laws, wherever applicable and at actual cost in other cases) as per Company policy within maximum limit of Rs 1 Cr per annum including taxation impact in UK:**
- I. Furnishings for residence and reimbursement for utilities based on actuals.
 - II. Two Company provided and maintained cars.
 - III. Medical expenses (including hospitalisation insurance premium) for self & family on actuals.
 - IV. Leave Travel reimbursement on actuals.
 - V. Club membership for self & family.
- (c) Statutory contributions** in accordance with applicable laws in UK
- (d) Commission:** In addition to the fixed pay including allowances, perquisites and statutory contributions as mentioned in Para (a), (b) and (c) above, Siddhartha Lal is entitled to Commission subject to a maximum limit of

80% of the fixed pay including allowances as mentioned in para (a) above. The amount of commission shall be paid subject to recommendation of the Nomination and Remuneration Committee and approval of the Board every year and would be based on achievement of organizational performance parameters and other metrics inter-alia total revenue/net profit, strategic milestones or such other parameters/metrics as may be determined by the Board and/or NRC from time to time.

Overall remuneration, including Fixed pay, perquisites, other benefits and commission shall not exceed 1.5% of the net profits of the Company in any particular financial year as computed in the manner referred to in Section 198 of the Companies Act, 2013.

Subject to the overall ceiling provided above, the Board of Directors of the Company based on the recommendations of the Nomination and Remuneration Committee is authorised to determine the annual increase in fixed pay, allowances, perquisites and commission.

Further, there will be no break in his office as the Managing Director, incase Siddhartha Lal is re-appointed by the shareholders with effect from May 01, 2021.

It may be noted that in view of Siddhartha Lal being a person resident outside India, the approval of the Central Government is required for his re-appointment as the Managing Director of the Company in terms of Schedule V of the Act.

Siddhartha Lal's re-appointment as Managing Director may be terminated by either party by giving three (3) months' written notice, provided that the Company shall have the option to pay salary in lieu of notice for the full period of three (3) months or for such period by which such notice falls short of three (3) months.

The appointment and remuneration of Siddhartha Lal is in compliance with the provisions of Sections 196, 197, 203, the rules made thereunder and other relevant and applicable provisions, if any, of the Act and the Articles of Association of the Company and SEBI LODR. He is not disqualified from being appointed as Director in terms of Section 164 of the Act and is also eligible to act as Managing Director of the Company pursuant to applicable provisions of the Act, subject to approval of the Central Government and the shareholders of the Company. The Company has received his consent to act as Managing Director of the Company.

The Notice read with Explanatory Statement should be considered as written Memorandum setting out the terms of appointment and remuneration of Siddhartha Lal as Managing Director as required under Section 190 of the Companies Act, 2013.

Siddhartha Lal is not related to any Director or Key Managerial Personnel of the Company. Except Siddhartha Lal, none of the Directors, Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested, financially or otherwise in the said Resolutions.

In view of the expertise, knowledge and experience of Siddhartha Lal and based on recommendation of the Nomination and Remuneration Committee, the Board considers the re-appointment of Siddhartha Lal as Managing Director in the best interest of the Company. It is worthy to note that the Company remains committed to pursuing the long term interest of all stakeholders and ensuring that the Company's leadership is appropriately remunerated, keeping in view cyclical phases including the ones caused due to COVID-19 pandemic. This is especially imperative when the Company has ongoing significant turnaround and growth strategies under execution.

Shareholders' approval is hereby sought separately for the re-appointment of Siddhartha Lal as Managing Director of the Company for a period of 5 (five) years effective May 01, 2021 and fix the remuneration payable to him in that capacity for the same period.

The Board recommends the Resolutions as set out under business item no. 1 and 2 of this Postal Ballot notice for approval of the Members by means of Ordinary Resolutions.

Annexure I

Brief profile of Mr. Siddhartha Lal, Experience and Qualification:

Siddhartha Lal is the Managing Director of Eicher Motors Ltd., the flagship company of Eicher Group in India. He has also been the Chief Executive Officer of Royal Enfield and is currently the Chairman of VE Commercial Vehicles Limited (VECV), a joint venture between Volvo Group and Eicher Motors Ltd. (EML).

From May 2008, Siddhartha Lal was the CEO and MD of VE Commercial Vehicles Ltd. (VECV). He continued as CEO of VECV until July 2010 and as MD until October 2016 and now serves as Chairman of VECV. VECV is the third largest Commercial Vehicles' (CV) player in India and has ambitions to drive modernization in commercial transportation and become a leading trucks and buses Company in India and emerging world markets.

During 2000-2004, in his tenure as CEO of Royal Enfield (a division of EML), Siddhartha Lal helped revive the Company's fortunes and also strengthened stakeholders' involvement with the brand. Royal Enfield today is a dominant player in the midsize motorcycle segment in the country and with its world class products being sold in more than 60 countries, is rapidly growing and gaining market share in overseas markets.

Siddhartha Lal holds a Master's degree in Automotive Engineering from University of Leeds and is a Cranfield University qualified mechanical engineer. He is also an Economics graduate from St. Stephens College in Delhi and an alumnus of The Doon School.

He is also passionately involved in the subject of transportation and the role it has to play in sustainability, especially in urban settings; and its role on our health, safety and quality of life. Due to his efforts in this area, he has also

been nominated as a part of the World Economic Forum's (WEF) Global Agenda Council on Personal Transportation Systems. As a young global leader at WEF, Siddhartha Lal is co-championing the initiative - 'Transforming Urban Mobility'. He is also a part of the newly formed Next Generation Leaders Board at Indian School of Business.

Major Awards & Recognitions of Siddhartha Lal in recent times:

- India's Best CEO Award (Automobiles) - Business Today Mind Rush Awards 2014
- Forbes India Leadership Awards 2015 - NextGen Entrepreneur Award
- Business Standard Annual Awards - CEO of the Year - 2016
- Ernst and Young award - EY Entrepreneur of the Year Award 2018

Under the leadership of Siddhartha Lal, Eicher Motors Limited has won several awards and accolades in recent times. These include:

- Business Standard Annual Awards – Company of the Year - 2015
- Car & Bike - Two Wheeler Manufacturer of the Year 2021
- Indian Motorcycle of Year (IMOTY 2021) won by the company's most recent introduction, Meteor 350
- Interceptor 650 winning the 'Indian Motorcycle of the Year award for 2019'
- Grand Prix Group in Thailand awarded Himalayan as the 'Best Tourer in the Lightweight' segments for the year 2020 & 2021; and
- MCN Magazine, UK awarded Interceptor 650 as the 'Best Retro Bike of The Year' consecutively for 2020 & 2021.

This is testimony to the exemplary performance of the company, the brand, the products etc proxy to leadership excellence

Details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, is given hereunder:

| | |
|---------------------------------------|--|
| Name | Siddhartha Lal |
| DIN | 00037645 |
| Age | 47 Years |
| Qualification | As stated above |
| Experience/ Brief Resume | As stated above |
| Expertise in specific functional area | He possesses skills and expertise in the areas like Corporate Governance, Corporate Strategy, Public Relations, Finance, along with technical knowledge and skills of automobile industry. |

| | |
|---|--|
| Date of first appointment on the Board | May 01, 2006 |
| Directorships held in other public companies | VE Commercial Vehicles Limited |
| Memberships/ Chairmanships of committees of other public companies | VE Commercial Vehicles Limited - Chairman of Audit Committee, Corporate Social Responsibility Committee and Nomination & Remuneration Committee |
| Directorships held in companies (Other than Public Companies) | Eicher Goodearth Private Limited (also a member of CSR Committee) Eicher Goodearth India Private Limited (also a member of CSR Committee) SST Holiday Homes Private Limited Eicher Polaris Private Limited |
| Number of Equity Shares held in the Company | Siddhartha Lal holds 29,46,940 (1.08%) equity shares of face value of Re. 1 each in the Company. He is part of Promoter & Promoter Group of the Company which in aggregate holds 13,45,64,270 equity shares of face value of Re. 1 each in the Company constituting 49.22% of Company's total equity share capital |
| Relationship with other Directors, Manager and other Key Managerial Personnel | None |
| Number of meetings of the Board attended | Siddhartha Lal attended all 7 (Seven) Board Meetings held during the Financial Year 2020-21. He also attended all 3 (three) Board meetings held during 2021-22 till August 23, 2021. |
| Remuneration last drawn | Remuneration for the financial year 2020-21: • Salary – Rs. 7.38 Cr • Commission – Rs. 6.70 Cr • Perquisites – Rs. 7.04 Cr Total - Rs. 21.12 Crore |
| Remuneration proposed to be paid | As per the details provided under the resolution and explanatory statement |
| Terms and conditions of Appointment/ Re-appointment | As per the details provided under the resolution and explanatory statement |

Annexure II

Under the leadership of Siddhartha Lal, the Company has witnessed significant growth both in terms of revenue & profits and sustenance including during the current unprecedented Covid times. Below is the comparative table showing the progress of the Company:

On Standalone Basis (as per Ind AS):

(Rs Cr)

| Particulars | 2009* (12 months) | 2011 (12 months) | 2015-16 (15 months) | 2020-21 (12 months) |
|----------------------------|----------------------|---------------------|------------------------|---------------------------------------|
| Net Worth | 402.5 | 540.04 | 2,336.41 | 9,705.00 |
| Revenue from operations | 375.09 | 671.45 | 6,186.19 | 8,619.04 |
| Profit before tax | 46.63 | 141.83 | 1,853.01 | 1,783.31 |
| No. of permanent Employees | 646 | 734 | 1,882 | 5,005 |
| Motorcycles Sold | 51,955 | 74,626 | 6,00,944 | 6,12,350 |
| No. of Outlets | - | 186 | 527 | 2,056 (including 1,031 studio stores) |

*(The Company carried on the business of commercial vehicles, components, two wheelers and engineering design services till June 30, 2008. Thereafter, the commercial vehicle business along with related components and engineering design services business was transferred to VE Commercial Vehicles Limited).

On Consolidation Basis (As per Ind AS)

(Rs Cr)

| Particulars | 2009* (12 months) | 2011 (12 months) | 2015-16 (15 months) | 2020-21 (12 months) |
|---------------------------|----------------------|---------------------|------------------------|------------------------|
| Net Worth | 1069.04 | 1493.13 | 3,653.09 | 11,438.08 |
| Revenue from operations** | 2938.63 | 5684.42 | 6,173.46 | 8,720.35 |
| Profit before tax | 187.31 | 660.20 | 1,876.92 | 1,798.39 |

*(The Company carried on the business of commercial vehicles, components, two wheelers and engineering design services till June 30, 2008. Thereafter, the commercial vehicle business along with related components and engineering design services business was transferred to VE Commercial Vehicles Limited).

** : Does not include VECV Revenue from Operations that was Rs. 8,676 Cr in 2020-21.