

Arvind Kohli & Associates
Company Secretaries

199, Sector 7, Urban Estate, Gurgaon 122001
Tel: 0124-2325184; Mobile: 98-110-26619
Email: arvindkohli@gmail.com

September 22, 2014

The Chairman
Hero MotoCorp Limited
34 Basant Lok, Vasant Vihar,
New Delhi 110057

Dear Sir,

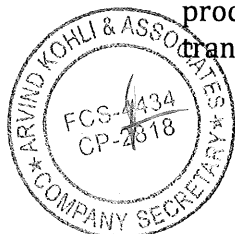
SUB: Scrutinizer's Report on Postal Ballot Voting Process and E-Voting Process conducted Pursuant to the provisions of Section 110 of the Companies Act, 2013 ('the Act') read with Rule 22 and Rule 20 of the Companies (Management and Administration) Rules, 2014

The Board of Directors of Hero MotoCorp Limited ('the Company') have vide resolution passed on 05th August 2014, decided to conduct the process of voting through postal ballot as required under the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 and Rule 20 of the Companies (Management and Administration) Rules, 2014 on the Special Resolutions as set out in the notice dated 05th August 2014 for (1) obtaining approval of members of the Company to Increase in shareholding limit for Foreign Institutional Investors (FIIs) from 40 % up to an aggregate limit of 49 % of the paid up share capital of the company and (2) for an approval of the Employee Incentive Scheme 2014.

The Company has provided the facility of voting on Postal Ballot through electronic means as required under the provisions of Rule 22 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 read along with provisions of Clause 35B(i) of the Listing Agreement as entered by the Company with the Stock Exchanges.

I, Arvind Kohli , proprietor of Arvind Kohli & Associates, Company Secretaries was appointed as a Scrutinizer by M/s Hero MotoCorp Limited for the purpose of conducting the postal ballot voting process and e-voting process in a fair and transparent manner in respect of obtaining approval of shareholders by way of **Special Resolution (1)** to authorize the Board of Directors or a Committee thereof to increase in shareholding limit for Foreign Institutional Limit (FIIs) from 40 % upto an aggregate limit of 49 % of the paid up capital of the company and **(2)** approval of the Employee Incentive Scheme 2014.

The management of the Company is responsible to ensure the compliance with the requirements of the Companies Act, 2013 and Rules relating to voting through postal ballot and electronic means on the resolution contained in the notice of postal ballot. My responsibility as a Scrutinizer for the postal ballot voting process and e-voting process is restricted to ensure that the voting process is conducted in a fair and transparent manner and make a Scrutinizers Report of the votes cast "in favour" or



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"against" the resolution stated above, based on the reports generated from the postal ballots received from the shareholders and e-voting system provided by the Karvy Computershare Private Limited ("KCPL"), the authorized agency to provide e-voting facilities, engaged by the Company.

The notice dated 05th August 2014 along with the statement setting out material facts under Section 102 of the Companies Act, 2013 were sent to the members of the Company.

The members of the Company holding shares as on 8TH August, 2014 were entitled to vote on the resolution proposed as set out in the notice.

In this regard, I submit my report as under:

1. The Company had provided facility of casting vote to the members of the Company through postal ballot voting process and also through electronic means.
2. The Company had followed the process as required under Rule 22 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 in respect of providing voting through postal ballot and electronic means.
3. All Postal Ballot Forms received up to the close of the working hours on Thursday, 18TH September, 2014, being the last date and time fixed by the Company for receipt of the Postal Ballot Forms were considered for scrutiny for the purpose of this report.
4. The Postal Ballot Forms were kept in my safe custody.
5. The e-voting period remained open from 20th August 2014 (09.00 a.m.) to 18th September 2014 (6.30 p.m.).
6. At the end of the e-voting period, I have unblocked the electronic votes in the presence of two witnesses not in the employment of the Company.
7. The details containing list of shareholders who voted 'for' or 'against' the resolution put to vote were downloaded from the e-voting website of KCPL.
8. I have scrutinized the votes casted through electronic means and also through physical ballot forms for the purpose of this report.
9. The particulars of all the electronic votes casted by the members through e-voting process and votes casted by the members through physical ballot forms have been recorded in a register separately maintained for the purpose.



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10. A summary of the Postal Ballot Forms is as under:

(a) Resolution No. 1

Approval for the Increase in the Shareholding limit for Foreign Institutional Investors(FIIS) from 40 % upto an aggregate limit of 49 % of the Paid up share capital of the company.

(i) Votes in Favour of the Resolution

Type Of Voting	Number of members voting	Number of votes cast by them	% of total number of valid votes cast
Voting Through Postal Ballot	470	38167228	99.98
Voting Through Electronic Means (E-Voting)	556	104542232	99.56
Total	1026	142709460	99.68

(ii) Votes Against the Resolution

Type Of Voting	Number of Members Voting	Number of votes cast by them	% of total number of valid votes cast
Voting Through Postal Ballot	13	1685	0.0044
Voting Through Electronic Means (E-Voting)	13	151938	0.1447
Total	26	153623	0.1073

(iii) Invalid^ Votes:

Type Of Voting	Total number of members whose votes were declared invalid	Total Number of votes cast by them
Voting Through Postal Ballot	21	5381
Voting Through Electronic Means (E-Voting) -	10	305017
Total	31	310398

^ includes votes abstained and less voted



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(b) **Resolution No. 2**

Approval of Employee Incentive Scheme, 2014

(i) **Votes in Favour** of the Resolution

Type Of Voting	Number of members Voting	Number of votes cast by them	% of total number of valid votes cast
Voting Through Postal Ballot	415	33902415	88.81
Voting Through Electronic Means (E-Voting)	323	83685993	79.70
Total	738	117588408	82.13

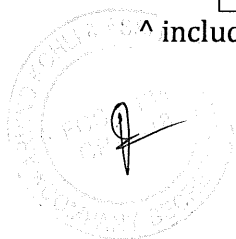
(ii) **Votes Against** the resolution

Type Of Voting	Number of Members Voting	Number of votes cast by them	% of total number of valid votes cast
Voting Through Postal Ballot	68	4268928	11.18
Voting Through Electronic Means (E-Voting)	233	20592891	19.61
Total	301	24861819	17.36

(iii) **Invalid^** Votes:

Type Of Voting	Total number of members whose votes were declared invalid	Total Number of votes cast by them
Voting Through Postal Ballot	21	2951
Voting Through Electronic Means (E-Voting) -	29	720303
Total	50	723254

^ includes votes abstained and less voted



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11. The Postal Ballot Forms and all other relevant records were handed over to the Asso. V. P. – Legal & Company Secretary authorized by the Board for safe keeping.

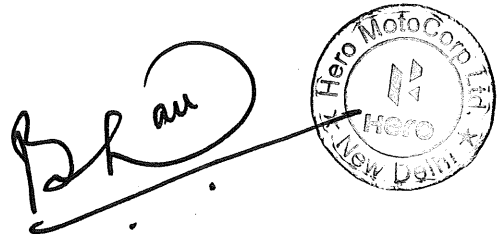
RECOMMENDATION: The Resolutions should be considered as passed having secured the Requisite Majority of votes and, therefore, be Accepted. You may accordingly declare the Result of the voting by Postal Ballot.

Thanking You


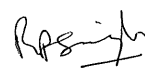
Yours Faithfully

For Arvind Kohli & Associates
Company Secretaries


Arvind kohli
Proprietor
CP No:- 2818



We the undersigned witnesseth that the votes were unblocked from the e-voting website of Karvy Computershare Private Limited (<https://evoting.karvy.com>) in our presence at 7:00 PM on September 18, 2014 at the office of Scrutinizer.

	
Mr. Rahul Sehgal S/O Sh. S. K. Sehgal R/o B-1/508, Janakpuri, New Delhi 110058	Mr. R.P. Singh S/O Sh. Kalyan Singh R/O S-3/5, Old Mahavir Nagar, New Delhi 110058