

NOTICE

NOTICE is hereby given that the 28th Annual General Meeting of the Members of Hero MotoCorp Ltd. (formerly Hero Honda Motors Limited) will be held on Wednesday, September 28, 2011 at 04:30 P.M. at Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi – 110 003, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2011 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To confirm the Interim Dividend of Rs. 70 per Equity Share on 19,96,87,500 Equity Shares of Rs. 2 each and to declare a Final Dividend of Rs. 35 per Equity Share on 19,96,87,500 Equity Shares of Rs. 2 each for the financial year 2010-11.
3. To appoint a Director in place of Mr. Pradeep Dinodia, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Gen. (Retd.) V. P. Malik, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Brijmohan Lall Munjal, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Mr. Sunil Kant Munjal, who retires by rotation and being eligible, offers himself for re-appointment.
7. To appoint M/s. A.F. Ferguson & Co., Chartered Accountants, New Delhi, the retiring auditors, to hold office as auditors from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

To consider, and if thought fit, to pass, with or without modification(s), the following resolutions:

As Ordinary Resolutions:

8. APPOINTMENT OF MR. PAUL EDGERLEY AS A DIRECTOR OF THE COMPANY

“RESOLVED THAT Mr. Paul Edgerley, who was appointed as an Additional Director of the Company by the Board of Directors, in terms of Section 260 of the Companies Act, 1956 w.e.f. May 4, 2011 and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, together with a deposit of Rs. 500 (Rupees five hundred) as required under the Act, be and is hereby appointed as a Director of the Company and the period of his office is liable to determination by retirement of Directors by rotation.”

9. RE-APPOINTMENT OF MR. TOSHIAKI NAKAGAWA AS JT. MANAGING DIRECTOR OF THE COMPANY

“RESOLVED THAT pursuant to the recommendation of the Remuneration Committee and in accordance with the provisions of Sections 269, 198 & 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval of the Company be & is hereby accorded to the re-appointment of Mr. Toshiaki Nakagawa as Jt. Managing Director of the Company for a period of 6 (six) months w.e.f. February 1, 2011 on a remuneration including minimum remuneration & such other terms & conditions as set out in the Explanatory Statement annexed hereto.

RESOLVED FURTHER THAT the aggregate amount of remuneration payable to him in a particular financial year will be subject to the overall ceiling limit laid down in Sections 198 & 309 read with Schedule XIII of the Companies Act, 1956.”

As a Special Resolution:

10. RE-APPOINTMENT OF MR. BRIJMOHAN LALL MUNJAL AS CHAIRMAN AND DIRECTOR IN THE WHOLE-TIME EMPLOYMENT OF THE COMPANY

“RESOLVED THAT pursuant to the recommendation of the Remuneration Committee and in accordance with

the provisions of Sections 269, 198 & 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of Central Government, if any, the approval of the Company be & is hereby accorded to the re-appointment of Mr. Brijmohan Lall Munjal as Chairman and Director in the Whole-time employment of the Company for a period of 5 (five) years w.e.f. August 3, 2011 on a remuneration including minimum remuneration & such other terms & conditions as set out in the Explanatory Statement annexed hereto.

RESOLVED FURTHER THAT the aggregate amount of remuneration payable to him in a particular financial year will be subject to the overall ceiling limit laid down in Sections 198 & 309 read with Schedule XIII of the Companies Act, 1956."

As Ordinary Resolutions:

11. RE-APPOINTMENT OF MR. PAWAN MUNJAL AS MANAGING DIRECTOR & CEO OF THE COMPANY

"RESOLVED THAT pursuant to the recommendation of the Remuneration Committee and in accordance with the provisions of Sections 269, 198 & 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, if any, the approval of the Company be & is hereby accorded to the re-appointment of Mr. Pawan Munjal as Managing Director & CEO of the Company for a period of 5 (five) years w.e.f. October 1, 2011 on a remuneration including minimum remuneration & such other terms & conditions as set out in the Explanatory Statement annexed hereto.

RESOLVED FURTHER THAT the aggregate amount of remuneration payable to him in a particular financial year will be subject to the overall ceiling limit laid down in Sections 198 & 309 read with Schedule XIII of the Companies Act, 1956."

12. APPOINTMENT OF MR. SUNIL KANT MUNJAL AS THE JT. MANAGING DIRECTOR OF THE COMPANY

"RESOLVED THAT pursuant to the recommendation of the Remuneration Committee and in accordance with the provisions of Sections 269, 198 & 309 read with Schedule XIII and other applicable provisions, if any, of

the Companies Act, 1956 and subject to the approval of the Central Government, if any, the approval of the Company be & is hereby accorded to the appointment of Mr. Sunil Kant Munjal as the Jt. Managing Director of the Company for a period of 5 (five) years w.e.f. August 17, 2011 on a remuneration including minimum remuneration & such other terms & conditions as set out in the Explanatory Statement annexed hereto.

RESOLVED FURTHER THAT the aggregate amount of remuneration payable to him in a particular financial year will be subject to the overall ceiling limit laid down in Sections 198 & 309 read with Schedule XIII of the Companies Act, 1956."

By Order of the Board
for Hero MotoCorp Ltd.



ILAM C. KAMBOJ
Sr. G.M. Legal & Company Secretary

New Delhi
August 17, 2011

Registered Office:
34, Community Centre,
Basant Lok, Vasant Vihar,
New Delhi-110 057

NOTES:

1. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, which sets out details relating to Special Business to be transacted at the meeting is attached hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON A POLL ONLY) INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**

3. Pursuant to Section 154 of the Companies Act, 1956, the Register of Members and the Share Transfer Books of the Company will remain closed from **Saturday, August 27, 2011 to Wednesday, August 31, 2011** (both days inclusive).

4. The final dividend as recommended by the Board of Directors, upon declaration by the members at the 28th Annual General Meeting, shall be paid to those members whose names appear on the Register of Members of the Company on **Wednesday, August 31, 2011**.

In respect of shares held in electronic form, the dividend will be payable to the beneficial owners of the shares as on closing hours of business on **Friday, August 26, 2011** as per details furnished by the Depositories for this purpose.

5. Pursuant to Clause 49 of the Listing Agreement, the brief resume/profile of the Directors eligible for re-appointment vide Item Nos. 3 to 6 are attached hereto.

6. RBI has, vide Circular nos. RBI/2008-2009/509/DPSS (CO) EPPD No. 2283/04.01.04/2008-2009 dated June 25, 2009 and RBI/2009-10/109/DPSS (CO) EPPD No. 191/04.01.01/2009-2010 dated July 29, 2009, introduced National Electronic Clearing System (NECS) which aims at increasing efficiency and simplification of the ECS process. Members are thus requested to contact the

branch of their bank, wherein they operate their bank account, to avail the NECS facility. A request in regard to the same has to be furnished to the Company in the NECS form available at the website of the Company www.heromotocorp.com.

7. The Company is obliged to print such bank details on the dividend warrants as furnished by National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL), "the Depositories" to the Company and the Company can not entertain any request for deletion/change of bank details already printed on the dividend warrant(s) based on the information received from the concerned Depositories, without confirmation from them. In this regard, members are advised to contact their Depository Participants (DP) and furnish them the particulars of any change desired.

8. Pursuant to the provisions of Section 205A (5) of the Companies Act, 1956, the amount of dividend which remains unpaid/unclaimed for a period of 7 (seven) years is to be compulsorily transferred to the "Investor Education and Protection Fund (IEPF)", constituted by the Central Government. Consequent to such transfer, member(s) would not be able to claim any amount of dividend so transferred to the IEPF. Member(s) who have not yet encashed his/her/its dividend warrant(s) is/are requested, in his/her/its own interest, to immediately write to the Registrar & Share Transfer Agent of the Company i.e. M/s Karvy Computershare Private Limited for claiming their outstanding dividend declared by the Company during the years 2004-05 and onwards. The dividend for the aforesaid years shall be paid only on receipt of the request in this regard and the satisfactory compliance of the requisite procedure, as prescribed by the Company.

The dividend paid for the year from 1995 to 2003-04 and remaining unpaid/ unclaimed in the accounts has already been transferred to IEPF.

9. Members must quote their Folio Number / De-mat Account No. and contact details such as current address, email address, contact no. etc. in all correspondence with the Company/ Registrar and Share Transfer Agent.

10. As per the Circular No. MRD/Dop/Cir-05/2009 dated May 20, 2009 issued by Securities Exchange Board of India (SEBI) it is mandatory to quote PAN for transfer/transmission of shares in physical form. Therefore, the transferee(s)/legal heirs(s) are required to furnish a copy of their PAN to the Registrar & Share Transfer Agent of the Company.
11. Pursuant to the provisions of Section 109A of the Companies Act, 1956, every member or joint holders holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. A nomination form for this purpose is available on the website of the Company www.heromotocorp.com.
12. Member or joint holder(s) holding shares in demat form may contact their respective DP for availing this facility.
13. Members are requested to notify immediately any Change in Address and/or Signature Updation in the form(s) available at the website of the Company, respectively for their physical holdings, to the Registrar & Share Transfer Agent of the Company i.e. M/s Karvy Computershare Private Limited and to the respective DP in case of shares held in electronic mode. Please note that request for Change in Address or Signature Updation, if found incomplete in any respect shall be rejected.
14. The Ministry of Corporate Affairs, vide its Circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011, has taken a "Green Initiative" by allowing paperless compliances by the companies to serve the requisite documents to its members vide e-mode, in pursuance to Section 53 of the Companies Act, 1956. Accordingly the Company shall be required to update its database by incorporating your designated e-mail ID in its records.
 - i) sending the said form by post; or
 - ii) by sending a scan copy through e-mail at emailupdation@heromotocorp.com.The e-mail ID provided shall be updated subject to successful verification of your signatures.
15. Guidelines for attending the ensuing Annual General Meeting of the Company:
 - a. Entry to the Auditorium will be strictly against entry coupon available at the counters at the venue and against the exchange of duly filled in, signed and valid attendance slip.
 - b. Any briefcase / bags / eatables are not allowed inside the Auditorium.
 - c. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of Board Resolution authorizing such representative to attend and vote on their behalf at the Meeting.
 - d. Members are requested to bring their copy of the Annual Report to the meeting.

Member(s) is/are thus requested to kindly submit his/her/ their e-mail ID vide the e-mail updation form available at the website of the Company. The same could be done by filling up and signing at the appropriate place in the said form and:

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 8

Mr. Paul Edgerley has been the Managing Director of Bain Capital since 1990, a private investment firm with assets over \$65 billion under their management, where he focuses on investment in the industrial and consumer product sectors. He is a Certified Public Accountant and was awarded an MBA with distinction from Harvard Business School and a BS from Kansas State University. He brings with him enriched experience in the field of finance and administration.

Mr. Edgerley is currently on the Board of the following Indian Public Limited Company :

Name of the Company	Nature of Office
Hero MotoCorp Ltd.	Non-Executive Director

Mr. Edgerley does not hold any shares (on his own or on behalf of any other person on beneficial basis) in the Company.

The appointment under Item No. 8 of the Notice is subject to the approval of the shareholders of the Company.

Board considers that the appointment of Mr. Paul Edgerley is in the best interests of the Company and, therefore, recommends passing of the aforesaid Resolution at Item No. 8 of the Notice.

Item No. 9

The term of office of Mr. Toshiaki Nakagawa, as the Jt. Managing Director of the Company expired on January 31, 2011. During his tenure as Jt. Managing Director, he had put in great efforts towards improving quality, strengthening the product portfolio and facilitating support from Honda Motor Co., Ltd., Japan.

Considering his extensive knowledge and capabilities, the Board of Directors of the Company, in accordance with the provisions of Sections 269, 198 & 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, by passing a resolution by circulation on January 15, 2011 on the recommendation made by the Remuneration Committee at its meeting held on January 14, 2011, had re-appointed him as the

Jt. Managing Director of the Company for a further period of 6 (six) months w.e.f. February 1, 2011 subject to your approval on the terms and conditions, including minimum remuneration, as detailed hereinafter:

- I. **Basic Salary:** Rs. 3,41,026/- (Rupees three lakhs forty one thousand and twenty six only) per month (Subject to an increase of 10% per annum);
- II. **Commission :** He will also be allowed remuneration by way of commission in addition to Basic Salary, Perquisites and any other Allowances, benefits or amenities subject to the condition that the amount of commission shall not exceed 1% of the net profit of the Company in a particular financial year as computed in the manner referred to in Section 198 of the Companies Act, 1956;
- III. **Perquisites and Allowances :** In addition to the above Basic Salary and Commission, he shall be entitled to the following perquisites and allowances:
 - i) **Residential Accommodation:** The appointee shall be provided free furnished residential accommodation. In addition to this the appointee shall be provided with cook(s), servant(s) and security guard(s);
 - ii) **Medical Reimbursement:** Actual Medical Expenses incurred by the appointee and his family shall be reimbursed;
 - iii) **Club Fees:** Actual fees of clubs will be reimbursed;
 - iv) **Personal Accident Insurance:** Actual premium to be paid by the Company;
 - v) **Insurance of House-hold goods:** Actual premium to be paid by the Company;
 - vi) **Car:** Facility of car with driver to be used for the business of the Company;
 - vii) **Telephone:** Free telephone facility at residence including Mobile phone to be used for the business of the Company;

- viii) **Leave:** One month's leave with full salary for every 11 months of service subject to the condition that leave accumulated but not availed will not be encashed;
- ix) **Reimbursement of expenses:** Reimbursement of entertainment, traveling, hotel and other expenses actually and properly incurred for the business of the Company;
- x) **Leave Travel Concession:** For the appointee and his family once in a year incurred in accordance with the rules of the Company. In case it is proposed that the leave be spent in home country instead of anywhere in India, return passage may be allowed for self and family in accordance with the rules of the Company;
- xi) **Children's Education Allowance:** In case of children studying in India or abroad expenses subject to maximum of Rs. 5,000/- per month per child shall be reimbursed by the Company. Such allowance shall be admissible upto a maximum of two children;
- xii) **Holiday passage for children studying outside India/ family staying abroad:** Return holiday passage is admissible once in a year by economy class or once in two years by first class to children from their place of study abroad to India and to the members of the family from the place of their stay abroad to India if they are not residing in India with the appointee; and
- xiii) **Reimbursement of expenses incurred for joining duty and returning to home country after completion of tenure:** Actual expenses incurred on travel and packing, forwarding, loading/ unloading as well as freight, insurance, custom duty, clearing expenses, local transportation and installation expenses in connection with the moving of personal effects for self and family for joining duty in India. On completion of the tenure, all the expenses referred to herein above for travel and forwarding the personal effects to Japan including the passage money shall also be allowable to the appointee on his finally leaving the employment of the Company.

If however, the appointee joins another branch of the same/related multinational Company, the Company shall not bear his expenses.

Explanation: For the aforesaid purposes "Family" means the spouse, the dependent children and dependent parents of the appointee; and

IV. Minimum Remuneration: If in any financial year during the currency of tenure of the Jt. Managing Director, the Company has no profits or its profits are inadequate, the appointee shall be entitled to minimum remuneration by way of Basic Salary, Perquisites, allowances, not exceeding the ceiling limit of Rs. 2,00,000/- per month and in addition thereto, he shall also be eligible to the perquisites not exceeding the limits specified under para 2 of Section II, Part II of Schedule XIII to the Companies Act, 1956 or such other limits as may be prescribed by the Government from time to time as Minimum Remuneration.

The re-appointment under Item No. 9 of the Notice is subject to the approval of the shareholders of the Company.

Mr. Nakagawa however resigned from the directorship of the Company w.e.f. March 22, 2011.

Board considers that the re-appointment of Mr. Toshiaki Nakagawa was in the best interests of the Company and, therefore, recommends passing of the aforesaid Resolution at Item No. 9 of the Notice.

Memorandum of Interest: Mr. Nakagawa, being the beneficiary, was deemed to be interested/concerned in the above appointment. None of the other Directors of the Company are interested/concerned in the said resolution.

Item No. 10

The present term of office of Mr. Brijmohan Lall Munjal, Chairman and Director in the Whole-time employment of the Company had expired on August 2, 2011. Mr. Munjal, aged

88 years, has come a long way in his corporate journey with his distinct qualities of leadership, entrepreneurship and vision. He has steered the Company to national and international recognition. With his vision and leadership, Hero MotoCorp Ltd. today stands as the largest manufacturer of two-wheelers in the world. Many awards have been conferred upon Mr. Munjal, prominent among them is 'Padma Bhushan' conferred by Government of India in recognition of his immense contribution to the nation in the field of trade and industry. Recently he was conferred with Lifetime Achievement Award by TERI and Ernst & Young and the Lifetime Contribution Award by All India Management Association.

He is presently on the Board of the following Public Limited Companies:

Name of the Company	Nature of Office
Hero MotoCorp Ltd.	Chairman
Munjal Showa Ltd.	Chairman
Hero FinCorp Ltd.	Chairman
Easy Bill Ltd.	Director
Shivam Autotech Ltd.	Director
Survam Infrastructure Ltd.	Director
Rockman Industries Ltd.	Director

Considering his extensive knowledge, business skills, managerial experience and capabilities, the Board of Directors of the Company, in accordance with the provisions of Sections 269, 198 & 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, by passing a resolution in its meeting held on July 21, 2011 on the recommendation made by the Remuneration Committee in its meeting held on July 21, 2011, has re-appointed him as the Chairman and Director in the Whole-time employment of the Company for a further period of 5 years effective August 3, 2011. Further the Board of Directors of the Company has approved his terms of remuneration, including minimum remuneration, by passing a resolution by circulation on August 17, 2011, subsequent to the recommendation of the Remuneration Committee given in its meeting held on August 17, 2011, subject to your approval on the terms and conditions w.e.f. April 1, 2011 as detailed hereinafter:

- I. **Basic Salary:** Rs. 22,25,000 (Rupees Twenty two lakhs and twenty five thousand only) per month subject to an increase of 20% per annum on the Basic Salary of preceding year;
- II. **Commission:** Mr. Munjal will also be allowed remuneration by way of commission in addition to Basic Salary, Perquisites and any other allowances, benefits or amenities subject to the condition that the amount of commission shall not exceed 1% of the net profit of the Company in a particular financial year as computed in the manner referred to in Section 198 of the Companies Act, 1956. The amount of Commission shall be paid subject to recommendation of the Remuneration Committee and approval of the Board of Directors every year.
- III. **Perquisites and allowances:** In addition to the above Basic Salary and Commission, he shall be entitled to the following Perquisites and allowances:
 - a. **Special Allowance :** Rs. 8,00,000 (Rupees Eight lakhs only) per month subject to an increase of 20% per annum on the Special allowance of preceding year;
 - b. **Residential Accommodation:** Free furnished residential accommodation with free use of all the facilities and amenities provided by the Company. If accommodation is not provided by the Company then he shall be entitled to House Rent Allowance equivalent to 50% of his Basic Salary alongwith free use of all the facilities and amenities;
 - c. **Medical Reimbursement:** Reimbursement of actual medical expenses incurred by Mr. Munjal and his family;
 - d. **Club Fees:** Actual fees of clubs to be paid by the Company;
 - e. **Personal Accident Insurance:** Actual premium to be paid by the Company;
 - f. **Insurance of House-hold goods:** Annual premium, as per rules, to be paid by the Company;

- g. **Group Normal Life Insurance:** Annual premium for insurance cover with sum assured upto maximum of Rs. 1 crore to be paid by the Company;
- h. **Medical Insurance:** For self and dependents as per rules of the Company;
- i. **Car:** Facility of car(s) with driver for the business of the Company;
- j. **Telephone:** Free telephone facility at Residence including Mobile phone;
- k. **Leave:** One month's leave with full salary for every 11 months of service subject to the condition that leave accumulated but not availed will not be encashed;
- l. **Reimbursement of expenses:** Reimbursement of entertainment, traveling, hotel and other expenses for the business of the Company in accordance with applicable rules;
- m. **Contribution to provident and superannuation funds:** Company's contribution to Provident and Superannuation funds will be as per the rules of the Company; and
- n. **Gratuity:** Not exceeding half month's salary for each completed year of service as per rules of the Company.

IV. Minimum Remuneration: If in any financial year during the currency of tenure of Mr. Munjal as the Chairman and Director in the Whole-time employment of the Company, the Company has no profits or its profits are inadequate, he shall be entitled to minimum remuneration by way of Basic Salary, Perquisites, allowances, not exceeding the ceiling limit of Rs. 2,00,000 per month, and in addition thereto, he shall also be eligible to the perquisites not exceeding the limits specified, under para 2 of Section II, 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 as Minimum Remuneration, whichever is higher.

However, Mr. Munjal shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee of Directors. His office shall be liable to determination by retirement of Directors by rotation.

The appointment and terms of remuneration under Item No. 10 of the Notice is subject to the approval of the shareholders of the Company.

Board considers that the re-appointment of Mr. Brijmohan Lall Munjal will be in the best interests of the Company and, therefore, recommends passing of the aforesaid Special Resolution at Item No. 10 of the Notice.

The terms of appointment, as stated herein, shall be treated as the abstract of terms of appointment and the Memorandum of Interest as required to be circulated to the members of the Company in accordance with Section 302 of the Companies Act, 1956.

Memorandum of Interest: Mr. Brijmohan Lall Munjal himself and Mr. Pawan Munjal, Mr. Suman Kant Munjal and Mr. Sunil Kant Munjal, being related to him may be deemed to be interested/ concerned in the resolution contained under Item No. 10 of the Notice.

None of the other directors is deemed to be interested/ concerned in the Special Resolution contained under Item No. 10 of the Notice.

Item No. 11

The present term of office of Mr. Pawan Munjal, as Managing Director & CEO of the Company shall expire on September 30, 2011. A graduate in Mechanical Engineering, Mr. Pawan Munjal has been a Director of Hero MotoCorp Ltd. (formerly known as Hero Honda Motors Limited) since 1986. Over the years, he has played a significant role in its development and growth. The Company, under his leadership, has emerged as the world's no. 1 two-wheeler company for over a decade. He has been instrumental in bringing about technological and managerial excellence in the Company's operations. As the Chief Executive of one of the principal Hero Group Companies, he is a constituent

of the Core Team, which looks at growth and strategic planning for the entire Group and associate Companies.

A well-known personality in industry forums, he has been the Chairman of several Committees of CII viz. Technology & Innovation (2004-05), Environment (2003-04) and Sports Committee (2000-01 & 2001-02). He is the past Chairman of the Northern Region of the CII (1996-97). He was the Co-Chair of the India Economic Summit 2010 organised by the World Economic Forum.

Mr. Munjal is also the Chairman of Society of Indian Automobile Manufacturers (SIAM) Committee on Two & Three-wheelers and Council on Economic Affairs, member of Governing Council of All India Management Association (AIMA) and a member of the Development Council for Automobile & Allied Industry (DCAAI) and Board of Trade constituted by the Indian Government. Mr. Munjal is a member of the prestigious World Economic Forum as also an advisor to the Singapore Government (I E Singapore's India Advisory Panel).

In recognition of his outstanding contribution to the auto industry, Mr. Munjal was conferred with the 'Man of the Year' Hall of Fame award by CNBC TV 18 Overdrive Awards 2009. NDTV Profit Car & Bike Awards 2010 has recently recognized him as the 'Man of the Year' of the Indian Automotive Industry.

Mr. Pawan Munjal is presently holding the membership of the Board of the following Public Limited Companies:

Name of the Company	Nature of Office
Hero MotoCorp Ltd.	Managing Director & C.E.O.
Hero FinCorp Ltd.	Director
Hero Realty & Infra Ltd.	Director
Rockman Industries Ltd.	Director

Considering his extensive knowledge, business skills, managerial experience and capabilities, the Board of Directors of the Company, in accordance with the provision of Sections 269, 198 & 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, by passing a resolution in its meeting held on July 21, 2011 on the

recommendation made by the Remuneration Committee in its meeting held on July 21, 2011, has re-appointed him as the Managing Director & CEO of the Company for a further period of 5 years effective October 1, 2011.

Further the Board of Directors of the Company has approved his terms of remuneration including minimum remuneration w.e.f. April 1, 2011, by passing a resolution by circulation on August 17, 2011, subsequent to the recommendation of the Remuneration Committee given in its meeting held on August 17, 2011, subject to your approval on the terms and conditions as detailed hereinafter:

- I. **Basic Salary:** Rs. 20,00,000 (Rupees Twenty lakhs only) per month subject to an increase of 20% per annum on the Basic Salary of preceding year;
- II. **Commission:** Mr. Munjal will also be allowed remuneration by way of commission in addition to Basic Salary, Perquisites and any other allowances, benefits or amenities subject to the condition that the amount of commission shall not exceed 1% of the net profit of the Company in a particular financial year as computed in the manner referred to in Section 198 of the Companies Act, 1956. The amount of Commission shall be paid subject to recommendation of the Remuneration Committee and approval of the Board of Directors every year.
- III. **Perquisites and allowances:** In addition to the above Basic Salary and Commission, he shall be entitled to the following Perquisites and allowances:
 - a. **Special Allowance :** Rs. 8,00,000 (Rupees Eight lakhs only) per month subject to an increase of 20% per annum on the Special allowance of preceding year;
 - b. **Children Education Allowance:** In case of children studying in India or abroad, actual expenses shall be admissible.

Explanation: For the aforesaid purposes "Family" means the spouse, the dependent children of Mr. Munjal;

- c. **Residential Accommodation:** Free furnished residential accommodation with free use of all the facilities and amenities provided by the Company. If accommodation is not provided by the Company then he shall be entitled to House Rent Allowance equivalent to 50% of his Basic Salary alongwith free use of all the facilities and amenities;
- d. **Medical Reimbursement:** Reimbursement of actual medical expenses incurred by Mr. Munjal and his family;
- e. **Club Fees:** Actual fees of clubs to be paid by the Company;
- f. **Personal Accident Insurance:** Actual premium to be paid by the Company;
- g. **Insurance of House-hold goods:** Annual premium, as per rules, to be paid by the Company;
- h. **Group Normal Life Insurance:** Annual premium for insurance cover with sum assured upto maximum of Rs. 1 crore to be paid by the Company;
- i. **Medical Insurance:** For self and dependents as per rules of the Company;
- j. **Car:** Facility of car(s) with driver for the business of the Company;
- k. **Telephone:** Free telephone facility at Residence including Mobile phone;
- l. **Leave:** One month's leave with full salary for every 11 months of service subject to the condition that leave accumulated but not availed will not be encashed;
- m. **Reimbursement of expenses:** Reimbursement of entertainment, traveling, hotel and other expenses for the business of the Company in accordance with applicable rules;
- n. **Contribution to provident and superannuation funds:** Company's contribution to Provident and

Superannuation funds will be as per the rules of the Company; and

- o. **Gratuity:** Not exceeding half month's salary for each completed year of service as per rules of the Company.

IV. Minimum Remuneration: If in any financial year during the currency of tenure of Mr. Munjal as the Managing Director & CEO of the Company, the Company has no profits or its profits are inadequate, he shall be entitled to minimum remuneration by way of Basic Salary, Perquisites, allowances, not exceeding the ceiling limit of Rs. 2,00,000 per month and in addition thereto, he shall also be eligible to the perquisites not exceeding the limits specified under para 2 of Section II, 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 as Minimum Remuneration, whichever is higher.

However, Mr. Munjal shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee of Directors. In terms of Article 117 of the Articles of Association of the Company, so long as Mr. Munjal continues to act as Managing Director & CEO, his office shall not be liable to determination by retirement of Directors by rotation.

The appointment under Item No. 11 of the Notice is subject to the approval of the shareholders of the Company.

Board considers that the re-appointment of Mr. Pawan Munjal will be in the best interests of the Company and, therefore, recommends passing of the aforesaid Ordinary Resolution at Item No. 11 of the Notice.

The terms of appointment, as stated herein, shall be treated as the abstract of terms of appointment and the Memorandum of Interest as required to be circulated to the members of the Company in accordance with Section 302 of the Companies Act, 1956.

Memorandum of Interest: Mr. Pawan Munjal himself and Mr. Brijmohan Lall Munjal, Mr. Suman Kant Munjal and Mr. Sunil Kant Munjal, being related to him may be deemed to be interested/ concerned in the resolution contained under Item No. 11 of the Notice.

None of the other directors is deemed to be interested/ concerned in the Ordinary Resolution contained under Item No. 11 of the Notice.

Item No. 12

Mr. Sunil Kant Munjal was appointed on the Board of Directors of the Company on August 25, 2006 as a Non-Executive Director of the Company. After his graduation, he underwent training in the field of Mechanical Engineering. Presently, he is the Chairman and Managing Director of Hero Management Services Limited.

Mr. Munjal has also been the President of Confederation of Indian Industry (CII), India's premier business association. He is also on the Board of Indian School of Business, Hyderabad and is the visiting faculty at various Business Schools and Corporates. His specialization is in Business Studies and Holistic Management Practices. Apart from the above he is a member of Prime Minister's Council on Trade and Industry, Consultative Group on Industry, Planning Commission, Government of India and SEBI Committee on Disclosures. He has made significant contributions to some of the National-level Economic and Labour reforms in India in the capacity of Chairman or as a member.

Mr. Munjal is currently on the board of the following Public Limited companies:

Name of the Company	Nature of Office
Hero Management Services Ltd.	Chairman & Managing Director
Hero Corporate Services Ltd.	Chairman
Shivam Autotech Ltd.	Chairman
Hero Life Insurance Company Ltd.	Chairman
Abhayuday Manufacturing & Automotive Ltd.	Director

Arrow Infra Ltd.	Director
DCM Shriram Consolidated Ltd.	Director
Easy Bill Ltd.	Director
Hero MotoCorp Ltd.	Jt. Managing Director
Hero Mindmine Institute Ltd.	Director
Hero Realty & Infra Ltd.	Director
Hero Steels Ltd.	Director
Rockman Industries Ltd.	Director
Satyam Auto Components Ltd.	Director
Weave Engineering & Design Ltd.	Director

Considering his extensive knowledge, business skills, managerial experience and capabilities, the Board of Directors of the Company, in accordance with the provisions of Sections 269, 198 & 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, by passing a resolution by circulation on August 17, 2011 on the recommendation made by the Remuneration Committee in its meeting held on August 17, 2011, has appointed him as the Jt. Managing Director of the Company for a period of 5 (five) years w.e.f. August 17, 2011, on the terms and conditions, including minimum remuneration, as detailed hereinafter:

- I. **Basic Salary:** Rs. 17,75,000 (Rupees Seventeen lakhs seventy five thousand only) per month subject to an increase of 20% per annum on the Basic Salary of preceding year;
- II. **Commission:** Mr. Munjal will also be allowed remuneration by way of commission in addition to Basic Salary, Perquisites and any other allowances, benefits or amenities subject to the condition that the amount of commission shall not exceed 1% of the net profit of the Company in a particular financial year as computed in the manner referred to in Section 198 of the Companies Act, 1956. The amount of Commission shall be paid subject to recommendation of the Remuneration Committee and approval of the Board of Directors every year.
- III. **Perquisites and allowances:** In addition to the above Basic Salary and Commission, he shall be entitled to the following Perquisites and allowances:

a. **Special Allowance** : Rs. 4,45,000 (Rupees Four lakhs forty five thousand only) per month subject to an increase of 20% per annum on the Special allowance of preceding year;

b. **Children Education Allowance**: In case of children studying in India or abroad, actual expenses shall be admissible.

Explanation: For the aforesaid purposes "Family" means the spouse, the dependent children of Mr. Munjal;

c. **Residential Accommodation**: Free furnished residential accommodation with free use of all the facilities and amenities provided by the Company. If accommodation is not provided by the Company then he shall be entitled to House Rent Allowance equivalent to 50% of his Basic Salary alongwith free use of all the facilities and amenities;

d. **Medical Reimbursement**: Reimbursement of actual medical expenses incurred by Mr. Munjal and his family;

e. **Club Fees**: Actual fees of clubs to be paid by the Company;

f. **Personal Accident Insurance**: Actual premium to be paid by the Company;

g. **Insurance of House-hold goods**: Annual premium, as per rules, to be paid by the Company;

h. **Group Normal Life insurance**: Annual premium for insurance cover with sum assured upto maximum of Rs. 1 crore to be paid by the Company;

i. **Medical Insurance**: For self and dependents as per rules of the Company;

j. **Car**: Facility of car(s) with driver for the business of the Company;

k. **Telephone**: Free telephone facility at Residence including Mobile phone;

l. **Leave**: One month's leave with full salary for every 11 months of service subject to the condition that leave accumulated but not availed will not be encashed;

m. **Reimbursement of expenses**: Reimbursement of entertainment, traveling, hotel and other expenses for the business of the Company in accordance with applicable rules;

n. **Contribution to provident and superannuation funds**: Company's contribution to Provident and Superannuation funds will be as per the rules of the Company; and

o. **Gratuity**: Not exceeding half month's salary for each completed year of service as per rules of the Company.

IV. Minimum Remuneration: If in any financial year during the currency of tenure of Mr. Munjal as the Jt. Managing Director of the Company, the Company has no profits or its profits are inadequate, he shall be entitled to minimum remuneration by way of Basic Salary, Perquisites, allowances, not exceeding the ceiling limit of Rs. 2,00,000 per month, and in addition thereto, he shall also be eligible to the perquisites not exceeding the limits specified, under para 2 of Section II, 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 as Minimum Remuneration, whichever is higher.

However, Mr. Munjal shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee of Directors. In terms of Article 117 of the Articles of Association of the Company, so long as Mr. Munjal continues to act as Jt. Managing Director, his office shall not be liable to determination by retirement of Directors by rotation.

The appointment under Item No. 12 of the Notice is subject to the approval of the shareholders of the Company.

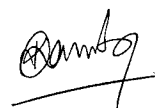
Board considers that the appointment of Mr. Munjal will be in the best interests of the Company and, therefore, recommends passing of the aforesaid Ordinary Resolution at Item No. 12 of the Notice.

The terms of appointment, as stated herein, shall be treated as the abstract of terms of appointment and the Memorandum of Interest as required to be circulated to the members of the Company in accordance with Section 302 of the Companies Act, 1956.

Memorandum of Interest: Mr. Sunil Kant Munjal himself and Mr. Brijmohan Lall Munjal, Mr. Suman Kant Munjal and Mr. Pawan Munjal, being related to him may be deemed to be interested/ concerned in the resolution contained under Item No. 12 of the Notice.

None of the other directors is deemed to be interested/ concerned in the Ordinary Resolution contained under Item No. 12 of the Notice.

By Order of the Board
for Hero MotoCorp Ltd.



ILAM C. KAMBOJ

Sr. G.M. Legal & Company Secretary

New Delhi
August 17, 2011

Registered Office:
34, Community Centre,
Basant Lok, Vasant Vihar,
New Delhi-110 057

BRIEF PROFILE OF DIRECTORS

Being re-appointed pursuant to Clause 49 IV(G) (i) of the Listing Agreement:

1. Mr. Pradeep Dinodia

Mr. Pradeep Dinodia was appointed as a Director on the Board of the Company on March 31, 2001. Mr. Dinodia is a fellow member of The Institute of Chartered Accountants of India and a Senior Partner in the Delhi-based Chartered Accountancy firm M/s. S.R. Dinodia & Company. He has considerable experience in corporate affairs and allied legal and taxation matters.

Mr. Dinodia is on the Board of the following Public Limited Companies:

Name of the Company	Nature of Interest
DCM Shriram Consolidated Ltd.	Director
DFM Foods Ltd.	Director
Hero Corporate Services Ltd.	Director
Hero MotoCorp Ltd.	Non-Executive & Independent Director
Shriram Pistons & Rings Ltd.	Director
JK Lakshmi Cement Ltd.	Director
Micromatic Grinding Technologies Ltd.	Director
SPR International Auto Exports Ltd.	Director
Ultima Finvest Ltd.	Director

He does not hold any shares (as own or on behalf of other person on beneficial basis) in the Company.

2. Gen. (Retd.) V.P.MALIK

Gen. (Retd.) V. P. Malik was appointed as a Director on the Board of the Company on May 4, 2001. Gen. Malik retired as Chief of the Indian Army in September, 2000. During his distinguished military career, he received number of awards including the Ati Vishista Seva Medal (AVSM) and the Param Vishishta Seva Medal (PVSM) - the highest National award for distinguished services.

Gen. Malik is on the Board of the following Public Limited Companies:

Name of the Company	Nature of Interest
BSES Rajdhani Power Ltd.	Director
BSES Yamuna Power Ltd.	Director
Hero MotoCorp Ltd.	Non-Executive & Independent Director
Reliance Infrastructure Ltd.	Director

He does not hold any shares (as own or on behalf of other person on beneficial basis) in the Company.

3. Mr. Brijmohan Lall Munjal

A brief profile of Mr. Brijmohan Lall Munjal has been given in the explanatory statement to the Special Resolution No. 10 of this Notice.

4. Mr. Sunil Kant Munjal

A brief profile of Mr. Sunil Kant Munjal has been given in the explanatory statement to the Ordinary Resolution No. 12 of this Notice.

Hero MotoCorp Ltd.

Regd. Office: 34, Community Centre, Basant Lok, Vasant Vihar,
New Delhi - 110 057

ATTENDANCE SLIP

L.F. No. _____ No. of shares held _____

DP. ID*		Client ID*	
Name(s) in full		Father's/Husband's Name	Address as Regd. with the Company
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

I/We hereby record my/our presence at the 28th Annual General Meeting of the Company being held on Wednesday, September 28, 2011 at 4.30 P.M. at Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110 003.

Signature of the shareholder(s)/proxy**

1. _____ 2. _____ 3. _____

* Applicable for investors holding shares in electronic form. ** Strike out whichever is not applicable.

Note: Attendance slip in original should be complete in all respects.

No gift of any nature will be distributed at the Annual General Meeting.
The members seeking gifts may excuse us.



Hero MotoCorp Ltd.

Regd. Office: 34, Community Centre, Basant Lok, Vasant Vihar,
New Delhi - 110 057

PROXY FORM

L.F. No. _____ No. of shares held _____

DP. ID*		Client ID*	
Name(s) in full		Father's/Husband's Name	Address as Regd. with the Company
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

being a member/members of Hero MotoCorp Ltd. hereby appoint _____ of _____ or failing him/her _____ of _____ as my/our proxy to vote for me/us and on my/our behalf at the 28th Annual General Meeting of the Company being held on Wednesday, September 28, 2011 at 4.30 P.M. at Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi- 110 003.

Signature of the shareholder

1. _____ 2. _____ 3. _____

Signature of Proxy(s)

1. _____ 2. _____

Date: ____/____/2011

*Applicable for investors holding shares in electronic form.

Note : The proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

Affix a
Revenue
Stamp

