

**SCRUTINIZER'S REPORT ON POSTAL BALLOT
OF
HINDUSTHAN ENGINEERING & INDUSTRIES LIMITED**

SCRUTINIZER:

BABU LAL PATNI, PRACTISING COMPANY SECRETARY

51, NALINI SETT ROAD

5TH FLOOR, ROOM NO-19

KOLKATA-700007

Report of the Scrutinizer

To,

The Chairperson
Hindusthan Engineering & Industries Limited
27, Sir R. N. Mukherjee Road
Kolkata-700001

Dear Sir,

Sub: Passing of Special Resolutions through Postal Ballot Notice dated 31st July, 2014

1. The Board of Directors of Hindusthan Engineering & Industries Limited (hereinafter referred to as the "Company") at its meeting held on 7th July, 2014 have appointed me as the Scrutinizer for conducting the postal ballot voting process.
2. I submit my report as under:
 - 2.1 The Company has completed on 31st July, 2014 the dispatch of Postal Ballot Forms along with self-addressed, envelopes to its Shareholders whose name(s) appeared on the Register of Shareholders as on 25.07.2014.
 - 2.2 Particulars of all the Postal Ballot Forms received from the Shareholders have been entered in a register separately maintained for the purpose.
 - 2.3 The Postal Ballot Forms were kept under safe custody in sealed and tamper proof ballot box before commencing the scrutiny of such Postal Ballot Forms.
 - 2.4 The ballot box was opened on 30th August, 2014 after working hours (5.30 p.m) in my presence.
 - 2.5 The Postal Ballot Forms were duly opened in my presence and scrutinized and the shareholding was confirmed with the Register of Shareholders of the Company.
 - 2.6 All Postal Ballot Forms received up to the close of working hours (5.30 p.m) on 30th August, 2014, the last date and time fixed by the Company for receipt of the forms, were considered for my scrutiny.
 - 2.7 No Postal Ballot Forms were received after 30th August, 2014 being the last date for receipt thereof and till my signing of the report.
 - 2.8 I did not find any defaced or mutilated ballot paper.
3. The result of postal ballot is as under:

(a) Resolution No.1

Alteration of Object Clause of Memorandum of Association

(i) Voted **in favour** of the resolution:

| Number of members voted | Number of votes cast by them | % of total number of valid votes cast |
|-------------------------|------------------------------|---------------------------------------|
| 73 | 12287581 | 99.997 |



(ii) Voted **against** the resolution:

| Number of members voted | Number of votes cast by them | % of total number of valid votes cast |
|-------------------------|------------------------------|---------------------------------------|
| 17 | 298 | .003 |

(iii) **Invalid** votes

| Total number of members whose votes were declared invalid | Total number of votes cast by them |
|---|------------------------------------|
| 16 | 643 |

(b) Resolution No.2

Commencement of New Business

(i) Voted **in favour** of the resolution:

| Number of members voted | Number of votes cast by them | % of total number of valid votes cast |
|-------------------------|------------------------------|---------------------------------------|
| 73 | 12287581 | 99.997 |

(ii) Voted **against** the resolution:

| Number of members voted | Number of votes cast by them | % of total number of valid votes cast |
|-------------------------|------------------------------|---------------------------------------|
| 17 | 298 | .003 |

(iii) **Invalid** votes

| Total number of members whose votes were declared invalid | Total number of votes cast by them |
|---|------------------------------------|
| 16 | 643 |

(c) Resolution No.3

Power to Board to sell, transfer or otherwise dispose of the undertakings of the Company.

(i) Voted **in favour** of the resolution:

| Number of members voted | Number of votes cast by them | % of total number of valid votes cast |
|-------------------------|------------------------------|---------------------------------------|
| 72 | 12287562 | 99.997 |



(ii) Voted **against** the resolution:

| Number of members voted | Number of votes cast by them | % of total number of valid votes cast |
|-------------------------|------------------------------|---------------------------------------|
| 18 | 317 | .003 |

(iii) **Invalid** votes

| Total number of members whose votes were declared invalid | Total number of votes cast by them |
|---|------------------------------------|
| 16 | 643 |

(d) **Resolution No.4**

Power to Board to give loan, guarantee, provide security and acquire securities

(i) Voted **in favour** of the resolution:

| Number of members voted | Number of votes cast by them | % of total number of valid votes cast |
|-------------------------|------------------------------|---------------------------------------|
| 71 | 12287556 | 99.997 |

(ii) Voted **against** the resolution:

| Number of members voted | Number of votes cast by them | % of total number of valid votes cast |
|-------------------------|------------------------------|---------------------------------------|
| 19 | 323 | .003 |

(iii) **Invalid** votes:

| Total number of members whose votes were declared invalid | Total number of votes cast by them |
|---|------------------------------------|
| 16 | 643 |

4. I have handed over the postal ballot forms and other related papers/ registers and records for safe custody to the Company Secretary authorized by the Board to supervise the postal ballot process.

5. You may accordingly declare the result of the voting by Postal Ballot.

Thanking you,

Yours faithfully,

Babu Patni

(BABU LAL PATNI)

(C.P. NO-1321)

Name and Signature of the Scrutinizer

Place: Kolkata

Dated: 1st September, 2014

