

## Annexure-3 to the Directors' Report

### Report on Corporate Governance

#### 1. Company's philosophy on Corporate Governance

The Company's philosophy on Corporate Governance has been developed with a tradition of fair and transparent governance and disclosure practices, many of which were in existence even before they were mandated by legislation. Transparency, integrity, professionalism and accountability-based values form the basis of the Company's philosophy for corporate governance. The Company strives to improve the corporate governance practices to meet stakeholders' expectations and strictly complies with regulatory guidelines on corporate governance.

#### 2. Board of Directors

##### (a) Composition of Board

As on date the Board of Directors have four members and all of them are Non-Executive Directors. The Non-Executive Directors account for 100% of Board's strength against minimum requirement of fifty percent as per Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. There are two Independent Directors. The Company does not have a regular Non-Executive Chairperson and 50% of the Board is comprised of Independent Directors as per the minimum requirement pursuant to Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Smt. Mou Mukherjee is a Non-executive Independent Woman Director. The Non-Executive Directors are eminent professionals, drawn from amongst persons with experience in business & industry, finance & law. The composition of Board of Directors as on the date of the report is as follows:-

Name of Directors	Category [As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]	DIN	No. & % of equity shares held in the Company	No. of other Directorships *	No. of other Board Committee(s) of which he/she is a member **	No. of other Board Committee(s) of which he/she is a Chairman **	List of listed company where the person is a director and the category of directorship	Name of the listed entity where the person is a director
Shri A. Sankaranarayanan	Non Independent - Non-Executive	00385632	1300	3	3	1	-	
Shri Raj Kamal Johri	Independent - Non-Executive	06804524	0	1	1	-	-	
Shri Uttam Bose	Non Independent - Non-Executive	02340000	0	1	-	-	-	-
Smt. Mou Mukherjee	Independent - Non-Executive	03333993	0	2	1	1	Non-executive Independent Director	B&A Limited

\* only public limited companies have been considered.

\*\* includes the membership/chairmanship only of the Audit Committee(s) and the Stakeholders Relationship Committee(s)

None of the Non-Executive Directors of the Company has any pecuniary relationship or transaction with the Company. There is no inter se relationship between the Directors.

**(b) Core skills/expertise/competent as required by the Board to function effectively**

The Directors of the Company comprises qualified members who bring in the required skills, experience, competence and expertise effectively contributing to the Board and Committee proceedings. The Board Members are committed to ensure that the Board is in compliance with the highest standard of Corporate Governance. The list of Core skills/expertise/competence is identified by the Board of Directors as required in the context of its business and sector to make it functioning effectively and those actually available with the Board are mentioned below:-

Sl.No.	Nature of key skills, expertise, competence and attribute	Whether such skills, expertise, competence and attribute are available with the Company's Board
1	Domain expertise in area Automobile, manufacturing, spare parts	Yes
2	Sound knowledge and expertise in finance, accounting and taxation matter	Yes
3	Expertise in legal, compliance, governance and risk management	Yes
4	Expertise in business development, marketing and sales	Yes
5	Leadership quality and management expertise	Yes
6	Expertise in administration, liasoning and human resource	Yes

**(c) Board Meetings**

During the financial year ended 31st March, 2020, four meetings of the Board of Directors were held on 29th May, 2019, 12th August, 2019, 13th November, 2019 and 3rd February, 2020. The attendance of the Directors in these meetings was as follows:

Name of Directors	Board Meetings			Last Annual General Meeting
	Meeting held	Meeting held during the tenure	Attended	If Attended
Shri A. Sankaranarayanan	4	4	4	Yes
Shri Raj Kamal Johri	4	4	4	Yes
Shri Uttam Bose	4	4	4	Yes
Smt. Mou Mukherjee	4	4	4	Yes

**(d) Shareholding of Non-Executive Directors**

As on 31st March, 2020, number of shares held by Non-Executive Director was as follows:-

Name of Non-Executive Director	No. of Shares held on 31st March, 2020
Shri A. Sankaranarayanan	1300

**3. Audit Committee**

(a) The Audit Committee of Directors was constituted on 15th May, 1987. The terms of reference of the Audit Committee were amended by the Board of Directors of the Company at its meetings held on 25th January, 2000, 31st August, 2000, 29th January, 2005, 27th April, 2006, 9th May, 2014 and on 2nd November, 2015 and covers the matters specified for it under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013.

(b) The composition of the Audit Committee as on the date is as follows:

Name	Nature of Directorship	Membership
Smt. Mou Mukherjee	Independent and Non-Executive Director	Chairperson
Shri A. Sankaranarayanan	Non Independent and Non-Executive Director	Member
Shri Raj Kamal Johri	Independent and Non-Executive Director	Member

- Composition of the Committee is in conformity with Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Two-Thirds of the members of Audit Committee are Independent Directors. All the Members of Audit Committee are financially literate and one Member is having accounting or related financial management expertise.
  - Smt. Mou Mukherjee, the Chairperson of the Audit Committee on the date of Annual General Meeting was present at the Annual General Meeting held on 18th September, 2019 to reply to shareholders' queries.
  - The Audit Committee provides an overview on the reporting process of the Company's financial and accounting mechanism and ensures that disclosures in its financial statements are correct, sufficient and credible.
  - The Committee reviews the efficacy of the internal control mechanism and monitors the risk management policies adopted by the Company. The Committee also reviews the report furnished by the internal auditor and statutory auditors and ensures that suitable follow up actions are taken. Besides, the Committee also examines accounting, taxation and disclosure aspects of all significant transactions.
  - At the invitation of the Committee, the Statutory Auditor, the Chief Internal Auditor, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary who was acting as the Secretary to the Audit Committee also attended the Audit Committee Meetings to answer and clarify the queries raised at the Committee Meetings.
- (c) During the financial year ended 31st March, 2020, four Audit Committee Meetings were held on 29th May, 2019, 12th August, 2019, 13th November, 2019 and 3rd February, 2020 and the attendance of the Audit Committee Members was as under:-

#### Audit Committee Meetings

Name of the Audit Committee Members	Meeting held	Meeting held during the tenure	Attended
Smt. Mou Mukherjee	4	4	4
Shri A. Sankaranarayanan	4	4	4
Shri Raj Kamal Johri	4	4	4

#### 4. Nomination and Remuneration Committee

The Board of Directors of the Company at its meeting held on 14th March, 2003 constituted a Remuneration Committee of Directors and thereafter reconstituted on 13th September, 2017 mainly for the purpose of recommending the Company's policy on Remuneration Package for the Directors and Key Managerial Personnel, reviewing the structure, design and implementation of remuneration policy in respect of such Directors and Key Managerial Personnel and approving, reviewing and evaluating Employees' Stock Option Plan.

The Remuneration Committee was renamed as "Nomination and Remuneration Committee" and reconstituted by the Board of Directors at its meeting held on 9th May, 2014 for the purpose of recommending the Company's policy on remuneration package for the Directors, Key Managerial Personnel and other employees. In the said Board

Meeting, a revised Role and Scope of the Committee was fixed in accordance with the provisions of the Companies Act, 2013 and Listing Agreement. The role of Nomination and Remuneration committee was enlarged by the Board of Directors at its meeting held on 2nd November, 2015 and is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Remuneration Policy is annexed as Annexure-9 to the Directors' Report. Thereafter on 29th May, 2019 a new policy was adopted and that has been displayed on the Company's website [Hindmotor.com/files/HML-Remuneration-Policy-29052019.pdf](http://Hindmotor.com/files/HML-Remuneration-Policy-29052019.pdf).

The Committee Members at its meeting held on 29th May, 2019, approved the performance evaluation criteria for Independent Directors.

The annual evaluation has been made by the Board of its own performance and that of its Committees and individual directors (including independent directors) on the basis of rating made by the directors.

The composition of the Nomination and Remuneration Committee as on the date of the report is as follows:-

Name	Nature of Directorship	Membership
Shri Raj Kamal Johri	Independent and Non-Executive Director	Chairman
Shri A. Sankaranarayanan	Non-Independent and Non-Executive Director	Member
Smt. Mou Mukherjee	Independent and Non-Executive Director	Member
Shri Uttam Bose	Not-Independent and Non-Executive Director	Member

All the four Directors are Non-Executive Directors and 50% are Independent and the Chairman of the Committee is also an Independent Director.

The Company Secretary acted as the Secretary of the Committee.

During the financial year ended 31st March, 2020, one Nomination and Remuneration Committee Meeting was held on 29th May, 2019 and the attendance of the Nomination and Remuneration Committee Members was as under:-

#### Nomination and Remuneration Committee Meetings

Name of the Nomination and Remuneration Committee Members	Meeting held	Meeting held during the tenure	Attended
Shri Raj Kamal Johri (Chairman)	1	1	1
Shri A. Sankaranarayanan	1	1	1
Smt. Mou Mukherjee	1	1	1
Shri Uttam Bose	1	1	1

In so far as the Chief Executive Officer is concerned, the Company pays remuneration by way of salary, perquisites and allowances (fixed/variable components) as recommended by the Nomination and Remuneration Committee of Directors and duly approved by the Board of Directors.

#### Remuneration paid to Directors during the financial year ended 31st March, 2020

Non-Executive Directors	(Amount in Rs.)
Name	Sitting fees for attending Committee and Board Meetings
Shri A. Sankaranarayanan	1,50,000
Shri Raj Kamal Johri	1,65,000
Shri Uttam Bose	90,000
Smt. Mou Mukherjee	1,50,000

Notes :

- a) Apart from making payment of sitting fee for attending the Board/Committee meetings and defraying expenses for attending such meetings and other travelling expenses incurred wholly and exclusively in attending to Company's work, no remuneration in any form is paid to Non-Executive Directors.
- b) Shri Bhikam Chand Mishra was appointed as the Chief Executive Officer of the Company w.e.f. 26th May, 2018 for a period of two years. The employment of Chief Executive Officer is contractual in nature and is terminable by either side with a notice period of one month or Company paying one month salary (basic) in lieu of such notice.

#### 5. Stakeholders Relationship Committee

The Board of Directors at its meeting held on 9th May, 2014 renamed the Shareholders'/Investors' Grievances Committee as Stakeholders Relationship Committee.

The present composition of the Stakeholders Relationship Committee as on the date of the report is as follows:

Name	Nature of Directorship	Membership
Shri A. Sankaranarayanan	Non-Independent and Non-Executive Director	Chairman
Shri Raj Kamal Johri	Independent and Non-Executive Director	Member
Shri Uttam Bose	Non-Independent and Non-Executive Director	Member

Ms. Prativa Sharma is the Company Secretary and also designated as the Compliance Officer.

The Committee oversees the performance of KFin Technologies Private Limited, the Registrar and Share Transfer Agents of the Company and recommends measures to improve the level of investor related services. Though the powers to approve share transfer/share transmission are delegated to the Registrar and Share Transfer Agents, all the share transfer/transmission cases approved by the Registrar are reported to the Committee which also keeps a close watch on disposal status of all complaints/grievances of shareholders. During the period under review, 33 complaints were received by the Company/Registrar and Share Transfer Agents from shareholders and/or through regulatory bodies. All these complaints have been redressed during the period under review. There was no share transfer application pending for registration as on 31st March, 2020.

During the financial year ended 31st March, 2020, one Stakeholders Relationship Committee meetings was held on 12th August, 2019. The attendance of the Members was as under:-

#### Stakeholders Relationship Committee

Name of the Members	Meeting held	Meeting held during the tenure	Attended
Shri A. Sankaranarayanan	1	1	1
Shri Uttam Bose	1	1	1
Shri Raj Kamal Johri	1	1	1

#### Complaints received during the financial year ended 31st March, 2020 by the Company and the Registrar and Share Transfer Agents of the Company

Nature of Complaints	No. of Complaints	
	Received	Attended to
Non-receipt of Securities	6	6
Non-receipt of Annual Report	21	21
Non-receipt of Fresh Securities	2	2
Non-receipt of Dividend Warrant	2	2
Non implementation of transmission of shares	1	1
Non implementation of dematerialisation of shares	1	1
	<b>33</b>	<b>33</b>

**6. Corporate Risk Management Committee**

The Board of Directors of the Company at its meeting held on 28th July, 2006 had constituted a committee known as Corporate Risk Management Committee comprising of the Managing Director and six officers to ensure that risks as identified in the risk assessment and minimization policy of the Company are controlled through a properly defined framework. The said Committee was reconstituted and role and responsibilities have been redefined by the Board of Directors at its meeting held on 25th September, 2014. The said Committee was once again reconstituted by the Board of Directors at its meeting held on 7th February, 2015. The Committee was further reconstituted by the Board of Directors at its meeting held on 5th August, 2016. The terms of reference of Corporate Risk Management Committee inter alia includes as follows:-

- a) To continuously identify and prioritize the risks associated with the functioning of the Company;
- b) To identify risk exposure and adequately monitor and manage the same;
- c) To develop a well laid down mitigation plan for identified risks with assigned responsibilities to different identified officers;
- d) To review the efficacy of implementation of mitigation plans;
- e) To develop an audit mechanism to verify compliance with mitigation plans as a supplement to self-assessment;
- f) To report to the Board of Directors periodically the followings:-
  - i) An overview of the risk management process;
  - ii) Key observations on the implementation of mitigation plan including deficiencies noticed and corrective actions to be taken;
  - iii) New risks identified and actions taken in relation thereto.

During the period under review, no meeting of such Committee was held. Chief Internal Auditor of the Company acts as Secretary of the Committee.

**7. Meeting of Independent Directors**

During the financial year ended 31st March, 2020, the Independent Directors met on 13th November, 2019, inter alia, to:

- Review the performance of Non-Independent Directors and the Board of Directors as a whole;
- Review the performance of the Chairman of the meetings of Board of Directors of the Company, taking into account the views of the Non-Executive Directors;
- Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

**8. General Body Meetings**

Nature of the General Meetings held in the last three years	Date	Venue	If Special Resolution(s) passed
Annual General Meeting	18th September, 2019 at 2.00 PM	Rotary Sadan 94/2, Chowringhee Road, Kolkata – 700 020	1. Reappointment of Sri Raj Kumar Johri as an Independent Director of the Company for a 2nd term of five consecutive years.

			2. Approval of member to accord Mr A Sankaranarayanan, Non-Executive Director of the Company who has already attained the age of 75 years to continue as a Non-executive Director of the Company.
Annual General Meeting	26th September, 2018 at 2.00 PM	Rotary Sadan 94/2, Chowringhee Road, Kolkata – 700 020	No
Annual General Meeting	22nd September, 2017 at 2.00 PM	Rotary Sadan 94/2, Chowringhee Road, Kolkata – 700 020	No

#### Postal Ballot

During the period under review, no resolution was passed through postal ballot in connection with Section 110 of the Companies Act, 2013.

#### 9. Disclosures

Besides the transactions mentioned elsewhere in the Annual Report, there were no materially significant related party transactions during the year conflicting with the interest of the Company.

There were no cases of non-compliance, no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

No personnel has been denied access to the Audit Committee in respect of Whistle Blower Policy and affirmation.

The details of familiarization programme for Independent Directors has been disclosed on the website of the Company [www.hindmotor.com](http://www.hindmotor.com) and web link thereto is <http://www.hindmotor.com/files/Familiarisation-Programme-for-Independent-Directors.pdf>.

The Company has formulated a policy on materiality of related party transaction and also on dealing with related party transaction and the same has been disclosed on the website of the Company [www.hindmotor.com](http://www.hindmotor.com) and web link thereto is [Hindmotor.com/files/HML-Related-Party-Transaction-Policy-2019.pdf](http://Hindmotor.com/files/HML-Related-Party-Transaction-Policy-2019.pdf).

The Company complied with all the mandatory requirements and some of the non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period ended 31st March, 2020.

During the financial years 2018-19 and 2019-20, the following payments were made to the M/s. Ray & Ray, Statutory Auditor of the Company:-

Financial Year	Particulars of payment	Amount (Rs)
2018-19	Statutory audit fees (including Limited Review Report fees)	7,00,000/-
	Tax Audit fees	1,00,000/-
2019-20	Statutory audit fees (including Limited Review Report fees)	8,00,000/-
	Tax Audit fees	1,00,000/-

**10. Means of Communication**

Subject	Details
Quarterly results	Published in the newspapers in terms of Regulation 29 and 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
Newspapers wherein results normally published	Business Standard – Kolkata and Mumbai. Aajkal - Kolkata (Bengali version) – Kolkata Edition
Any website, where displayed	www.hindmotor.com
Whether it also displays official news released and presentations made to institutional Investors/Analysts	Yes
Whether MD&A is a part of Annual Report	Yes. The same is as per Annexure 1 to the Directors’ Report.

**11. General Shareholder Information**

Annual General Meeting		
Date & time	29th September, 2020 at 4:00 P.M.	
Venue	e-AGM	
Financial Calendar for F.Y. 2020-21 (1st April, 2020 to 31st March, 2021)	a. 1st Quarterly Results	On or before 14th August, 2020
	b. 2nd Quarterly Results	On or before 14th November, 2020
	c. 3rd Quarterly Results	On or before 14th February, 2021
	d. Annual Audited Results	On or before 30th May, 2021
Date of Book closure	22.09.2020 to 29.09.2020 (both days inclusive)	
Dividend Payment	There is no operational profit in the Statement of Profit & Loss after taking into account the results for the year under review, there did not arise any occasion for the Board of Directors to consider recommending any dividend on the equity shares of the Company.	
Listing on Stock Exchanges	National Stock Exchange of India Limited “Exchange Plaza” Plot No.C/1, G-Block Bandra-Kurla Complex, Bandra (E) Mumbai – 400 051 Tel: 91-22-2659 8235/36 Fax: 91-22-2659 8237/38	
	BSE Limited Floor 25 Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001 Tel: 91-22-2272 1233/1234 Fax: 91-22-2272 1003	



Stock code	National Stock Exchange of India Ltd. BSE Ltd.	HINDMOTORS 500500
ISIN Number	INE253A01025	

**Market Price Data**

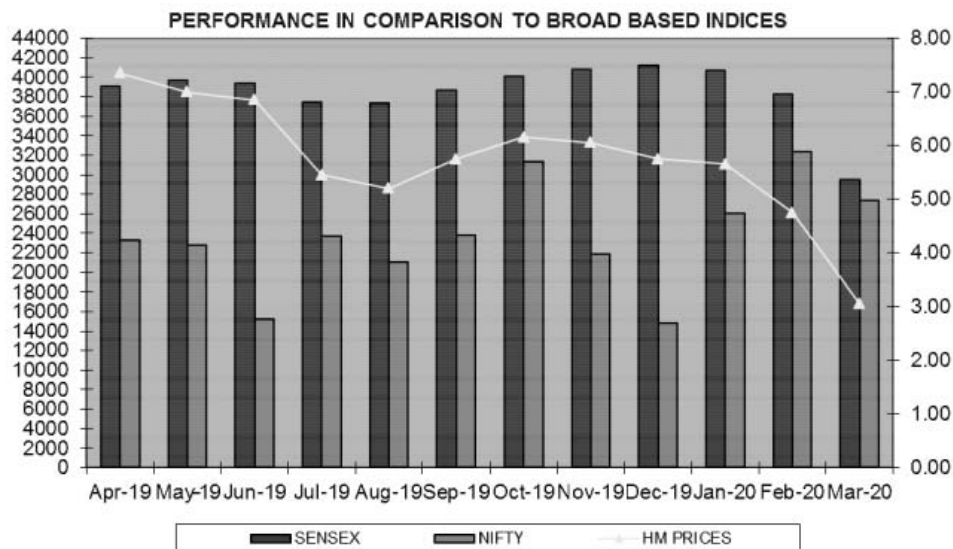
The Company’s shares are listed on National Stock Exchange of India Limited and BSE Limited. The monthly high and low quotations of shares traded during the financial year ended 31st March, 2020 are as below:

(Amount in Rs.)

Month	NSE		BSE	
	High	Low	High	Low
April – 2019	8.25	7.10	8.30	7.10
May – 2019	7.75	6.65	7.89	6.74
June – 2019	7.30	6.05	7.30	5.92
July – 2019	7.20	5.35	7.17	5.40
August – 2019	6.40	4.85	6.10	4.90
September – 2019	7.50	5.05	7.80	5.17
October – 2019	6.40	5.00	6.35	5.01
November – 2019	6.50	5.35	7.20	5.36
December – 2019	6.15	5.25	6.13	5.25
January – 2020	6.00	5.35	6.20	5.40
February – 2020	5.85	3.60	5.90	3.88
March - 2020	5.10	2.60	5.04	2.51

**HM’s share price movement in comparison to broad-based indices**

A graphical presentation is as follows :-



**The Registrar and Share Transfer Agents of the Company**

KFin Technologies Private Limited  
 Selenium Building, Tower B, Plot No.31&32,  
 Financial District,  
 Nanakramguda,  
 Serilingampally  
 Hyderabad  
 Rangareddi,  
 Telangana – 500 032  
 Phone : (040) 6716 2222, 3321 1000  
 E-mail : einward.ris@kfintech.com/suresh.d@kfintech.com  
 Kolkata Office: (033) 6628-5934/5901

**Share Transfer System**

Shares sent for physical transfer, if the documents are clear in all respects, are generally registered within an average time period of not more than 7 days from the date of receipt of the request. The Authorized Officers of the Registrar and Share Transfer Agents meet as often as required. During the year ended 31st March, 2020, 5629 shares in physical form were transferred and the transfer process was completed within an average time period of not more than 7 days from the date of lodgement unless notices were required to be sent to the Registered Owners in certain identified categories of cases.

**The Distribution of Shareholding as on 31st March, 2020**

Sl. No.	No. of Shares			Shareholders		Shares	
				Numbers	%	Numbers	%
1	1	-	500	94140	79.72	15747910	7.55
2	501	-	1000	11854	10.04	10159013	4.87
3	1001	-	2000	5976	5.06	9421779	4.52
4	2001	-	3000	1984	1.68	5161469	2.47
5	3001	-	4000	905	0.77	3290775	1.58
6	4001	-	5000	987	0.84	4755409	2.28
7	5001	-	10000	1254	1.06	9638125	4.62
8	10001	-	20000	545	0.46	7983678	3.83
9	20001	and	above	436	0.37	142501135	68.29
<b>Total</b>				<b>118081</b>	<b>100.00</b>	<b>208659293</b>	<b>100.00</b>

Note: As per the SEBI Circular dated 19-12-2017, the shareholding pattern is to be submitted in consolidation with the PAN of the shareholders.

**Category of Shareholders as on 31st March, 2020**

Sl. No.	Category	No. of Holders	% of holders	No. of Sahres	% of Shareholding
1.	Promoters	17	0.01	67473254	32.34
2.	Mutual Funds/UTI	16	0.01	66450	0.03
3.	Financial Institutions/ Banks/ Insurance Companies	65	0.06	10131177	4.86
4.	Foreign Institutional Investors	11	0.01	41517	0.02
5.	Private Corporate Bodies	960	0.81	9516285	4.56
6.	Resident Individuals	115347	97.68	118878412	56.97
7.	NRIs & OCBs	1612	1.37	1430638	0.69
8.	Clearing Members	43	0.04	146025	0.07
9.	Trusts	7	0.01	13631	0.01
10.	NBFC	2	0.00	1446	0.00
11.	Unclaimed Suspense Account	1	0.00	960458	0.46
	<b>TOTAL</b>	<b>118081</b>	<b>100.00</b>	<b>208659293</b>	<b>100.01</b>

**Disclosure of Unclaimed Suspense Account as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Sl. No.	Particulars	No. of Shareholders	No. of Shares
i)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 1st April, 2019	5610	964304
ii)	Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year	8	3846
iii)	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	8	3846
iv)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 31st March, 2020	5602	960458

**Note :** The voting rights on these shares shall remain frozen till the rightful owners of such shares claim the shares.

**Dematerialisation of Equity Shares and Liquidity**

The Company's shares are currently traded only in dematerialised form at two stock exchanges viz. National Stock Exchange of India Limited and BSE Limited. To facilitate trading in dematerialised form, the Company has tied up arrangements with both the present depositories, i.e. National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd. (CDSL). Shareholders can open account with any of the depository-participants registered with any of these depositories. As on 31st March, 2020, about 96.90% of the Company's shares were held in dematerialised form.

**Plant Locations (Manufacturing Units)**

Sl. No.	Address	Items Produced
1.	Uttarpara Division (UTP) Hindmotor, District Hooghly West Bengal – 712 233	Ambassador, Mini Truck - Winner, Auto Components namely Forgings, Castings, Stampings and Spare parts. (Plant is under suspension of work w.e.f. 24th May, 2014)
2.	Pithampur Plant Pithampur, Sector III Sagore – 454 774, District Dhar Madhya Pradesh	Mini Truck - Winner and Spare parts. (Plant is under lay off w.e.f. 4th December, 2014)

**Code for Prevention of Insider Trading**

In accordance with the provisions of SEBI(Provision of Insider Trading Regulations), 2015 as amended from time to time, the Board of Directors of the Company have adopted the revised Code of Conduct to regulate, monitor and report trading by designated person with a review to regulate trading in securities of the Company by Insider.

The Code prohibits insiders from dealing in the security of the Company on the basis of any unpublished price sensitive information available to them by virtue of their position in the Company. The Code also provides for periodical disclosures from designated person as well as pre-clearance of transaction (above threshold), by such person so that they may not use their position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

The Company endeavours to preserve the confidentiality of unpublished price sensitive information and to prevent misuse of such information. A copy of the Code is accessible on the Company's Website at [Hindmotor.com/files/HINDUSTAN-MOTORS-CODE-OF-PRACTICE-April-25-2019.pdf](http://Hindmotor.com/files/HINDUSTAN-MOTORS-CODE-OF-PRACTICE-April-25-2019.pdf).

**CEO Declaration on Code of Conduct**

Reproduced is the text of the declaration made by the Chief Executive Officer confirming compliance of Code of Business Conduct and Ethics by all Directors and Senior Management Executives:-

June 30, 2020

The Board of Directors  
Hindustan Motors Limited  
"Birla Building", 13th Floor  
9/1, R. N. Mukherjee Road  
Kolkata 700 001

Dear Sir,

I hereby confirm and declare that all the Directors of the Company and all Senior Management Executives as defined in the Code of Business Conduct and Ethics of the Company have submitted annual declarations confirming their compliance of the same.

Thanking you

Yours faithfully

For **Hindustan Motors Limited**

Sd/-

**Bhikam Chandra Mishra**  
*Chief Executive Officer*

**Certificate by CEO and CFO**

The Board of Directors  
Hindustan Motors Limited  
"Birla Building", 13th Floor  
9/1, R. N. Mukherjee Road  
Kolkata 700 001

1. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2020 and to the best knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements, that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2019-20 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We had disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
4. We have indicated, wherever applicable, to the Auditors and the Audit Committee:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata  
Date : 30 June, 2020

**Bhikam Chandra Mishra**  
*Chief Executive Officer*

**Mahesh Kumar Kejriwal**  
*Chief Financial Officer*

**CERTIFICATE**

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by Hindustan Motors Limited, having its Registered Office at 9/1 R N Mukherjee Road, 13th Floor, Kolkata – 700 001, West Bengal and also the information provided by the Company, its officers, agents and authorized representatives and based on the verification of the Ministry of Corporate Affairs website, we hereby report that during the Financial Year ended on March, 2020, in our opinion, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Company by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such Statutory authority.

Place: Kolkata  
Date: 30 June, 2020

For, **RBM & Associates**  
Company Secretaries

**Radhaballav Mandal**  
(M.No. F8182)

### **Sexual Harassment at Workplace**

The Company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complaint during the year 2019-20.

### **Address for Correspondence :**

- KFin Technologies Private Limited  
Selenium Building, Tower B, Plot No.31&32,  
Financial District,  
Nanakramguda,  
Serilingampally  
Hyderabad  
Rangareddi,  
Telangana – 500 032  
Phone : (040) 6716 2222, 3321 1000  
E-mail : einward.ris@kfintech.com/suresh.d@kfintech.com  
Kolkata Office: (033) 6628-5934/5901
- For queries/assistance on issues other than shares (including those related to financial statements) :  
Ms. Prativa Sharma  
Company Secretary  
Hindustan Motors Ltd  
“Birla Building”, 13th Floor  
9/1, R. N. Mukherjee Road  
Kolkata - 700 001  
Telephone No : (033) 2242-0932  
Fax No. (033) 2248-0055  
E-mail : hmcosecy@hindmotor.com
- For share transfer/transmission requests  
Any of the local branches of KFin Technologies Private Limited, a list of which can be available from KFin’s aforesaid address or from the office of the Company Secretary.

**Details of Directors seeking reappointment at the ensuing Annual General Meeting :**

<b>Name of Director</b>	<b>Shri Uttam Bose</b>	<b>Smt. Mou Mukherjee</b>
<b>Date of birth</b>	17th December, 1961	9th June, 1968
<b>Date of appointment</b>	25th September, 2014	14th August, 2015
<b>Qualification</b>	B.E. (Mech), MBA	Chartered Accountant MBA (IIFT)
<b>Nature of expertise in specific functional areas</b>	As an Engineer of high caliber he has expertise in developing new businesses with domestic and overseas OEMs, talented, effective and motivated leadership team to manage highly efficient manufacturing businesses and building excellent relationship.	A professional having wide experience in the field of Finance, Accounts, Taxation, Administration, strategic business development and foreign trade.
<b>Names of directorship in other companies (only public limited companies have been considered)</b>	Hindustan Motor Finance Corporation Limited	B&A Limited
<b>Names of committees of other companies in which the director is a member</b>	Nil	
<b>No. of shares held in the Company</b>	Nil	Nil
<b>Relationships with other Directors</b>	No	No

<b>Name of Director</b>	<b>Shri Om Prakash Gupta</b>	<b>Shri Bijaya Ranjan Mazumder</b>
<b>Date of birth</b>	13th October, 1953	29th September, 1945
<b>Date of appointment</b>	30th June, 2020	4th September, 2020
<b>Qualification</b>	M.A. and MBA	Msc. & MBA
<b>Nature of expertise in specific functional areas</b>	Having wide experience in the field of Administrative	Having wide experience in the field, Administration, management and strategic business development.
<b>Names of directorship in other companies (only public limited companies have been considered)</b>	Nil	Nil
<b>Names of committees of other companies in which the director is a member</b>	Nil	Nil
<b>No. of shares held in the Company</b>	Nil	Nil
<b>Relationships with other Directors</b>	No	No

The above report was placed before and approved by the Board at its Meeting held on 30th June, 2020.

For and on behalf of the Board of Directors

Kolkata  
30th June, 2020

**Uttam Bose**  
*Director*  
(DIN- 02340000)

**A. Sankaranarayanan**  
*Director*  
(DIN- 00385632)