

## Annexure-2 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 five 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 Clause 49 of the listing agreement. There are four Independent Directors (as per definition provided in existing Listing Agreement). 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 Listing Agreement)	No. of other Directorships*	No. of other Board Committee(s) of which he is a member **	No. of other Board Committee(s) of which he is a Chairman **
Shri A. Sankaranarayanan	Independent - Non-Executive	3	2	1
Shri Raj Kamal Johri	Independent - Non-Executive	-	-	-
Shri Sanjay Basu	Independent - Non-Executive	-	-	-
Shri Gautam Dutta	Independent - Non-Executive- IDBI Nominee- Lender	-	-	-
Shri Uttam Bose	Not Independent Non-Executive	1	-	-

\* only public limited companies have been considered.

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

Shri C. K. Birla ceased to be a Chairman and Director of the Company with effect from 28th December, 2013. Dr. Anand C. Burman, Shri Naresh Chandra, Shri Kranti Sinha and Shri Pradip Kumar Khaitan ceased to be Directors of the Company with effect from 26th December, 2013, 6th February, 2014, 9th May, 2014 and 29th May, 2014 respectively.

Shri Raj Kamal Johri and Shri Sanjay Basu were appointed as Additional Directors of the Company with effect from 6th February, 2014.

Shri Uttam Bose ceased to be the Managing Director of the Company with effect from the close of business hours on 9th May, 2014 and appointed as Additional Director of the Company with effect from 10th May, 2014.

None of the Non-Executive Directors of the Company has any pecuniary relationship or transaction with the Company, except Shri Pradip Kumar Khaitan who was Director of the Company up to 28th May, 2014, is a partner of M/s Khaitan & Co. / M/s. Khaitan & Co. LLP, the Company's Solicitors and Advocates. There is no inter se relationship between the Directors.

**(b) Board Meetings**

During the six month period ended 31st March, 2014, four meetings of the Board of Directors were held on 30th October, 2013, 18th November, 2013, 26th December, 2013 and 6th February, 2014. The attendance of the Directors in these meetings was as follows :

Name of the Directors	Board Meetings		Last Annual General Meeting
	Held	Attended	If Attended
Shri C. K. Birla (ceased to be a Director w.e.f. 28-12-2013)	4	3	Yes
Shri Naresh Chandra (ceased to be a Director w.e.f. 6-2-2014)	4	3	Yes
Shri Pradip Kumar Khaitan (ceased to be a Director w.e.f. 29-5-2014)	4	4	Yes
Dr. Anand C. Burman (ceased to be a Director w.e.f. 26-12-2013)	4	1	NA
Shri Kranti Sinha (ceased to be a Director w.e.f. 9-5-2014)	4	3	Yes
Shri A. Sankaranarayanan	4	3	No
Shri Gautam Dutta	4	3	Yes
Shri Raj Kamal Johri	4	NA	NA
Shri Sanjay Basu	4	NA	NA
Shri Uttam Bose	4	4	Yes

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

As on 31st March, 2014, number of shares held by Non-Executive Directors were as follows:-

Name of Non-Executive Directors	No. of Shares held on 31st March, 2014
Shri Kranti Sinha (ceased to be a Director w.e.f. 9-5-2014)	500
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 and on 9th May, 2014 and covers the matters specified for it under Clause 49 of Listing Agreement as well as in 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 (As per Listing Agreement)	Membership
Shri Sanjay Basu	Independent and Non-Executive Director	Chairman (w.e.f. 5-8-2014)
Shri A. Sankaranarayanan	Independent and Non-Executive Director	Member
Shri Gautam Dutta	Independent and Non-Executive Director	Member

- Composition of the Committee is in conformity with clause 49(II)(A) of the Listing Agreement. One of the members is nominee of Financial Institution.
- Shri Naresh Chandra, the then Chairman of the Audit Committee was present at the Annual General Meeting held on 26th December, 2013 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, cost 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 Managing Director, the Chief Internal Auditor, the Statutory Auditor, the Cost Auditor and the Chief Financial Officer and 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 six month period ended 31st March, 2014, two Audit Committee Meetings were held on 18th November, 2013 and 6th February, 2014 and the attendance of the Audit Committee Members was as under :-

#### Audit Committee Meetings

Name of the Audit Committee Members	Held	Attended
Shri Naresh Chandra (ceased to be a Director w.e.f. 6-2-2014)	2	1
Shri Kranti Sinha (ceased to be a Director w.e.f. 9-5-2014)	2	1
Shri A. Sankaranarayanan	2	2
Shri Gautam Dutta	2	1
Shri Sanjay Basu (nominated w.e.f. 6-2-2014)	2	-

#### 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 mainly for the purpose of recommending the Company's policy on Remuneration Package for the Managing/Executive Directors, reviewing the structure, design and implementation of remuneration policy in respect of such directors 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.

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

Name	Nature of Directorship (As per Listing Agreement)	Membership
Shri Sanjay Basu	Independent and Non-Executive Director	Chairman (w.e.f. 9-5-2014)
Shri A. Sankaranarayanan	Independent and Non-Executive Director	Member
Shri Raj Kamal Johri	Independent and Non-Executive Director	Member

The Chief Financial Officer and Company Secretary acted as the Secretary of the Committee.

During the period under review, no meeting of the Remuneration Committee was held.

In so far as the Managing Director is concerned, the Company pays remuneration by way of salary, perquisites and allowances (fixed/variable components) within the range approved by the shareholders and subsequently approved by the Central Government, if required. The annual increments effective 1st April of each year as recommended by the Remuneration Committee of Directors are also paid. The ceiling on variable pay, perquisites and allowances is as fixed by the Remuneration Committee of Directors.

**Remuneration paid to Directors during the six month period ended 31st March, 2014**

**Non-Executive Directors**

(Amount in ₹)

Name	Sitting fees for attending Committee and Board Meetings
Shri C. K. Birla (ceased to be a Director w.e.f. 28-12-2013)	30,000
Shri Naresh Chandra (ceased to be a Director w.e.f. 6-2-2014)	40,000
Shri Pradip Kumar Khaitan (ceased to be a Director w.e.f. 29-5-2014)	50,000
Dr. Anand C. Burman (ceased to be a Director w.e.f. 26-12-2013)	10,000
Shri Kranti Sinha (ceased to be a Director w.e.f. 9-5-2014)	50,000
Shri A. Sankaranarayanan	60,000
Shri Gautam Dutta (on behalf of IDBI Bank Ltd.)	50,000
Shri Raj Kamal Johri (appointed w.e.f. 6-2-2014)	-
Shri Sanjay Basu (appointed w.e.f. 6-2-2014)	-

**Remuneration of Executive Director**

(Amount in ₹)

	Shri Uttam Bose, Managing Director (1-10-2013 to 31-3-2014)
Salary* and allowances	81,95,850
Benefits	6,44,688
Bonuses	-
Stock Option	-
Contribution to :	
(i) Superannuation Fund	-
(ii) Provident Fund	3,78,270
<b>Total</b>	<b>92,18,808</b>

\* does not include Contribution to Gratuity Fund.

Notes :

- 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.
- M/s. Khaitan & Co. / M/s. Khaitan & Co. LLP, Solicitors and Advocates of the Company of which Shri Pradip Kumar Khaitan is a Partner renders professional services to the Company upon receipt of fee.

- c) The employment of the Managing Director is contractual in nature and is terminable by either side with a notice period of three months or Company paying three months salary (basic) in lieu of such notice.

#### 5. Special Committee of Directors

The Board of Directors of the Company at its meeting held on 25th January, 2007 had constituted a Special Committee of Directors for the limited purpose of finalizing the development programme / sale of the Company's land at Uttarpara. The Board of Directors of the Company at its meeting held on 1st May, 2010 has expanded the ambit and scope of powers and authorities of the Committee.

The Special Committee of Directors has been dissolved by the Board of Directors of the Company at its meeting held on 5th August, 2014.

#### 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. During the period under review two meetings of such committee were held on 5th November, 2013 and 27th January, 2014.

#### 7. 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 (As per Listing Agreement)	Membership
Shri A. Sankaranarayanan	Independent and Non-Executive Director	Chairman
Shri Raj Kamal Johri (w.e.f. 5-8-2014)	Independent and Non-Executive Director	Member
Shri Gautam Dutta	Independent and Non-Executive Director	Member
Shri Uttam Bose	Not-Independent Director and Non-Executive Director	Member

Shri Yogesh Goenka, Chief Financial Officer and Company Secretary of the Company was designated as the Compliance Officer till 9th May, 2014 and Shri Tarun Kumar Kabra, Company Secretary is designated as the Compliance Officer since 10th May, 2014.

The Committee oversees the performance of Karvy Computershare Pvt. 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, 49 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 six month period ended 31st March, 2014. There were no share transfer applications pending for registration as on 31st March, 2014 except one application for 1000 shares which was under the category of Seller's Notice and was transferred subsequently.

During the six month period ended 31st March, 2014, one meeting was held on 6th February, 2014. The attendance of the Members was as under:-

**Stakeholders Relationship Committee**

Name of the Members	Held	Attended
Shri Pradip Kumar Khaitan - Chairman (ceased to be a Director w.e.f. 29-5-2014)	1	1
Shri Kranti Sinha (ceased to be a Member w.e.f. 9-5-2014)	1	1
Shri A. Sankaranarayanan (Chairman since 5-8-2014)	1	1
Shri Gautam Dutta	1	1
Shri Uttam Bose	1	1

**Complaints received during the six month period ended 31st March, 2014 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 Dividend Warrants	11	11
Non-receipt of Securities	16	16
Non-receipt of Securities after transfer	1	1
Non-receipt of Stickers	3	3
Non-receipt of Annual Report	9	9
<b>Non-receipt of Redemption Warrant</b>	3	3
Miscellaneous	6	6
	<b>49</b>	<b>49</b>

**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	26th December, 2013	Kolkata Ice Skating Rink 78, Syed Amir Ali Avenue Kolkata-700019	No
Court Convened Meeting	23rd September, 2013	-do-	Yes
Annual General Meeting	13th August, 2012	-do-	Yes
Extraordinary General Meeting	7th March, 2012	-do-	Yes
Annual General Meeting	4th August, 2011	-do-	No

**Postal Ballot**

During the period, one Special Resolution under Section 180(1)(a) of the Companies Act, 2013 was passed by requisite majority through Postal Ballot in respect of approval for sale or disposal of Chennai Car Plant of the Company at Adigathur Village, Kadambathur in the District of Tiruvallur, Tamil Nadu. Shri Anjan Kumar Roy, a Company Secretary in practice was appointed as the Scrutinizer for the Postal Ballot process. The results of the Postal Ballot were announced by the Managing Director of the Company at the Registered Office of the Company on 4th February, 2014 and advertised in the newspapers.

**Details of the Special Resolution passed through Postal Ballot are as follows :**

- Description  
Approval for sale or disposal of Chennai Car Plant of the Company at Adigathur, Kadambathur - 631 203 in the District of Tiruvallur in the State of Tamil Nadu.
- Voting Pattern

<b>Voting</b>	<b>Number of Votes</b>	<b>Percentage of Total Votes</b>
Votes in favour	77364321	99.89
Votes against	84986	0.11
<b>Total</b>	<b>77449307</b>	<b>100.00</b>

The procedures prescribed under Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 have been followed for the Postal Ballot conducted during the period for the resolution mentioned above.

**9. Disclosures**

Besides the transactions mentioned elsewhere in the Annual Report, there were no materially significant related party transactions during the period 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.

The Company complied with all the mandatory requirements and one non-mandatory requirement of Clause 49 of Listing Agreement viz. constitution of Remuneration Committee of Directors during the six month period ended 31st March, 2014.

**10. Means of Communication**

<b>Subject</b>	<b>Details</b>
Quarterly results	Published in the newspapers in terms of Clause 41 of the Listing Agreement.
Newspapers wherein results normally published	The Financial Express - All India publications. Akdin/Dainik Statesman - 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	25th September, 2014 at 11.15 a.m.
Venue	Rotary Sadan Rotary Children's Welfare Trust 94/2, Chowringhee Road Kolkata - 700 020
Financial Calendar for F.Y. 2014-15 (1st April, 2014 to 31st March, 2015)	a. 1st Quarterly Results - On or before 14th August, 2014
	b. 2nd Quarterly Results - On or before 14th November, 2014
	c. 3rd Quarterly Results - On or before 14th February, 2015
	d. Annual Audited Results - On or before 30th May, 2015
Date of Book closure	18th September, 2014 to 25th September, 2014 (both days inclusive)
Dividend Payment	In view of the deficit in the Statement of Profit & Loss after taking into account the results for the period 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 8190 Fax : 91-22-2659 8191
	BSE Limited Floor 25, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 Tel : 91-22-2272 1233/1234 Fax : 91-22-2272 1003
	The Calcutta Stock Exchange Limited 7, Lyons Range, Kolkata - 700 001 Tel : 91-33-4025 3000 Fax : 91-33-4025 3030
Stock code	National Stock Exchange of India Ltd. HINDMOTORS BSE Ltd. 500500 The Calcutta Stock Exchange Ltd. 1000012
ISIN Number	INE253A01025



**Market Price Data**

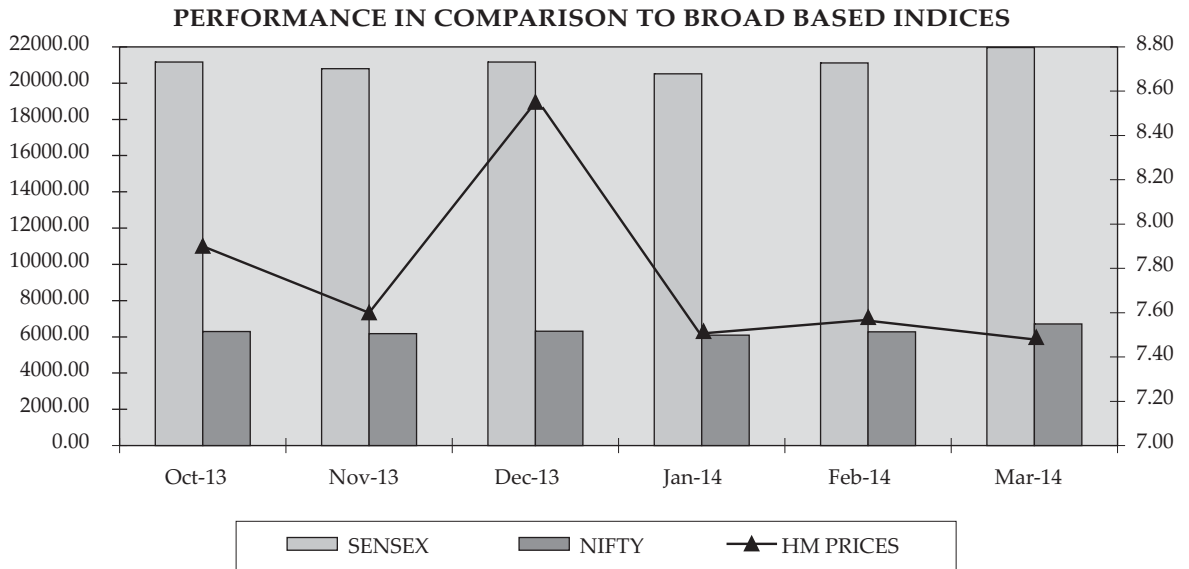
The Company's shares are listed on National Stock Exchange of India Limited, BSE Limited and The Calcutta Stock Exchange Limited. The monthly high and low quotations of shares traded during the six month period ended 31st March, 2014 are as below :

(Amount in ₹)

Month	NSE		BSE		CSE	
	High	Low	High	Low	High	Low
October-13	9.10	7.35	9.15	7.34	NIL	NIL
November-13	8.40	7.35	8.42	7.32	NIL	NIL
December-13	8.90	7.05	8.90	7.00	NIL	NIL
January- 14	8.90	7.00	8.95	7.06	NIL	NIL
February - 14	8.50	7.10	8.48	7.12	NIL	NIL
March - 14	7.50	6.55	8.00	6.60	NIL	NIL

**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**

Karvy Computershare Pvt. Limited  
 Plot nos. 17 to 24 Vittal Rao Nagar  
 Madhapur , Hyderabad 500 081  
 Telephone No : (040) 2342 0818  
 Fax : (040) 2342 0814

E-mail : einward.ris@karvy.com / suresh.d@karvy.com  
 Kolkata Office : (033) 6619 2841, 6619 2842

**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 six month period ended 31st March, 2014, 16055 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, 2014**

No. of Shares	Shareholders		Shares	
	Numbers	%	Numbers	%
1 - 500	111447	81.54%	19530915	10.57%
501 - 1000	13270	9.71%	11274214	6.10%
1001 - 2000	6118	4.48%	9551109	5.17%
2001 - 3000	1933	1.42%	5012662	2.71%
3001 - 4000	878	0.64%	3196818	1.73%
4001 - 5000	899	0.66%	4318876	2.34%
5001 - 10000	1181	0.86%	8846523	4.79%
10001 - 20000	504	0.37%	7388164	4.00%
20001 and Above	443	0.32%	115652712	62.59%
<b>TOTAL</b>	<b>136673</b>	<b>100%</b>	<b>184771993</b>	<b>100%</b>

**Category of Shareholders as on 31st March, 2014**

Sl. No.	Category	No. of holders	% of holders	No. of Shares	% of Shareholding
1.	Promoters	18	0.01	67473254	36.52
2.	Mutual Funds/UTI	16	0.01	66450	0.03
3.	Financial Institutions/ Banks/ Insurance Companies	62	0.05	9770938	5.29
4.	Foreign Institutional Investors	12	0.01	56517	0.03
5.	Private Corporate Bodies	1701	1.24	19565522	10.59
6.	Resident Individuals	133101	97.39	83145369	45.00
7.	NRIs & OCBs	1615	1.18	3417265	1.85
8.	Clearing Members	131	0.10	279263	0.15
9.	Trusts	16	0.01	27142	0.01
10.	Unclaimed Suspense Account	1	0.00	970273	0.53
	<b>TOTAL</b>	<b>136673</b>	<b>100.00</b>	<b>184771993</b>	<b>100.00</b>

**Disclosure of Unclaimed Suspense Account as required under Clause 5A of the Listing Agreement.**

Sl. No.	Particulars	Number of shareholders	Number of shares
i)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 1st October, 2013	5655	974756
ii)	Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the period	11	4483
iii)	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the period	11	4483
iv)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 31st March, 2014	5644	970273

**Dematerialisation of Equity Shares and Liquidity**

The Company's shares are currently traded only in dematerialised form at three stock exchanges viz. National Stock Exchange of India Limited, BSE Limited and The Calcutta Stock Exchange 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, 2014, about 94.22% of the Company's shares were held in dematerialised form.

As on 31st March, 2014, 2,36,00,000 Equity Shares of the Company held by Promoters/Promoter Group companies are under lock-in period.

**Plant Locations (Manufacturing Units)**

Address	Items produced
1. Uttarpur Division (UTP) Hindmotor - 712 233 District - Hooghly West Bengal	Ambassador, Mini Truck - Winner, Auto Components namely Forgings, Castings, Stampings and Spare parts.
2. Pithampur Plant Pithampur Sector III Sagore - 454 774 District - Dhar Madhya Pradesh	Mini Truck - Winner and Spare parts
3. Chennai Car Plant (CCP)* Adigathur Kadambathur - 631 203 District - Tiruvallur Tamil Nadu * (Up to 29th March, 2014)	Pajero Sport, Spare parts and contract manufacturing for Isuzu Motors India Private Limited.

## CEO Declaration on Code of Conduct

Reproduced is the text of the declaration made by the CEO cum Managing Director confirming compliance of Code of Business Conduct and Ethics by all Directors and Senior Management Executives:-

May 9, 2014

The Board of Directors  
Hindustan Motors Limited  
"Birla Building", 14th 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/-  
**Uttam Bose**  
CEO and Managing Director

### Address for Correspondence :

- For matters related to shares :  
Karvy Computershare Pvt. Limited  
Plot nos. 17 to 24 Vittal Rao Nagar  
Madhapur, Hyderabad - 500 081  
Telephone No : (040) 2342 0818  
Fax : (040) 2342 0814  
E-mail : einward.ris@karvy.com / suresh.d@karvy.com
- For queries/assistance on issues other than shares (including those related to financial statements) :  
Shri Tarun Kumar Kabra  
Company Secretary  
Hindustan Motors Ltd  
"Birla Building", 14th Floor  
9/1, R. N. Mukherjee Road  
Kolkata - 700 001  
Telephone No : (033) 2242-0932  
Fax No. (033) 22480055  
E-mail : hmcosecy@hindmotor.com
- For share transfer/transmission requests  
Any of the local branches of Karvy Computershare Pvt. Ltd., a list of which can be available from Karvy's aforesaid address or from the office of the Company Secretary.

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

Name of Director	Shri A. Sankaranarayanan	Shri Raj Kamal Johri	Shri Sanjay Basu	Shri Uttam Bose
Date of birth	29th July, 1942	29th August, 1948	11th February, 1976	17th December, 1961
Date of appointment	8th January, 1997	6th February, 2014	6th February, 2014	10th May, 2014
Qualification	B.E. (Mech)	M.A., LL.B.	LL.B.	B.E. (Mech), MBA
Nature of expertise in specific functional areas	As an Engineer of high caliber he has expertise in developing and introducing new products, updating existing product range and mix in achieving import substitutions and strengthening the In-house R&D activities.	Served as Superintendent of Police. Served in Government of India as Deputy Director and as Joint Commissioner Kolkata Police, Inspector General of Police and retired as Additional Director General of Police	Solicitor specializing in corporate matters having experience of about 15 years	As an Engineer of high caliber he has expertise in developing new businesses with domestic & overseas OEMs, talented, effective and motivated leadership team to manage highly efficient manufacturing businesses and building excellent relationship.
Names of directorship in other companies (only public limited companies have been considered)	1 Birlasoft (India) Ltd. 2 Neosym Industry Limited 3 AVTEC Ltd.			
Names of committees of other companies in which the director is a member.	1 Audit Committee of AVTEC Ltd. 2 Audit Committee of Birlasoft (India) Ltd.			
No. of shares held in the Company	1300			
Relationships with other Directors	No	No	No	No

The above report was placed before and approved by the Board at its Meeting held on 5th August, 2014.

For and on behalf of the Board of Directors

Kolkata  
5th August, 2014

**Uttam Bose**  
*Director*

**A. Sankaranarayanan**  
*Director*

## Auditor's Certificate

To  
**The Members of Hindustan Motors Limited**

We have examined the compliance of conditions of corporate governance by Hindustan Motors Limited, for six month period ended on March 31, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S.R. BATLIBOI & CO. LLP**

*Chartered Accountants*

ICAI Firm Registration Number: 301003E

*Per Raj Agrawal*

*Partner*

Membership No.: 82028

Place : Kolkata

Date : August 05, 2014