

HINDUSTAN MOTORS LIMITED

**POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON
DEALING WITH RELATED PARTY TRANSACTIONS**

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1. INTRODUCTION

Hindustan Motors Limited has always been committed to good corporate governance practices, including in matters relating to Related Party Transactions (RPTs). Endeavour is consistently made to have only arm's length transactions with all parties including Related Parties. The Board of Directors of the Company has a 'Related Party Transactions Policy' in terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations") and Section 188 of the Companies Act, 2013 since 4th November, 2014. However, in light of the various impactful changes pursuant to several amendments in the Listing Regulations and most of which are going to be effective from 01.04.2022, the existing policy is duly amended to align it with the changes as introduced by SEBI recently. The new Policy termed as "Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions" is framed as per the requirements of the applicable laws and shall operate within the boundaries set by the various provisions of the Listing Regulations.

This Policy shall become effective from the date of its adoption by the Board.

2. SCOPE AND PURPOSE OF THE POLICY

The objectives of this Policy are to regulate transactions between the Company and its Related Parties based on the laws and regulations applicable to the Company in this regard and to ensure proper approval and reporting of transactions between the Company and its Related Parties.

The Board recognizes that certain transactions present a heightened risk of conflicts of interest or the perception thereof. Therefore the Board has adopted this Policy to ensure that all Related Party Transactions with Related Parties shall be subject to this policy and approval or ratification in accordance with Applicable Law. This Policy contains the policies

