

Hindustan Motors

Registered Office :
Hindustan Motors Limited
Birla Building, 13th Floor
9/1, R. N. Mukherjee Road
Kolkata - 700 001

CIN-L34103WB1942PLC018967
T +91 033 22420932 (D) F +91 033 22480055
T +91 033 40823700 hmcosecy@hindmotor.com
T +91 033 22200600 www.hindmotor.com



August 30, 2024

1 The Manager, Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, 5th floor
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400 051

2 Corporate Relationship Dept.
BSE Limited
1st floor, New Trading Ring
Rotunda Building, P. J. Towers
Dalal Street, Fort
Mumbai – 400 001

(Company Code: HINDMOTORS)

(Company Code: 500500)

Dear Sirs

**Sub : Submission of Annual Report & Accounts for the year ended 31st March, 2024
along with Notice of Annual General Meeting**

As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed please find a copy of Annual Report and Accounts of the Company for the year ended 31st March, 2024 containing *inter alia*, Notice of the Annual General Meeting to be held on 25th September, 2024, Directors' Report, Auditor's Report, financial statements, being Balance Sheet of the Company as at 31st March, 2024 and Statement of Profit and Loss and Cash Flow Statement for the year ended 31st March, 2024.

Thanking you,

Yours faithfully
For Hindustan Motors Limited

Vishakha Gupta
Company Secretary
M.No.A54948

Encl : As above

**ANNUAL REPORT &
ACCOUNTS 2023-2024**



Hindustan Motors Limited

HINDUSTAN MOTORS LIMITED

ANNUAL REPORT

Year Ended March 31, 2024

Board of Directors

Shri A. Sankaranarayanan
Shri Raj Kamal Johri
Shri Uttam Bose
Smt. Mou Mukherjee
Shri Om Prakash Gupta
Shri Sourav Daspatnaik

Chief Executive Officer

Shri Prakash Sahu

Chief Financial Officer

Shri Mahesh Kumar Kejriwal

Company Secretary

Mrs. Vishakha Gupta

Bankers

UCO Bank
ICICI Bank

Statutory Auditors

Messrs. Ray & Ray
Chartered Accountants

Share Transfer Agents

KFin Technologies Limited
Plot 31-32, Karvy Selenium, Tower B,
Gachibowli, Financial District, Nanakramguda,
Serilingampally
Hyderabad – 500 032
Phone : (040) 67161517
Fax : 040 – 2342 0814
E-mail: einward.ris@kfintech.com
suresh.d@kfintech.com
Kolkata Office : (033) 6628-5900

Registered Office

'Birla Building', 13th Floor
9/1, Rajendra Nath Mukherjee Road
Kolkata 700 001
Tel : +91 33 2242 0932; 4082 3700; 2220 0600
Fax : +91 33 2248 0055
E-mail : hmcosecy@hindmotor.com
Website : www.hindmotor.com
CIN : L34103WB1942PLC018967

CONTENTS	Page
Notice of Annual General Meeting	2
Directors' Report	12
Annexure 1-7 to the Directors' Report	19
Independent Auditors' Report	48
Balance Sheet	58
Statement of Profit and Loss	59
Cash Flow Statement	61
Notes to Financial Statements	62

Notice to the Shareholders

NOTICE is hereby given that the 82nd Annual General Meeting (AGM) of Hindustan Motors Limited will be held on Wednesday, 25th September, 2024 at 2:00 PM (IST) through Video Conferencing / Other Audio Visual Means (VC/OAVM) to transact the following business:-

AS ORDINARY BUSINESS:

(1) To receive, consider and adopt the Audited Standalone Financial Statements of the Company together with the Directors' Report and also the Auditors' Report thereupon for the financial year ended 31st March, 2024.

(2) To consider and, if thought fit, to pass, the following resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 and the rules related thereto read with Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) / amendment(s)/ re-enactment(s) thereto), Shri A. Sankaranarayanan (DIN-00385632) who retires by rotation at this meeting and who has attained the age of 75 years and being eligible, has offered himself for reappointment, be and is hereby re-appointed as a Director of the Company(Category: Non-Executive, Non-Independent), liable to retire by rotation.”

(3) To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**, relating to the appointment of the Auditors of the Company:

“**RESOLVED THAT** pursuant to provisions of Section 139 of the Companies Act, 2013 and Rules made thereunder, **M/s KAMG & Associates, Chartered Accountants (Registration No. 311027E)**, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of 82nd Annual General Meeting (AGM) to the conclusion of 87th AGM and that Board of Directors of the Company be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with auditors during the tenure of the auditors.”

AS SPECIAL BUSINESS:

(4) To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules framed thereunder read with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) for the time being in force], Ms. Sarada Hariharan (DIN No.06914753), who was appointed as an Additional Director (Category-Non-Executive Independent Director) of the Company based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors pursuant to Section 161 of the Act with effect from 7th August, 2024 to hold office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a valid nomination from a Member proposing her as a Director of the Company in terms of the provisions of Section 160 of the Act, be and is hereby appointed as a Director (Category-Non-Executive Independent Director) of the Company, not liable to retire by rotation for a term of 5 (five) consecutive years commencing from her date of appointment i.e., 7th August, 2024 up to 6th August, 2029.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for the purpose of giving effect to the aforesaid resolution and in connection with any matter incidental thereto.”

Registered Office :
'Birla Building'
9/1, Rajendra Nath Mukherjee Road
Kolkata - 700 001

7th August, 2024

By Order of the Board
For HINDUSTAN MOTORS LTD

Vishakha Gupta
Company Secretary
M.No. A54948

NOTES :

Notes for E-AGM Notice

Pursuant to circulars bearing no.20/2020 dated 5th May, 2020, 02/2021 dated 13th January, 2021, 19/2021 dated 8th December, 2021, 21/2021 dated 14th December, 2021, 02/2022 dated 05th May, 2022 and 10/2022 dated 28th December, 2022 ("MCA Circular") ("MCA Circulars") and circular dated May 12, 2020 and January 15, 2021 issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the 82nd AGM of the Company is being conducted through VC/OAVM facility, which does not require physical presence of members at the venue of the Annual General Meeting (AGM).

1. In compliance with applicable provisions of the Companies Act, 2013 read with aforesaid MCA circulars the 82nd Annual General Meeting of the company being conducted through Video Conferencing (VC) hereinafter called as "E-AGM".
2. E-AGM: Company has appointed M/s KFin Technologies Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the E-AGM.
3. Since AGM will be held through VC/OAVM, the Route Map is not required and hence, not annexed to this Notice.
4. Pursuant to the provisions of the circulars of MCA on the VC/OVAM (E-AGM):
 - a. Members can attend the meeting through log in credentials provided to them to connect to Video conference. Physical attendance of the Members at the Meeting venue is not required.
 - b. Appointment of proxy to attend and cast vote on behalf of the member is not available.
 - c. Body Corporates are entitled to appoint authorised representatives to attend the E-AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
5. The Members can join the E-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
6. Up to 1000 members will be able to join on a FIFO basis to the E-AGM.
7. No restrictions on account of FIFO entry into E-AGM in respect of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
8. The attendance of the Members (members logins) attending the E-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
9. All investor related communication may be addressed to KFin Technologies Limited at the following address:

KFin Technologies Limited
 Unit: Hindustan Motors Limited
 Selenium Tower B Plot No. 31 & 32
 Gachibowli, Financial District,
 Nanakramguda Serilingampally Mandal
 Hyderabad – 500 032
 Toll free number - 1800-309-4001
 E-mail: einward.ris@Kfintech.com
 Website: www.kfintech.com
10. In compliance with above mentioned circulars of MCA and SEBI, the Notice calling this AGM along with the Annual Report for FY 2023-24 is being sent only by electronic mode to those Members whose e-mail addresses are registered with the Depository Participants or the Company's RTA. Members may kindly note that the Notice of AGM and Annual Report for FY 2023-24 will also be available on the Company's website viz. www.hindmotor.com and website of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited (www.bseindia.com and www.nseindia.com).

11. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical mode can submit their PAN to the Company/RTA.

Members are requested to send their queries, if any, on the financial statements/operations of the Company, via email to the Company Secretary at hmcosecy@hindmotor.com at least 7 days before the AGM, so that the answers to the queries can be compiled in advance.

12. The documents referred to in this Notice are available for inspection electronically without any fee by the Members on all business days (except Saturday, Sunday and Public Holidays) up to the date of AGM. The Register of Directors, Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements, in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection electronically by the members during the AGM. Members seeking to inspect such documents may send request from their email id registered with the Company/RTA to the Company Secretary at hmcosecy@hindmotor.com
13. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI LODR, the Company is providing to its members facility to exercise their right to vote on the Resolutions as set out in notice of AGM by electronic means (“e-voting”). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below (“remote e-voting”). The facility for voting through electronic voting system will also be available during the AGM (“InstaPoll”) and members attending the AGM, who have not cast their vote(s) by remote e-voting, will be able to cast their vote at the meeting through InstaPoll. The Company has engaged the services of KFin Technologies Limited (RTA) as the agency to provide e-voting facility at the AGM.
14. The remote e-voting facility will be available during the following period:

Commencement of remote e-voting	From 9.00 a.m. on 22nd September, 2024
End of remote e-voting	Up to 5.00 p.m. on 24th September, 2024

Remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFin Technologies Limited upon expiry of aforesaid period.

15. Persons whose name appears in the Register of Member/list of Beneficial Owners as on 18th September, 2024, Wednesday (end of day), being the **Cut-off date** shall be entitled to cast their vote by remote e-voting on the resolutions set forth in this Notice or participating at the AGM and vote through InstaPoll. Any person, who is not a Member as on the Cut-off date, should treat this Notice for information purpose only.
16. The Board of Directors has appointed Shri Anjan Kumar Roy, FCS, a Company Secretary in practice (C.P.No.4557) as Scrutinizer to scrutinize the remote e-voting and InstaPoll process in a fair and transparent manner and he has communicated his willingness to get appointed and will be available for the said purpose.
17. After conclusion of e-voting at the AGM, Scrutinizer will scrutinize the votes cast via InstaPoll and remote e-voting, and make a consolidated Scrutinizer’s Report submission to the Chairman /Director.
18. The result of e-voting (remote e-voting and InstaPoll) will be declared within two working days of the conclusion of AGM and the same, along with the consolidated Scrutinizer’s Report, will be placed on Company’s website viz. www.hindmotor.com and on the website of RTA viz. <https://evoting.kfintech.com>. The result will be simultaneously communicated to the stock exchanges viz. NSE and BSE.
19. The resolutions as set out in the notice of AGM shall be deemed to be passed on the date of AGM, subject to receipt of requisite number of votes in favour of the resolution(s).
20. Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on “e-Voting Facility provided by Listed Entities”, individual shareholders holding equity shares in dematerialised form can cast their vote, by way of single login credential, through their demat account/websites of Depositories /Depository Participants.

The members are advised to update their mobile number and E-mail ID in their demat accounts in order to access e-voting facility.

The process and manner of remote e-Voting, attending AGM through VC / OAVM and e-Voting at AGM is as under:

PROCEDURE TO CAST VOTE THROUGH REMOTE E-VOTING

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on “e-Voting facility provided by Listed Entities”, e-Voting process has been enabled for all Individual members holding shares in demat mode, by way of single login credential, through their demat accounts/websites of Depositories/ Depository Participants (DPs), in order to increase the efficiency of the voting process. They can cast vote on the resolutions, without registering with e-Voting Service Provider (ESP) viz. KFin Technologies Limited (“KFin”).

1. **Individual members holding shares in demat mode:** Access to Depositories e-Voting system and process to caste vote.
 2. **Members other than “Individuals holding shares of the Company in demat mode”:** Access to KFin e-Voting system and process to caste vote.
1. **1. Individual members holding shares in demat mode: Access to Depositories e-Voting system and process to caste vote**

National Securities Depository Limited (NSDL)	Central Depository Services (India) Limited (CDSL)
<p>1. User already registered for IDeAS facility:</p> <p>(i) URL: https://eservices.nsdl.com</p> <p>(ii) Click on the “Beneficial Owner” icon under ‘IDeAS’ section.</p> <p>(iii) On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”.</p> <p>(iv) Click on company name: “Hindustan Motors Limited” or e-Voting service provider “K-Fintech” and then you will be re-directed to K-Fintech’s e-Voting page to cast vote during the remote e-Voting period.</p>	<p>1. User already registered for Easi / Easiest:</p> <p>(i) Visit URL: https://web.cdslindia.com/myeasi/home/login</p> <p style="text-align: center;">OR</p> <p>www.cdslindia.com and click on “Login” and select “New System Myeasi”</p> <p>(ii) Enter your user id and password.</p> <p>(iii) Post successful authentication, please click on ‘E-voting’</p> <p>(iv) You will be requested to select the name of the Company: “Hindustan Motors Limited” or KFin and then you will be re-directed to KFin’s e-Voting page to cast the vote during the remote e-Voting period.</p>
<p>2. User not registered for IDeAS facility:</p> <p>(i) To register click on link: https://eservices.nsdl.com and select “Register Online for IDeAS”</p> <p style="text-align: center;">OR</p> <p>https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>(ii) Proceed with completing the required fields.</p> <p>(iii) Follow steps given in point no. 1 above.</p>	<p>2. User not registered for Easi/ Easiest:</p> <p>(i) To register click on the link: https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>(ii) Proceed with completing the required fields.</p> <p>(iii) Follow steps given in point no. 1 above.</p>
<p>3. Alternatively, by directly accessing the e-Voting website of NSDL:</p> <p>(i) Open URL: https://www.evoting.nsdl.com/</p> <p>(ii) Click on the icon “Login” available under ‘Shareholder/ Member’ section.</p> <p>(iii) On the Login page, enter your User ID (i.e. your 16 character demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</p> <p>(iv) Post successful authentication, click on company name: “Hindustan Motors Limited” or e-Voting service provider “K-Fintech” and then you will be re-directed to K-Fintech’s e-Voting page to cast vote during the remote e-Voting period.</p>	<p>3. Alternatively, by directly accessing the e-Voting website of CDSL:</p> <p>(i) Open URL: www.cdslindia.com and select “E Voting”.</p> <p>(ii) Provide BO ID/ demat account number and PAN.</p> <p>(iii) System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.</p> <p>(iv) You will be requested to select the name of the Company: “Hindustan Motors Limited” or KFin and then you will be re-directed to KFin’s e-Voting page to cast the vote during the remote e-Voting period.</p>

National Securities Depository Limited (NSDL)	Central Depository Services (India) Limited (CDSL)
Procedure to login through demat account/website of Depository Participant (DP)	(i) You can also login using the credentials of your demat account through your DP registered with NSDL/CDSL for remote e-Voting facility. (ii) Once logged-in, you will be able to see “e-Voting” option. Once you click on “e-Voting” option and after successful authentication, you will be re-directed to e-voting module of NSDL/CDSL. (iii) Click on options available against company name: “Hindustan Motors Limited” or e-Voting service provider: KFin and you will be re-directed to e-Voting website of KFin for casting your vote during the remote e-Voting period.

Note: After successful login, as explained above, the individual members holding shares in demat mode, are requested to follow steps (f) to (k) mentioned under point no. 2(I)(A) below, to cast their vote.

Members who are unable to retrieve User ID/ Password are advised to use “Forget User ID”/“Forget Password” option available the websites of Depositories/DP.

Members facing any technical issue on NSDL website	Members facing any technical issue on CDSL website
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800-1020-990/ 1800-224-430	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

2. All Members other than ‘Individuals holding shares of the Company in demat mode’ Access to KFin Technologies Limited e-Voting system and process to caste vote.

I. (A) Members whose e-mail addresses are registered with the Company/Depository Participant(s) and have received email from KFin with login credentials. Please follow the below process:

- (a) **Launch internet browser by typing the URL:** <https://evoting.kfintech.com/>
- (b) Enter the login credentials (User ID and password given in the e-mail). The E-Voting Event Number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use the existing password for logging in. If required, please visit <https://evoting.kfintech.com/> or contact at **040- 67162222/1800-309-4001** (from 9:00 a.m. to 6:00 p.m.) for your existing password.
- (c) After entering these details appropriately, click on “**LOGIN**”.
- (d) You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging in for the first time. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (e) You need to login again with the new credentials.
- (f) On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for Name of the Company viz. Hindustan Motors Limited.
- (g) On the voting page, enter the number of shares held by you as on the Cut-off date under either “FOR” or “AGAINST” or alternatively, you may partially enter any number under “FOR”/“AGAINST”, but the total number under

“FOR”/“AGAINST” taken together should not exceed your total shareholding as on the cut-off date. You may also choose to “ABSTAIN” and vote will not be counted under either head.

- (h) Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- (i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as “ABSTAINED”.
- (j) You may then cast your vote by selecting an appropriate option and click on “SUBMIT”.
- (k) A confirmation box will be displayed. Click “OK” to confirm, else “CANCEL” to modify.
- (l) Once you confirm, you will not be allowed to modify your vote.

(B) Member whose e-mail address is not registered/updated with the Company/KFin Technologies Limited/Depository Participant(s). Please follow the below process to generate your login credentials:

- (a) Members holding shares in physical mode, who have not registered/ updated their email addresses with the Company, are requested to register/ update the same by clicking on <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> or by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at hmcosecy@hindmotor.com or to KFin at inward.ris@Kfintech.com.
- (b) Members holding shares in dematerialized mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register/update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts. For the limited purpose of receiving the login credentials for this AGM you can also use the link <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> to register their e-mail address.
- (c) After due verification, the Company/KFin will forward your login credentials to your registered email address.
- (d) Follow the instructions at I (A) (a) to (l) to cast your vote.

- II. You can also update your mobile number and e-mail id in the “user profile details” in your e-voting login on <https://e-voting.kfintech.com> which may be used for sending further communication.
- III. Once the vote on a resolution has been cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
- IV. Any person who becomes a member of the Company after dispatch of the Notice of the AGM and holding shares as on the Cut-off Date may obtain the User ID and password from KFin Technologies Limited in the manner as mentioned below:
 - (a) If the mobile number of the member is registered against Folio No./DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number Folio No. or DP ID Client ID to +91-9212993399
 Example for NSDL: MYEPWD <SPACE> IN12345612345678 Example for CDSL: MYEPWD <SPACE> 1402345612345678
 Example for Physical: MYEPWD <SPACE> XXXX1234567890
 - (b) If e-mail address or mobile number of the member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - (c) Member may send an e-mail request to <https://evoting.kfintech.com> requesting User ID and Password. After due verification of the request, user id and password will be sent to the members.
- V. In case of any query/grievance, in respect of e-voting - Members may refer to the Help & FAQs section/E-voting user manual available at the “Downloads” section of KFin’s website: <https://evoting.kfintech.com> or contact Mr. Rajkumar Kale, AGM, KFin Technologies Limited, Unit: Hindustan Motors Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500 032 | Phone No.: +91-040-67162222 | Toll- free No.: 040- 67162222/ 1800-309-4001 | E-mail: evoting@Kfintech.com.

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM AND VOTING AT AGM:

The Company is providing VC/OAVM facility to its Members for participating at the AGM.

- a) Members will be able to attend the AGM through VC at <https://emeetings.KFintech.com> by using their e-voting login credentials provided in the email received from the Company/KFin.

Members are requested to follow the procedure given below:

- i. Launch internet browser (chrome/Firefox/safari) by typing the URL: <https://emeetings.KFintech.com>
 - ii. Enter the login credentials
 - iii. After logging in, click on "Video Conference" option
 - iv. Then click on camera icon appearing against AGM event of Hindustan Motors Limited, to attend the AGM.
- b) Members will be allowed to attend the AGM through VC/OAVM on first come, first served basis.
- c) Members who would like to express their views or ask questions during the AGM may register themselves by logging on to <https://emeetings.Kfintech.com> and clicking on the 'Speaker Registration' option available on the screen after log in. The Speaker Registration will be open from 22nd September, 2024, Sunday (9:00 a.m. IST) till 24th September, 2024, Tuesday (5:00 p.m. IST). Only those members who have registered themselves as speaker will be allowed to express their views or ask questions at the AGM. The Company reserves the right to restrict the number of questions and speakers, depending upon availability of time as appropriate for smooth conduct of the AGM. Members are requested to wait for their turn to be called by the Chairperson of the Meeting during the Question and Answer Session. Due to inherent limitation of transmission and coordination during the AGM, the Company may have to dispense with or curtail the Question and Answer Session. Hence, Members are encouraged to get themselves registered in advance to ask questions/queries etc. at the AGM.
- d) Facility to join the meeting shall be opened 30 minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.
- e) **Voting at AGM ("InstaPoll"):**
- Facility to cast vote through InstaPoll will be made available on Video Conferencing screen and will be activated once the InstaPoll is announced at the AGM.
 - Member can opt for only single mode of voting per EVENT, i.e., through remote e-voting or voting at the AGM (InstaPoll). If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".
 - In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
- f) Members who need assistance before or during the AGM can contact KFin at evoting@KFintech.com or call at 1800-309-4001. Kindly quote your name, DP ID-Client ID/Folio no. and E-voting Event Number in all your communications.

GENERAL NOTES

1. Members who have shareholdings in multiple accounts in identical names or joint accounts in the same order are requested to send all the share certificate(s) to the Registrar and Share Transfer Agents, KFin Technologies Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, Telangana for consolidation of all such shareholdings into one account to facilitate better service.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 19th September, 2024, Thursday at 9.00 AM and closed on 25th September, 2024, Wednesday (both days inclusive).
3. (a) Members are requested to notify change of address, if any, with PINCODE to the Company or to its Registrar and Share Transfer Agents quoting reference of their folio number and in case their Shares are held in dematerialised form, this information should be passed on to their respective Depository Participants.

- (b) In case the mailing address mentioned in this Annual Report is without the PINCODE, members are requested to kindly inform their PINCODE immediately.
4. A member desirous of getting any information on the accounts or operations of the Company or share related matter is requested to forward his/her query (ies) to the Company at least seven days prior to the meeting so that the required information can be made available at the meeting.
 5. The shares of the Company are in compulsory demat segment. Those members, who still continue to hold shares in physical form, are requested to get their shares dematerialised at the earliest.
 6. Securities and Exchange Board of India has made it mandatory for every participant in the securities/capital market to furnish income tax Permanent Account Number (PAN). Accordingly, all the members (including joint holders) holding shares in physical form are requested to submit copy of their PAN Card duly attested by the Notary Public/Gazetted Officer/Bank Manager under their official seal stating their full name and address, registration number to the Registrar and Share Transfer Agents, KFin Technologies Limited.
 7. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" allowing paperless compliances by Companies through electronic mode. Companies are now permitted to send various notices /documents to its members through electronic mode to the registered e-mail addresses of members. Keeping in view the underlying theme and the circular issued by MCA, the Company proposes to send all documents to members like General Meeting Notices (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report etc. to the members through e-mail. Members holding shares in dematerialized form are requested to register their e-mail ID with their Depository Participants and members holding shares in physical form are requested to register their e-mail ID with Registrar and Share Transfer Agents of the Company i.e., KFin Technologies Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, Telangana for sending documents through e-mail.
 8. The Notice of the 82nd AGM and instruction for e-voting, is being sent by electronic mode to all the members whose email addresses are registered with the Company/Depository Participant(s) for communication purpose.
 9. Members may also note that the Notice of the 82nd AGM and the Annual report 2023-2024 will be available on the Company's website, www.hindmotor.com.
 10. The Securities and Exchange Board of India (SEBI) vide its Circular dated 21st March, 2013 has provided that companies making cash payments to their investors shall use approved electronic mode of payment such as ECS, NECS, NEFT etc. To enable usage of electronic payment instruments, companies are required to maintain requisite bank details of their investors. Therefore, members of the Company who hold shares in physical form are requested to submit the following information under their signatures to Registrar and Share Transfer Agents of the Company i.e., KFin Technologies Limited for registering bank details if not already registered earlier :-
 - a) Name of the sole/first joint-holder
 - b) Folio number
 - c) Name of the Bank
 - d) Address of the Bank branch with Pin code
 - e) Bank Account No.
 - f) Type of Bank account whether saving or current
 - g) MICR Code and
 - h) IFSC Code
 11. All relevant documents referred in the Notice and Statement will be available for inspection by the members at the Registered Office of the Company on all working days (Except Saturday, Sundays and Public Holidays) between 10 AM and 1:00 PM till the date of the meeting.
-

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 2

As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulation'), no listed company shall appoint or continue the Directorship of a Non-Executive Director who has attained the age of 75 years, unless a special resolution is passed to that effect.

Mr. A Sankaranarayanan (DIN : 00385632), is continuing in the Board with the approval of the shareholders in the form of Special Resolution post completion of his 75 years in age and he is again liable to retire by rotation in the forthcoming Annual General Meeting.

Mr. A Sankaranarayanan (DIN : 00385632) is a BE (Mechanical Engineer). He has been associated with the Company since long time and is having profound knowledge about the Company. He has an enriched experience in developing and introducing new products, updating existing product range and mix in achieving import substitutions and strengthening the In-house R&D activities. His guidance on matters related to Accounts, Finance, Taxation and various other aspects has been notable and supportive to the Company in dealing with complex matters.

Therefore, approval of members to the special resolution regarding the continuation of the directorship of Mr. A Sankaranarayanan is sought.

Except Mr. A Sankaranarayanan, none of the Directors and Key Managerial Persons of the Company and their relatives are in any way concerned or interested, financial or otherwise, in the aforesaid resolution.

The Board recommends the Special Resolution set out at Item No.5 of the Notice for approval by the members.

The information as required in terms of SEBI (LODR) Regulations, 2015 is given in Corporate Governance Report annexed to the Director's Report.

Item No. 4

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company, Ms. Sarada Hariharan (DIN No. 06914753) as an Additional Director in the capacity of Independent Director of the Company with effect from 7th August, 2024.

In terms of the provisions of Section 161 of the Act, Ms. Sarada Hariharan (DIN No. 06914753) will hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Ms. Sarada Hariharan (DIN No. 06914753) for the office of Director of the Company.

Ms. Sarada Hariharan (DIN No. 06914753) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Ms. Sarada Hariharan (DIN No. 06914753) that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 25 of SEBI (LODR) Regulations, 2015.

The Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee of Directors has appointed Ms. Sarada Hariharan (DIN No. 06914753) as Independent Director for five consecutive years with effect from 7th August, 2024 subject to approval of members.

In terms of Section 149 and other applicable provisions of the Act, Ms. Sarada Hariharan (DIN No. 06914753) being eligible, is proposed for appointment as Independent Director for five consecutive years on the Board of the Company.

In the opinion of the Board, Ms. Sarada Hariharan (DIN No. 06914753) fulfils the conditions for her appointment as an Independent Director as specified in the Act and the SEBI (LODR) Regulations, 2015. Ms. Sarada Hariharan (DIN No. 06914753) is independent of the management.

Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that the appointment of Ms. Sarada Hariharan (DIN No. 06914753) is approved as an Independent Director.

The terms and conditions for appointment of Ms. Sarada Hariharan (DIN No. 06914753) as an Independent Director is available for inspection by members at the Registered Office of the Company.

Except Ms. Sarada Hariharan (DIN No. 06914753), none of the Directors, Manager, other Key Managerial Personnel and their relatives are in any way concerned or interested, financial or otherwise, in the aforesaid Resolution.

The Board recommends the Ordinary Resolution set out at Item No.4 of the Notice for approval by the members.

The information as required in terms of SEBI (LODR) Regulations, 2015 is given in Corporate Governance Report annexed to the Directors' Report.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 4.

Details of Directors seeking appointment/reappointment at the Annual General Meeting pursuant to Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) as amended

Name of Director	Shri A. Sankaranarayanan	Ms. Sarada Hariharan
DIN	00385632	06914753
Date of birth / Age	29th July, 1942/ 82 yrs	14th April, 1974/ 50 yrs
Date of first appointment on the Board	8th January, 1997	7th August, 2024
Qualification	B.E. (Mech)	BA, LLB (Hons), National Law School of India University, Bangalore,
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.	As an Advocate of high caliber. She has expertise in litigation includes inter alia, commercial division matters in various courts, corporate and other consultancy services.
Number of Meetings of the Board attended during the year	4	N.A.
Names of directorship in other companies (only public limited companies have been considered)	1 AVTEC Ltd. 2 Neosym Industry Limited	1. Tai Industries Limited
Names of committees of other companies in which the director is a member.	1. AVTEC Ltd a) Audit Committee b) Nomination and remuneration committee 2. Neosym Industry Limited a) Audit Committee	
Names of listed entities from which the person has resigned in the past three years	NIL	NIL
Number of shares held by him in the Company a) Own b) Beneficial basis	1300	NIL
Relationships with other Directors	No	NIL

Directors' Report to the Members

Your Directors present their Eighty-second (82nd) Annual Report together with audited financial statements of the Company for the year ended March 31, 2024.

Financial Results / Performance

During the year under review, the Company's revenue/Other Income is Rs.30.16 Crores compared to Rs.3.79 Crores in the previous financial year. The following table gives a summary of the performance.

(₹ in crores)

Particulars	2023-24	2022-23
Gross Revenue from Operations/Other Income	30.16	3.79
Net Revenue from Operations	30.16	3.79
Profit/(Loss) before Exceptional items and Tax	25.29	(2.02)
Exceptional items (Net)	-	1.00
Profit/(Loss) before Tax	25.29	(1.02)
Tax Expenses	(0.13)	(1.07)
Net Profit/ (Loss) after tax	25.42	0.05
Other Comprehensive Income		
a) Item that will not be reclassified to profit or loss	(0.05)	0.05
b) Tax on Comprehensive Income	-	-
Total Comprehensive Income for the year (Comprising Profit/(Loss) for the year (after tax))	25.37	0.10

The revenue account shows a profit of Rs.25.29 Crores after providing Rs.0.42 Crores for depreciation & amortisation expense. There is a deficit of Rs.123.00 Crores after adjusting revaluation reserve for land and building in the Statement of Profit and Loss as at the end of the current year as against Rs.148.45 Crores in the last year.

A Cash Flow Statement for the year under review is also attached to the enclosed Annual Accounts.

The Company is not having any subsidiary / associate company and therefore consolidated accounts of the Company have not been prepared.

DIVIDEND

There is no operational profit in the Statement of Profit & Loss after taking into account the results for the year under review. As such, Board of Directors of the Company has not considered recommending any dividend on the equity shares of the Company.

TRANSFER TO RESERVES

The Company has not transferred any amount to any reserves during the year under report.

Review of Operations

There has been no change during the period under review in the nature of business of the Company.

As reported earlier that due to low productivity, growing indiscipline, shortage of funds and lack of demand for products, the Company was compelled to declare "Suspension of work" at its Uttarpara Plant with effect from 24th May, 2014 and the suspension of work is continuing due to no change in the situation.

No material changes or commitments or any significant and material adverse orders or rulings passed by the regulators or Courts or Tribunals impacting the going concern status and Company's operations in future have occurred between end of the financial year of the company and date of this report.

A detailed Management Discussion & Analysis Report forms part of this report is annexed as **Annexure-1**.

Outlook for 2024-25

The Company has been continuously rationalising the cost post "suspension of work" at Uttarpara plant. It has reduced the fixed cost including employee cost considerably and continuously working on further reducing its fixed cost. The accumulated losses of the Company was brought down to Rs.12308.32 Lacs as on 31st March, 2024 as compared to Rs.25218.07 Lacs as on 31st March, 2017. The net worth of the Company has also turned positive, and the value is Rs.904.69 lacs as on 31st March, 2024 as compared to negative net worth of Rs.1632.50 lakhs as on 31st March, 2023. The Company is presently debt free (Financial debt) barring few liabilities which stand mainly on employee account, trade payables & other liabilities. At present, the current asset of the Company exceeds the current liabilities resulting in favourable current ratio and reflects that Company has sufficient liquidity to meet its liabilities. The Company is considering various measures including alternative use of Fixed Assets to generate revenue. The Company has started to monetize its old and obsolete assets including equipment during the year.

- The long awaited eco-friendly electric vehicle project is stalled at the moment due to Notice from Government of West Bengal on resumption of Uttarpara Land,
- The Company has alternate plans to facilitate and generate additional revenue and realize adequate fund required, after the resumption issue is resolved.

Thus, the Company will facilitate and generate additional revenue and realize further fund required.

Change in the nature of business, if any

There was no change in the nature of the business of the Company during the year under report.

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

No material changes and commitments affecting the financial position of the company occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

Details of significant and material orders passed by the Regulators/Courts/Tribunals impacting the going concern status and company's operation in future

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

Particulars of Loans, Guarantees or Investments

There are no Loans, Guarantees and Investments made under the provisions of Section 186 of the Companies Act, 2013 during the year under review.

Related Party Transactions

All transactions of the Company with its related parties during the financial year 2023-24 were at arm's length basis and in the ordinary course of business operations of the Company, which were pre-approved by the Independent Directors in the Audit Committee. All related party transactions are quarterly reviewed by the Audit Committee. To provide a framework for the related party transactions and also to identify the material related party transaction, the Company has implemented a Related Party Transaction Policy, which can be accessed at the website of the Company at www.hindmotor.com. During the reporting period, there was no material related party transactions as per Listing Regulation and the Related Party Transaction Policy of the Company. All related party transactions of the Company, which were in the ordinary course of business during the financial year 2023-24 are provided in Note No. 34 of the Financial Statements.

Deposits

Your Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 and the Rules made thereunder and therefore, no amount of principal or interest was outstanding as on the date of Balance Sheet.

Corporate Social Responsibility

Provisions of Section 135 of the Companies Act, 2013 related to Corporate Social Responsibility is not applicable to the Company as the Company does not fulfil any of the stipulated requisite criteria.

Risks and Concerns and its Management

The Company exposed to some internal risks to generate liquidity to meet the existing liability of the Company and day to day activities as the Uttarpara Plant of the Company is still under suspension of work.

In order to identify and mitigate risks, the Company has constituted a Corporate Risk Management Committee. The Company has a Corporate Risk Management Charter to identify the nature and magnitude of risk associated with the Company and to take steps for mitigating the impact of such risks. The Corporate Risk Management Committee continuously identify and prioritize the risks associated with the functioning of the Company, lays down mitigation plan for identified risks with assigning responsibilities and adequately monitoring and managing the same. These are reviewed periodically.

Industrial Relations

As reported earlier, the Company has declared "Suspension of Work" at its Uttarpara Plant in Hooghly District of West Bengal with effect from 24th May, 2014. The general industrial relation at the plant is sensitive but being managed. The number of employees as on 31st March, 2024 is 235 which was 269 as on 31st March, 2023.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2024 is available on the Company's website and can be accessed at www.hindmotor.com.

Meetings of the Board and Audit Committee

During the year, Four (4) Board Meetings and Four (4) Audit Committee Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The Audit Committee comprises of Independent Directors namely, Smt. Mou Mukherjee (Chairperson) and Shri Raj Kamal Johri, and a Non-Executive Non-Independent Director namely, Shri A. Sankaranarayanan. All the recommendations made by the Audit Committee were accepted by Board. Further details regarding Board Meetings and Audit Committee Meetings are given in the Corporate Governance Report which forms part of the Board's Report.

Corporate Governance

The Company continues to remain committed to high standards of corporate governance. The report on corporate governance as per the requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this report is annexed as **Annexure-2**. The Company has complied with all the requirements of corporate governance. The certificate from the Auditors of the Company confirming compliance to the conditions of the corporate governance requirements is also annexed.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

Business Responsibility and Sustainability Report (BRSR) is not applicable to the Company.

Directors' Responsibility Statement

In terms of the requirement of Section 134 of the Companies Act, 2013, Directors' Responsibility Statement is annexed as **Annexure-3** to this report.

Information on Remuneration

Information as per the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as **Annexure-4** and **Annexure-5** to this report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Additional Information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 is annexed as **Annexure-6** to this report.

Internal Financial Controls System

The Company has comprehensive and adequate internal financial controls system for all major processes including financial statements to ensure reliability of reporting. The system also helps management to have timely data/feedback on various operational parameters for effective review. It also ensures proper safeguarding of assets across the Company and its economical use. The internal financial controls system of the Company is commensurate with the size, scale and complexity of its operations. The systems and controls are periodically reviewed and modified based on the requirement. The Company has an internal audit function which is empowered to examine the adequacy and compliance with policies, plans and statutory requirements. It is also responsible for assessing and improving the effectiveness of risk management, control and governance process. The scope of Internal Audit is well defined and documented and the audit committee reviews the observations of the Internal Audit critically. The composition and working of the audit committee forms part of the Corporate Governance Report.

Auditors

The Report by the Auditors is self-explanatory and it does not contain any adverse remarks or qualifications or observations.

The Statutory Auditors of the Company, Messrs. Ray & Ray, Chartered Accountants (Registration No.301072E), were appointed in the Seventy-seventh Annual General Meeting of the Company held on 18th September, 2019, as Statutory Auditors of the Company until the conclusion of Eighty-second Annual General Meeting to be held in 2024 i.e., for the financial years 2019-20 till 2023-24 and accordingly they will retire after conclusion of the forthcoming Annual General Meeting post completion of their tenure.

Further, with regard to preparation of accounts on going concern basis, the Auditors have made some observations under "Emphasis of Matter" appearing in the Auditors' Report which the management has responded in note-41 to the audited financial statements for the year ended 31st March, 2024.

The Board of Directors of the Company has appointed KAMG & Associates, Chartered Accountants (FRN 311027E) as Statutory Auditors of the Company to hold office for a term of five (5) years beginning from the conclusion of the 82nd Annual General Meeting of the Company till the conclusion of the 87th Annual General Meeting subject to approval of the shareholders in the forthcoming Annual General Meeting.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs. R.B.M. & Associates, a firm of Company Secretaries in Practise (CP No.20376) to undertake the Secretarial Audit of the Company.

The Report of the Secretarial Auditor is annexed herewith as **Annexure-7**. There are no qualifications or observations or remarks made by Secretarial Auditor in his report.

Subsidiary/Joint Venture/Associate

Your Company has no subsidiaries or Joint Venture or Associate company.

Declaration by Independent Directors

Shri Raj Kamal Johri, Smt. Mou Mukherjee and Shri Om Prakash Gupta are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfil the conditions specified in Section 149 of the Companies Act, 2013 and the Rules made thereunder about their status as Independent Directors of the Company.

Independent Directors Database

MCA vide its Notification dated 1st December, 2019 introduced new Rules called the Companies (Appointments and Qualification of Directors) 5th Amendment Rules, 2019 for person eligible and willing to be appointed as an Independent Director. Rule states that the compliances to be carried out before appointment of Independent Director as well as for those who are already appointed.

All our Independent Directors have already registered their names in the Independent Directors database.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

Directors

There are no changes in the Board of Directors of the Company during the year under report.

At the ensuing Annual General Meeting, Mr. A. Sankaranarayanan, Director of the Company, retires by rotation and being eligible offers himself for re-appointment.

Ms. Sarada Hariharan (DIN No.06914753), has been appointed as an Additional Director (Category-Non-Executive Independent Director) of the Company with effect from 7th August, 2024 to hold office up to the date of the ensuing Annual General and subject to approval by the shareholders in the upcoming Annual General Meeting to be held on 25th September, 2024.

Information about the Director proposed to be reappointed as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided in the Report on Corporate Governance forming part of this Report.

Key Managerial Personnel

Shri Prakash Sahu is continuing as the Chief Executive Officer of the Company.

Shri Mahesh Kumar Kejriwal is continuing as the Chief Financial Officer of the Company.

Mrs. Vishakha Gupta is continuing as the Company Secretary of the Company.

Policy on Appointment of Director and Remuneration

The Nomination and Remuneration Committee identifies and ascertains the integrity, qualification, expertise, skills, knowledge and experience of the person for appointment as Director and Key Managerial Personnel. The appointment of a Director as recommended by the Nomination and Remuneration Committee requires approval of the Board.

The remuneration / compensation / commission etc. to the Directors and Key Managerial Personnel is proposed by the Nomination and Remuneration Committee in compliance with requirements of the Companies Act and recommended to the Board for its approval. Approval of Shareholders is obtained, if required.

The Directors receive remuneration by way of fees for attending meetings of the Board or committees thereof.

At the time of appointing an Independent Director, a formal letter of appointment is given to the candidate, which inter-alia, explains the role, functions, duties and responsibilities expected of the person as an Independent Director of the Company. The Independent Director is also explained in detail the compliance required from him under the Companies Act, 2013 and other relevant regulations. The independence of Director is decided as per provisions of the Companies Act, 2013.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for remuneration of Directors, Key Managerial Personnel and Senior Management. The said Remuneration Policy is posted on the website of the Company www.hindmotor.com.

Board Evaluation

The Board of Directors evaluated the annual performance of the Board as a whole, its committees and the directors individually in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, in the following manner:-

- i. Structured evaluation forms, as recommended by the Nomination and Remuneration Committee, after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, for evaluation of the performance of the Board, its Committees and each director were provided to all the members of the Board.
- ii. The members of the Board were requested to evaluate by filling the evaluation forms and the duly filled in evaluation forms were required to be sent to the Company Secretary in a sealed envelope or personally submitted to the Chairman at the concerned meeting.
- iii. Based on the individual evaluation of the Directors, the Board initiated a detailed discussion at the concerned meeting on the performance of the Board/Committee/Individual Director, and formulated a final collective evaluation of the Board. The Board also provided an individual feedback to the concerned director on areas of improvement, if any.

A separate meeting of Independent Directors was held on 8th November, 2023 to evaluate the performance evaluation of the Chairman of the meeting of Board of Directors (as there is no chairman of the Board), the Non-Independent Directors, the Board and flow of information from management.

Vigil Mechanism/Whistle Blower Policy

As per Section 177(9) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Equity Listing Agreement, the Company has established an effective vigil mechanism named Whistle Blower Policy ("the Policy") which is also in conformity with the Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with a view to provide a mechanism for Directors and Employees of the Company inter alia to raise genuine concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. The Company encourages its employees to use the mechanism and has made provision for direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. Adequate safeguards against victimization of the persons who use such mechanism are provided in the policy. The policy is posted on the website of the Company www.hindmotor.com.

Fraud

No case of any fraud has been detected during the year under report. None of the auditors of the Company has reported any fraud in the Company during the year under report.

Share Capital

There has been no change in the share capital of the Company during the year under report. The paid up equity share capital of the Company as on 31st March, 2024 was Rs. 104.41 Crores.

Disclosure under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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 2023-24.

Cost Audit Record

The Company is not required to maintain Cost Audit records in term of Section 148 (1) of the Companies Act, 2013.

Secretarial Standards

The Board of Directors hereby affirms that your Company in general has adhered to the Secretarial Standards as prescribed by the Institute of Company Secretaries of India during the financial year.

Other disclosures:

- (a) The Company has not entered into any one-time settlement proposal with any Bank or financial institution during the year.
- (b) As per available information, no application has been filed against the Company under the Insolvency and Bankruptcy Code, 2016 nor any proceeding thereunder is pending as on 31.03.2024.
- (c) The Company has issued only one class of equity shares with equal voting rights.
- (d) The Company has not issued shares with differential voting rights and sweat equity shares during the year under review.
- (e) None of the Directors of the Company receive any remuneration or commission from any other company belonging to Hindustan Motors group.
- (f) No significant or material orders were passed by the Regulators or Courts or Tribunals, which could impact the going concern status of your Company and its future operations.

Appreciation

Your Directors acknowledge and thank the Company's customers, shareholders, state government authorities, business associates, banks and financial institutions for the support extended to the Company. Your Directors also record their appreciation for the commitment and dedication of the employees of your Company.

For and on behalf of the Board of Directors

Kolkata
7th August, 2024

Uttam Bose <i>Director</i> (DIN- 02340000)	A. Sankaranarayanan <i>Director</i> (DIN- 00385632)
---	--

Annexure-1 to the Directors' Report Management Discussion & Analysis Report

Industry Structure & Development

The Company is having a giant infrastructure, equipped with big machineries and equipment to produce various types of motor vehicles but due to low productivity, growing indiscipline, shortage of funds and lack of demand for products, the Company was compelled to declare "Suspension of Work" at its Uttarpara Plant with effect from 24th May, 2014. Unfortunately, Suspension of Work at its Uttarpara Plant has been continuing as there is no change in the situation.

Opportunities & Threats

The Company has somehow managed to earn profit by way of alternate use of its assets. The management is trying its level best in the process of restructuring of work force and reduction in cost in the current financial year. Although, the Company is not in the position to resume its manufacturing process, it has ample opportunities to earn money in various ways because of its giant infrastructure.

The performance of the Company during the current financial year will in no way be improved due to continuous suspension of work at Uttarpara Plant of the Company. As a result of that, the remaining outstanding liabilities are expected to be met by sale proceeds of assets of the Company.

Medium-term and Long-term strategy

In order to revive operations, the Company has been engaged in scouting for tie-ups with potential investors/strategic partners who can introduce newer product portfolios in the market and infuse capital into the Company. The Company is also restructuring and rationalising its manpower and other fixed costs. The Company is also exploring avenues for alternate use of its assets to meet its overdue liabilities, subject to necessary approvals.

Internal Control Systems and their adequacy

The Company has established suitable internal control systems which provide reasonable assurance with regard to safeguarding the Company's assets, promoting operational efficiency and ensuring compliance with various legal and regulatory provisions. The Company has laid down adequate internal financial controls and systems in place and such internal controls are adequate and are operating effectively. The Internal Audit Department reviews internal control systems in various business processes and also verifies compliance of the laid down policies and procedures. Reports of the internal auditor are reviewed by the senior management and are also placed before the Audit Committee of the Directors. The statutory auditors also review their findings with the senior management and the Audit Committee. The Company also reviewed internal financial control of the Company from the independent Chartered Accountant and placed for evaluation by Audit Committee.

Segment-wise or product-wise performance

The Company's business activity falls within a single primary business segment viz. 'Automobiles' in India and hence the disclosure requirement of Accounting Standard-17 "Segment Reporting" is not applicable.

The Financial Performance, Outlook for the financial year 2024-25, Risk and Concerns and status on Human Resources/Industrial relations are given in the Directors' Report.

CAUTIONARY STATEMENT

Statements in the Directors Report including Management Discussion & Analysis Report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations and reflects only the Management's perception and assessment. Actual results may differ materially from those expressed in the statement and the Company assumes no responsibility in respect of forward looking statements made herein which may undergo changes in the future. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, exchange rates, changes in Government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

DETAILS OF SIGNIFICANT CHANGES

There is no significant change for the year 2023-2024.

Kolkata
7th August, 2024

For and on behalf of the Board of Directors

Uttam Bose

Director

(DIN- 02340000)

A. Sankaranarayanan

Director

(DIN- 00385632)

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

The Board comprises of six (6) 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 (50%) as per Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). There are three Independent Directors. The Company does not have a regular Chairperson and 50% of the Board is comprised of Independent Directors as per the minimum requirement pursuant to Regulation 17(1)(b) of the Listing Regulations. 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 31st March, 2024 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 **	Name of the listed entity where the person is a director
Shri A. Sankaranarayanan	Non Independent – Non-Executive	00385632	1300	2	2	2	Hindustan Motors Limited
Shri Raj Kamal Johri	Independent – Non-Executive	06804524	0	2	1	–	Hindustan Motors Limited
Shri Uttam Bose	Non Independent – Non-Executive	02340000	0	1	–	–	Hindustan Motors Limited
Smt. Mou Mukherjee	Independent – Non-Executive	03333993	0	3	3	3	(1) Hindustan Motors Limited (2) B&A Limited (3) B&A Packaging India Limited
Shri Om Prakash Gupta	Independent – Non-Executive	08772383	0	0	0	0	Hindustan Motors Limited
Shri Sourav Daspatnaik	Non Independent – Non-Executive	02147356	0	1	1	1	Hindustan Motors Limited

* only public limited companies have been considered, other than this listed entity.

** includes the membership/chairmanship only of the Audit Committee(s) and the Stakeholders Relationship Committee(s) of all public limited companies, whether listed or not other than this listed entity.

None of the Non-Executive Directors (NED) of the Company has any pecuniary relationship or transaction with the Company. There is no inter se relationship between the Directors. The necessary disclosures regarding their directorship and Committee positions have been made by the Directors.

Independent Directors (IDs) are NED(s) as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 ("the Act") along with rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, the IDs confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the IDs, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are Independent of the management. The Company has issued formal letters of appointment to the IDs. As required under Regulation 46 of the Listing Regulations, as amended, the terms and conditions of appointment of IDs including their role, responsibility and duties are available on our website at www.hindmotor.com. Further, the IDs also confirmed that their names are duly registered in the data bank of IDs as maintained by The Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of The Companies (Appointment and Qualification of Directors) Rules, 2014.

The Company has adopted its own Code of Conduct for the Directors, Senior Management Personnel and other employees of the Company and is posted on the website of the Company. The Company has received confirmations from its directors and Senior Management Personnel regarding compliance with their Code of Conduct for the year ended March 31, 2024. A declaration to this effect signed by the CEO of the Company is enclosed and which forms part of the Directors' Report.

(b) Board Meetings

During the financial year ended 31st March, 2024, four meetings of the Board of Directors were held on 08th May, 2023, 02nd August, 2023, 08th November, 2023 and 09th February, 2024. The attendance of the Directors in these meetings was as follows:

Name of the 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
Shri Om Prakash Gupta	4	4	4	Yes
Shri Sourav Daspatnaik	4	4	4	No

All agenda papers and explanatory notes for the Board and Committee meetings are sent to the Board in advance. The Board periodically reviews compliance reports of all laws applicable to the Company. The Board meets at least once a quarter to review the quarterly financial results and other items on the agenda. Additional meetings are held, as and when necessary. Committees of the Board meet before the Board meeting, or whenever the need arises for transacting the business. The recommendations of the Committees are placed before the Board for necessary approval and/or noting, as the case, may be. There was no instance of non-acceptance of any recommendation of any Committee of the Board which was mandatorily required.

The information to be made available to the Board of Directors as mentioned under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations was made available to the Board members. The Board periodically reviews compliance reports of all laws applicable to the Company.

(c) Shareholding of Non-Executive Directors

As on 31st March, 2024, number of shares held by Non-Executive Director is as follows:-

Name of Non-Executive Director	No. of Shares held on 31st March, 2024
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 was present at the Annual General Meeting held on 24th August, 2023 to respond 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, 2024, four Audit Committee Meetings were held on 08th May, 2023, 02nd August, 2023, 08th November, 2023 and 09th February, 2024 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. The Board of Directors of the Company again

by a Circular Resolution dated 15th December, 2021 reconstituted the Remuneration Committee of Directors whereby Shri Uttam Bose, a Non-Executive and Non-Independent director who was earlier a member to the Committee, now considered as an Invitee (without voting rights) to the Committee. Therefore, the Committee consists of three members where 2/3rd are Independent Directors.

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 Clause 49 of the 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. 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.

The Committee Members at its meeting held on 08th May, 2023, 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

All the three Directors are Non-Executive Directors and 2/3rd is 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, 2024, two (2) Nomination and Remuneration Committee Meetings were held on 08th May, 2023 and 08th November, 2023 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)	2	2	2
Shri A. Sankaranarayanan	2	2	2
Smt. Mou Mukherjee	2	2	2
Shri Uttam Bose *	2	2	2

*Shri Uttam Bose is an Invitee (without voting rights) to the Committee vide resolution passed by circulation on 15th December, 2021.

The role of NRC includes the areas laid out in Section 178 of the Act and Part D of Schedule-II of the Listing Regulations.

The Board of Directors on recommendation of the NRC and in accordance with the Guidance note on Board Evaluation issued by SEBI on January 5, 2017 has adopted a policy for evaluation of the Board, its Committees and Directors and the same has been mentioned in the Directors’ Report forming part of this Annual Report. The evaluation process covered the aspects relating

to frequency of Board meetings, participation in long-term strategic planning, fulfillment of Director's obligation and fiduciary responsibilities.

The NRC also assists the Board in discharging its responsibilities relating to compensation of the Company's Non-Executive Directors and Senior Management. The Company has adopted the Remuneration Policy <http://www.hindmotor.com/codes-and-policies.asp> for Directors, Key managerial Personnel ('KMP') and all other employees of the Company. The same is available on the website of the Company at www.hindmotor.com

The criteria for making payments to Non-Executive Directors is also available on the website of the Company at www.hindmotor.com

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, 2024

Non-Executive Directors

(Amount in Rs.)

Name	Sitting fees for attending Committee and Board Meetings
Shri A. Sankaranarayanan	1,65,000
Shri Raj Kamal Johri	1,80,000
Shri Uttam Bose	1,05,000
Smt. Mou Mukherjee	1,65,000
Shri Om Prakash Gupta	75,000
Shri Sourav Daspatnaik	60,000

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.
- None of the Non Executive Directors have been paid remuneration in excess of fifty percent of the total remuneration paid to all the non executive directors of the Company.
- The Chairperson of the stakeholder Relationship Committee, Mr. A. Sankaranarayanan was present at the last Annual General Meeting of the Company.
- The Chairperson of the Audit Committee, Mrs. Mou Mukherjee was present at the last Annual General Meeting of the Company
- The Chairperson of the Nomination & Remuneration Committee, Mr. Raj Kamal Johri was present at the last Annual General Meeting of the Company
- The Company at present does not have any stock option scheme.

5. 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

Mrs. Vishakha Gupta is the Company Secretary and also designated as the Compliance Officer.

The Committee oversees the performance of KFin Technologies 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, 134 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, 2024.

During the financial year ended 31st March, 2024, one (1) Stakeholders Relationship Committee meeting was held on 02nd August, 2023. 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, 2024 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 Annual Report	20	20
Non-receipt of Securities	67	67
Non-receipt of Dividend Warrant	13	13
SEBI/NSE/BSE		
Non-receipt of Consolidation/Split of securities	34	34
	128	128

6. Meeting of Independent Directors

During the financial year ended 31st March, 2024, the Independent Directors met on 08th November, 2023, 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.

7. Senior Management

In terms of SEBI (LODR), the following officers has been identified by the Board as Senior Management Personnel:

Sl. No.	Name	Function	Designation
1.	Mr. Prakash Sahu	Leading Corporate Finance, HR, Legal & General Administration of the Company.	Chief Executive Officer
2.	Mr. Mahesh Kumar Kejriwal	Leading Finance Department	Chief Financial Officer
3.	Mrs. Vishakha Gupta	Leading Secretarial Department	Company Secretary

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	24th August, 2023 at 2.00 PM	Video conferencing/ other Audio Visual Means (VC/OAVM)	<ol style="list-style-type: none"> 1. Authority under Section 180(1)(a) of the Companies Act, 2013 2. Approval of member to accord Mr. Raj Kamal Johri (DIN:06804524), Non-Executive Director of the Company who will be attaining the age of 75 years on 29th August, 2023, to continue as a Non-executive Director of the Company.
Annual General Meeting	28th September, 2022 at 2.00 PM	Video conferencing/ other Audio Visual Means (VC/OAVM)	<ol style="list-style-type: none"> 1. Authority under Section 180(1)(c) of the Companies Act, 2013 2. Authority under Section 180(1)(a) of the Companies Act, 2013 3. Authority under Section 186 of the Companies Act, 2013 4. Adoption of new Articles of Association of the Company containing new set of Articles in conformity with the Companies Act, 2013
Annual General Meeting	28th September, 2021 at 2.00 PM	Video conferencing/ other Audio Visual Means (VC/OAVM)	<ol style="list-style-type: none"> 1. 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.

During FY 2023-24, no Extra-Ordinary General Meeting was held and no resolution was passed through postal ballot. None of the business proposed to be transacted at the ensuing AGM requires passing of a Special Resolution by way of Postal Ballot.

As per the provisions of the Act and the Listing Regulations, at the AGM held in 2023 the shareholders were given option to vote on all resolutions through electronic means.

Re-appointment of Director

In terms of relevant provisions of the Companies Act, 2013, as amended, Mr. A. Sankaranarayanan (DIN: 00385632) is liable to retire by rotation at the ensuing AGM and being eligible, seeks re-appointment.

The Board recommends the above re-appointment for approval of the Shareholders at the ensuing AGM.

Particulars of the Director seeking re-appointment at the ensuing AGM is given in the Notice convening the Annual General Meeting as required under Regulations 36(3) of the Listing Regulations.

Ms. Sarada Hariharan (DIN No. 06914753), has been appointed as an Additional Director (Category-Non-Executive Independent Director) of the Company with effect from 7th August, 2024 to hold office up to the date of the ensuing Annual General and subject to approval by the shareholders in the upcoming Annual General Meeting to be held on 25th September, 2024.

In terms of SEBI (LODR), the Company identified the list of core skills / expertise / competencies as is required in the context of the Company's business (es) and sector(s) for it to function effectively and those which are actually available with the Board. The specific areas of skills / expertise / competencies of individual Board members are given hereunder:

Name of Directors	Identified Skill / Knowledge set for Directors				
	Operations Management	Finance/ Accounting/ Legal	Strategy Development	Industry Related experience	General Management
Mr. Uttam Bose	✓	✓	✓	✓	✓
Mr. A Sankaranarayanan	✓	✓	✓	✓	✓
Mr. Raj Kamal Johri	✓		✓	✓	✓
Mrs. Mou Mukherjee	✓	✓	✓	✓	✓
Mr. Om Prakash Gupta	✓		✓	✓	✓
Mr. Sourav Daspatnaik	✓	✓	✓	✓	✓

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. All transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations, each as amended, during the year under review were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee. Certain transactions which were repetitive in nature were approved through omnibus route by the Audit Committee.
- 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/files/HML-Related-Party-Transaction-Policy-2019.pdf) and web link thereto is **Hindmotor.com /files/HML-Related-Party-Transaction-Policy-2019.pdf**.
- 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.
- The Company has formulated a Whistle Blower Policy and established a Vigil Mechanism for Directors and Employees and the same has been disclosed on the Company's website at www.hindmotor.com. The Management affirms that no personnel has been denied access to the Chairman of the Audit Committee. The details of Vigil Mechanism are given in the Directors' Report.
- The details of familiarization programme for Independent Directors have been disclosed on the website of the Company [www.hindmotor.com](http://www.hindmotor.com/files/Familiarisation-Programme-for-Independent-Directors.pdf) and web link thereto is <http://www.hindmotor.com/files/Familiarisation-Programme-for-Independent-Directors.pdf>.
- The Senior Management has informed the Board in accordance with Regulation 26(5) of the Listing Regulations that they are not having any personal interest in material, commercial and financial transactions of the Company that may have potential conflict with the interest of the Company at large.
- The CEO and Chief Financial Officer have given the necessary certificates to the Board of Directors of the Company as required under Regulations 17(8) of the Listing Regulations read with Schedule II Part B of the Listing Regulations.

- The Company has issued formal appointment letters to all Independent Directors and the terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company at www.hindmotor.com.
- In compliance with Regulation 30 of the Listing Regulations the Company has adopted Policy on Determination of Materiality for Disclosure and the same is available on the Company's website at www.hindmotor.com.
- In compliance with Regulation 9 of the Listing Regulations the Company has adopted Document Retention and Archival Policy and the same is available on the Company's website at www.hindmotor.com.
- Management Discussion and Analysis is annexed to the Directors' Report and forms part of the Annual Report.
- All the mandatory requirements in respect of Corporate Governance under Listing Regulations have been appropriately complied and the Company has complied with requirement of Schedule V.
- 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, 2024.
- In compliance with Regulation 40(9) of the Listing Regulations, certificates, on annual basis, have been issued by a Company Secretary in Practice with respect to due compliance of share transfer formalities by the Company.
- Pursuant to the disclosure requirement under Regulation 34(3) read with Part E of Schedule V of the Listing Regulations, the certificate given by Mr. Radha Ballab Mandal, Practicing Company Secretary(M.No.F8182) is annexed to this Report.
- Pursuant to Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, a Company Secretary in Practice carries out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') (collectively 'Depositories') and the total issued and listed capital. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in physical form and in dematerialized form (held with Depositories). The audit is conducted every quarter and a report on the same is disseminated to the Stock Exchanges on quarterly basis and is also available on our website at www.hindmotor.com.
- The Company do not have any debt instruments or any fixed deposit program or any scheme or proposal involving mobilization of funds, whether in India or abroad. Hence, no credit rating has been obtained by the Company during the year in connection to the above.
- The Company has not raised any fund through preferential allotment or qualified institutions placement during the year under review, as specified under Regulation 32(7A) of the Listing Regulations.
- Details of disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been made in the Directors' Report.
- The Company has not provided any loans and advances to any firms/companies in which Directors are interested.
- Discretionary requirements as specified in Part E of Schedule II to the Listing Regulations have been adopted by the Company to its possible extent as mentioned below :
 - a. The Auditors have expressed an unmodified opinion in their report on the financial statements of the Company.
 - b. Internal Auditor functionally reports to the Audit Committee.

During the financial years 2022-23 and 2023-24, the following payments were made to the M/s. Ray & Ray, Statutory Auditor of the Company:-

Financial Year	Particulars of payment	Amount (Rs)
2022-23	Statutory audit fees (including Limited Review Report fees)	8,00,000/-
	Tax Audit fees	1,00,000/-
2022-23	Statutory audit fees (including Limited Review Report fees)	8,00,000/-
	Tax Audit fees	1,00,000/-

9. Means of Communication

Subject	Details
Quarterly results	Published in the newspapers in terms of Regulations 29 of SEBI (LODR), 2015
Newspapers wherein results normally published	Business Standard – Kolkata and Mumbai (English version). Ekdin - 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	N.A.
Whether MD&AR is a part of Annual Report	Yes. The same is attached as Annexure 1 to the Directors’ Report.

The Annual Report of the Company is sent to Members of the Company in line with the statutory requirement and is also made available on the Company’s website and website of the Stock Exchanges where the shares of the Company are listed.

10. General Shareholder Information

Annual General Meeting		
Date & time	25th September, 2024 at 2.00 PM	
Venue / Mode	E-AGM	
Financial Calendar for F.Y. 2023-24 (1st April, 2023 to 31st March, 2024)	a. 1st Quarterly Results	On or before 14th August, 2024
	b. 2nd Quarterly Results	On or before 14th November, 2024
	c. 3rd Quarterly Results	On or before 14th February, 2025
	d. Annual Audited Results	On or before 30th May, 2025
Date of Book closure	19th September, 2024, Thursday to 25th September, 2024, Wednesday (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, 2024 are as below:

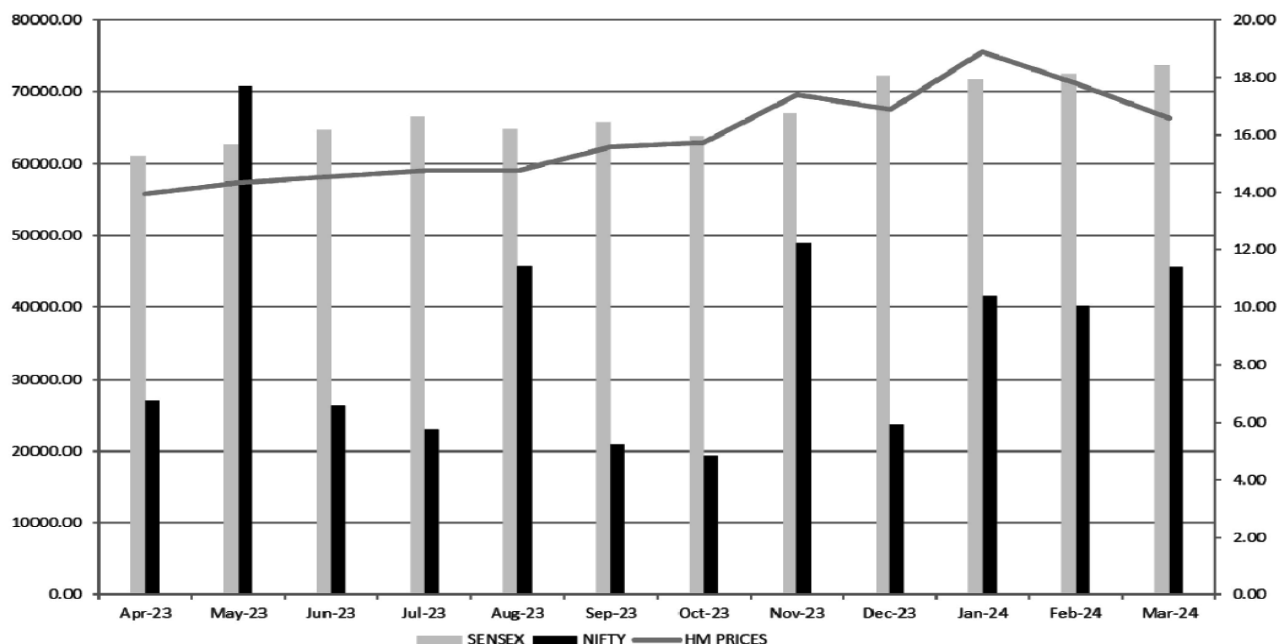
(Amount in Rs.)

Month	NSE		BSE	
	High	Low	High	Low
April – 2023	14.50	13.00	14.65	12.98
May – 2023	16.30	13.45	16.65	13.45
June – 2023	16.95	14.20	17.00	14.18
July – 2023	16.55	12.65	15.95	12.92
August – 2023	15.50	13.80	15.52	13.60
September – 2023	17.55	14.75	17.60	14.69
October – 2023	19.00	14.50	19.00	14.50
November – 2023	19.35	15.55	19.38	15.21
December – 2023	17.95	15.95	17.92	15.98
January – 2024	19.35	16.65	19.35	16.70
February – 2024	24.00	17.80	24.00	17.73
March – 2024	19.35	15.25	19.38	15.33

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

A graphical presentation is as follows:-

PERFORMANCE IN COMPARISON TO BROAD BASED INDICIES



The Registrar and Share Transfer Agents of the Company

KFin Technologies Limited
Selenium Tower B, Plot 31-32,
Financial District,
Nanakramguda, Serilingampally Mandal,
Hyderabad – 500032, Telangana
Phone : (040) 67161518
E-mail : einward.ris@kfintech.com/suresh.d@kfintech.com
Kolkata Office: (033) 6628-5900

Investor grievance and Share Transfer System

SEBI has mandated all listed companies to issue securities in dematerialized form only while processing the service request of issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificates, consolidation of securities certificates/folios, transmission and transposition. Shareholders have the option of holding shares in physical form even after 1st April 2019. However, any shareholder who is desirous of transferring shares (which are held in physical form) after 1st April 2019 can do so only after the shares are dematerialized. In view of the above and the inherent benefits of holding shares in electronic form, the shareholders holding shares in physical form are advised to opt for dematerialization at the earliest. The Company Secretary has been authorized to endorse physical share transmission and transposition on behalf of the Company.

Now share transactions in electronic form can be effected in a much simpler and faster manner. After a confirmation of a sale/purchase transaction from the broker, shareholders should approach the Depository Participants (**'DP'**) with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating the account. There is no need for a separate communication to the Company to register these share transfers.

Shareholders should communicate with KFIN TECHNOLOGIES LIMITED the Company's Registrars and Transfer Agents ('RTA') quoting their folio number or Depository Participant ID ('DP ID') and Client ID number, for any queries relating to their securities at the above mentioned addresses or at their branch offices, addresses of which are available on their website or at the Registered Office of the Company.

Communication to shareholders

Securities and Exchange Board of India ("SEBI"), vide its Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated 17th May 2023 read with SEBI Circular SEBI/HO/MIRSD/POD-1/P/CIR/2023/158 dated 26th September 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17th November 2023, has mandated furnishing of PAN linked with Aadhaar, KYC details (i.e., postal address with PIN code, e-mail address, mobile number, bank account details, etc.) and nomination by physical shareholders. Members holding shares in physical form who have not yet registered/updated their PAN, KYC details and nomination are urged to do the same at the earliest. The forms for physical shareholders are also available on the website of the Company under the section "Forms for Physical Shareholders" at <http://www.hindmotor.com/downloads.asp>

SEBI vide its Circular No. SEBI/ HO/MIRSD/ MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022 has mandated that Listed Companies should issue securities in demat form only while processing service requests viz. Issue of Duplicate Securities Certificate, claim from Unclaimed Suspense Account; Renewal/ Exchange of Securities Certificate; Endorsement; Sub-division/ Splitting of Securities Certificate; Consolidation of Securities Certificates/Folios; Transmission and Transposition. Accordingly, shareholders are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company's website under the section "Forms for Physical Shareholders" at <http://www.hindmotor.com/downloads.asp>

Members are requested to furnish their PAN to enable the Company to strengthen compliance with KYC norms and provisions of Prevention of Money Laundering Act, 2002 (as amended).

Members who hold their shares in demat mode, the Securities and Exchange Board of India ("SEBI"), vide its circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/193 dated 27th December 2023 has extended the timelines to submit the 'choice of nomination' for demat

accounts to 30th June 2024. Members holding shares in demat form who have not yet registered their nomination are requested to submit their nomination/ declaration to opt-out of nomination for seamless operation of their demat account.

Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/OIAE_IAD1/P/CIR/2023/131 dated July 31, 2023 as subsequently amended vide Circular No. SEBI/HO/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023 (collectively referred as "SEBI Circular") has introduced on-line Resolution of Disputes mechanism in the Indian Securities Market streamlining the existing dispute resolution mechanism by establishing a common On-line Dispute Resolution Portal ("ODR Portal") which harnesses on-line Conciliation and on-line Arbitration for resolution of disputes arising in the Indian Securities Market. The link to the SEBI master circular : https://www.sebi.gov.in/legal/master-circulars/aug2023/online-resolution-of-disputes-in-the-indian-securities-market_75220.html. All disputes between Investors/Clients and listed companies (including their Registrar and Share Transfer Agents) or any of the specified intermediaries / regulated entities in securities market arising out of latter's activities in the securities market, will be resolved in accordance with this SEBI Circular.

A common On-line ODR Portal, called the SMART ODR has been established for this purpose, the link to access the portal: <https://smartodr.in/login>. The link for accessing the SMART ODR has also been provided on the website of the Company i.e. <https://smartodr.in/>

Level 1 - A shareholder shall first take up his/her/their grievance with the Company / RTA by lodging a complaint directly to the Company / RTA. Shareholders may lodge the same by sending an email to hmcosecy@hindmotor.com or by sending physical correspondence to Company Secretary – vishakha.gupta@hindmotor.com

Level 2 - Disputes / complaints remaining unresolved at Level 1 may then be raised through SEBI Complaints Redress System ("SCORES") which can be accessed at <https://scores.gov.in/scores/Welcome.html>. FAQs on the process to be followed for registration / lodging complaints / disputes is available at <https://scores.gov.in/scores/Docs/FAQ-SCORES.pdf>.

Level 3 - An investor can initiate online dispute resolution through the ODR portal, within the applicable time frame under law, after the option to resolve complaint / dispute with the listed entity through the routes available at Level 1 and Level 2 are exhausted.

Designated E-Mail Address for Investor Services

To serve the investors better and as required under Regulation 46(2)(j) of the Listing Regulations, the designated e-mail address for investor complaints is hmcosecy@hindmotor.com address for grievance redressal is monitored by the Company's Compliance Officer.

Nomination Facility

Shareholders, whose shares are in physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Act, may submit to RTA the prescribed Forms SH-13/SH-14. The relevant forms are available at website of the company at www.hindmotor.com.

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, email ids, nomination and power of attorney should be given directly to the DP.

Shares held in Physical Form

SEBI vide circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 had laid down common and simplified norms for processing Investor's Service request by RTAs and norms for furnishing PAN, KYC details and nomination. As per the above said circular the shareholders holding physical securities are required to mandatory furnish PAN, KYC details and Nomination by holders and are also required to link PAN with Aadhaar. The said circular stipulates that folios wherein the required documents are not made available on or before April 1, 2023 shall be frozen by RTA. The Company had sent relevant communication to all physical holders along with relevant Forms to enable the shareholders to update the PAN, KYC and other relevant details with RTA/ Company in line with the SEBI directives. The PAN, KYC and other relevant documents are being processed by RTA on receipt from the shareholders. The relevant Forms are also made available on the company's website at www.hindmotor.com.

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, emails ids, nomination and power of attorney should be given to the Company's RTA i.e., KFIN TECHNOLOGIES LIMITED.

The Distribution of Shareholding as on 31st March, 2024

Sl. No.	Category (Shares)	Shareholders		Shares	
		Numbers	%	Numbers	%
1	1 - 500	177860	84.48	21373088	10.24
2	501 - 1000	16385	7.78	13825220	6.63
3	1001 - 2000	8106	3.85	12569311	6.02
4	2001 - 3000	2785	1.32	7181994	3.44
5	3001 - 4000	1127	0.54	4094798	1.96
6	4001 - 5000	1380	0.66	6623204	3.17
7	5001 - 10000	1721	0.82	13212304	6.33
8	10001 and 20000	648	0.31	9494172	4.55
9	20001 and above	531	0.25	120285202	57.65
	Total	210543	100.00	208659293	100.00

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, 2024

Sl. No.	Category	No. of Holders	% of holders	No. of Shares	% of Shareholding
1	PROMOTERS	3	0.00	5,27,592	0.25
2	PROMOTERS BODIES CORPORATE	14	0.01	6,69,45,662	32.08
3	MUTUAL FUNDS	16	0.01	66,450	0.03
4	NATIONALISED BANKS	37	0.02	67,347	0.03
5	BANKS	5	0.00	26,00,276	1.25
6	LIFE INSURANCE CORPORATION	1	0.00	11,050	0.01
7	INSURANCE COMPANIES	5	0.00	3,300	0.00
8	QUALIFIED INSTITUTIONAL BUYER	1	0.00	27,79,254	1.33
9	NBFC	2	0.00	12,000	0.01
10	FOREIGN PORTFOLIO - CORP	1	0.00	40,335	0.02
11	FOREIGN INSTITUTIONAL INVESTORS	11	0.01	41,517	0.02
12	BANKS	13	0.01	5,274	0.00
13	BODIES CORPORATES	1	0.00	250	0.00
14	DIRECTORS	1	0.00	1,300	0.00
15	RESIDENT INDIVIDUALS	2,05,853	97.76	12,10,25,099	58.00
16	NON RESIDENT INDIANS	946	0.45	9,73,660	0.47
17	NON RESIDENT INDIAN NON REPATRIABLE	381	0.18	6,35,088	0.30

Sl. No.	Category	No. of Holders	% of holders	No. of Shares	% of Shareholding
18	CORPORATE BODY - OTHERS	1	0.00	9,60,458	0.46
19	BODIES CORPORATES	831	0.39	58,71,128	2.81
20	RESIDENT INDIVIDUALS	1	0.00	17,78,109	0.85
21	H U F	1,984	0.94	42,28,393	2.03
22	TRUSTS	7	0.00	13,631	0.01
23	CLEARING MEMBERS	5	0.00	7,702	0.00
24	ENEMY PROPERTY	440	0.21	64,418	0.03
	TOTAL	2,10,560	100.00	20,86,59,293	100.00

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund (IEPF)

In compliance with the provisions of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('Rules'), the dividends, unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to the IEPF. Accordingly, unclaimed and unpaid dividends of shareholders for 1996-1997 and 1997-1998 lying with the Company have been transferred to IEPF Authority. The Company has not paid any dividend since 1999.

Any person whose unclaimed dividend has been transferred to the IEPF can claim their due amount from the IEPF Authority by making an electronic application in web-form IEPF-5. Upon submitting a duly completed form, shareholders are required to take print of the same and send physical copy duly signed along with requisite documents as specified in the form to the attention of the Nodal Officer, at the Registered Office of the Company. The instructions for the web-form can be downloaded from website of Ministry of Corporate Affairs at www.iepf.gov.in.

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, 2023	5,602	9,60,458
ii)	Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year	0	0
iii)	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	0	0
iv)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 31st March, 2024	5,602	9,60,458

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, 2024, about 97.02% of the Company's shares were held in dematerialised form.

Secretarial Audit

The Company's Board of Directors appointed Mr. Radha Ballab Mandal (M.No.F8182), proprietor of M/s RBM & Associates as the Secretarial Auditor of the Company to conduct secretarial audit of its records and documents for the Financial Year 2023-24. The secretarial audit report confirms that the Company has complied with all applicable provisions of the Companies Act 2013, Secretarial Standards, Depositories Act 2018, Listing Regulations, SEBI (Prohibition of Insider Trading) Regulations, 2015, each as amended and all other regulations and guidelines of SEBI as applicable to the Company. The Secretarial Audit Report (MR-3) forms part of the Board's Report as **Annexure 7**.

Disclosure of certain types of agreements binding listed entities

During the year, there has been no agreements executed, amendment or alteration of such agreements or any rescission, thereto into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity, whether or not in which the listed entity is a party to such agreements. Accordingly, requisite disclosures with respect to such agreements in the Annual Report for the Financial Year 2023-24 are not applicable.

Green Initiative

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, amongst others, to shareholders at their e-mail address previously registered with the DPs and RTAs.

Shareholders, who have not registered their e-mail addresses so far, are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs.

Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of their Folio No.

Outstanding GDRs / ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs/Warrants or any convertible instruments in the recent past and hence as on March 31, 2024, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

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)

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.

STATUS OF ADOPTION OF THE NON-MANDATORY REQUIREMENTS

Shareholder Rights

The Company from time to time uploads the quarterly and half-yearly financial performance on the website of the Company. However, hard copies of the same are not sent to the shareholders.

Separate post of Chairperson and Managing Director or the Chief Executive Officer

The Company has no Managing Director. The Company has no permanent Chairman to the Board of Directors of the Company. Chief Executive Officer (CEO) is not related to any director of the Company.

Reporting of the Internal Auditor

The Internal Auditor of the Company reports to the Audit Committee and participates in the Meetings of the Audit Committee and presents the internal audit observations in the Audit Committee.

Other Items

The items mentioned under Non-Mandatory Requirements of SEBI (LODR) (as amended) are being reviewed and will be implemented by the Company as and when required or deemed necessary by the Board.

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:-

21st May, 2024

The Board of Directors
Hindustan Motors Limited
"Birla Building",
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/-

Prakash Sahu

Chief Executive Officer

Certificate by CEO and CFO

The Board of Directors
Hindustan Motors Limited
"Birla Building"
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, 2024 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 2023-24 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 internal control system over financial reporting.

Place: Kolkata
Date : 21st May, 2024

Prakash Sahu
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, 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, 2024, 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: 21st May, 2024

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 2023-24.

Address for Correspondence :

For matters related to shares :

- KFin Technologies Limited
Selenium Building Tower B,
Plot No. 31&32, Financial District,
Nanakramguda, Serilingampally Mandal,
Hyderabad – 500032, Telangana
Phone : (040) 67161518
Email : einward.ris@kfintech.com/suresh.d@kfintech.com
Kolkata Office : (033) 6628-5900
- For queries/assistance on issues other than shares (including those related to financial statements) :
Mrs. Vishakha Gupta
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 Limited, a list of which can be available from KFin’s aforesaid address or from the office of the Company Secretary.

Details of Directors retiring by rotation/seeking reappointment/appointment at the ensuing Annual General Meeting:

Name of Director	Shri A. Sankaranarayanan	Ms. Sarada Hariharan
DIN	00385632	06914753
Date of birth / Age	29th July, 1942/ 82 yrs	14th April, 1974/ 50 yrs
Date of first appointment on the Board	8th January, 1997	7th August, 2024
Qualification	B.E. (Mech)	BA LLB (Hons), National Law School of India University, Bangalore,
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.	As an Advocate of high caliber. She has expertise in litigation includes inter alia, commercial division matters in various courts, corporate and other consultancy services.
Number of Meetings of the Board attended during the year	4	-
Names of directorship in other companies (only public limited companies have been considered)	1. AVTEC Ltd. 2. Neosym Industry Limited	1. Tai Industries Limited
Names of committees of other companies in which the director is a member.	1. AVTEC Ltd a) Audit Committee b) Nomination and remuneration committee 2. Neosym Industry Limited a) Audit Committee	-
Names of listed entities from which the person has resigned in the past three years	Nil	Nil
Number of shares held by him in the Company a) Own b) Beneficial basis	1300	Nil
Relationships with other Directors	No	No

The above report was placed before and approved by the Board at its Meeting held on 7th August, 2024.

For and on behalf of the Board of Directors

Kolkata
7th August, 2024

Uttam Bose
Director
(DIN : 02340000)

A. Sankaranarayanan
Director
(DIN : 00385632)

Independent Auditors' Certificate on Corporate Governance

To
The Members of
Hindustan Motors Limited

We have examined the compliance of the conditions of Corporate Governance by Hindustan Motors Limited ("the Company") for the year ended March 31, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations") pursuant to the Listing Agreement of the Company with stock Exchanges.

Managements' Responsibility

The compliance of conditions of Corporate Governance as stipulated under SEBI Listing Regulations is the responsibility of the Management of the Company including preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in SEBI Listing Regulations.

Auditors' Responsibility

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

Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to provide reasonable assurance whether the Company has complied with the conditions of the Corporate Governance as stipulated in SEBI Listing Regulations for the year ended March 31, 2024.

We conducted our examination of the above Corporate Governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by Institute of Chartered Accountants of India (ICAI), in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes require that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

We have complied with the relevant applicable requirements of the Standards on Quality Control (SQC) 1, Quality Control for the Firms that perform Audits and reviews of Historical Financial Information and Other Assurance and Related Service Engagements

Opinion

In our opinion and to the best of our information and according to the explanations given to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the "SEBI Listing Regulations", as applicable for the year ended March 31, 2024.

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.

Restrictions on use

This certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the aforesaid "SEBI Listing Regulations" and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate shown or into whose hands it may come without our prior consent in writing.

For **RAY & RAY**
Chartered Accountants
(Firm's Registration No. : 301072E)

Asish Kumar Mukhopadhyay
Partner

Membership No. : 056359
(UDIN : 24056359BKGVYX2128)

Place : Kolkata
Date : May 21, 2024

Annexure-3 to the Directors' Report

Directors' Responsibility Statement

The Board of Directors confirms that:

- A In the preparation of the annual accounts, for the financial year ended 31st March, 2024, all the applicable accounting standards have been followed;
- B The Directors have adopted such accounting policies and have applied them consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year;
- C The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- D The Directors have prepared the annual accounts on a going concern basis;
- E The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- F The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

For and on behalf of the Board of Directors

Kolkata
7th August, 2024

Uttam Bose
Director
(DIN- 02340000)

A. Sankaranarayanan
Director
(DIN- 00385632)

Annexure-4 to the Directors' Report

Information under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2024

Requirements of Rule 5(1)		Details
(i)	The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-2024	Shri A. Sankaranarayanan – NA Shri Raj Kamal Johri – NA Shri Uttam Bose – NA Smt. Mou Mukherjee – NA Shri Om Prakash Gupta – NA Shri Sourav Daspatnaik – NA
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Overall increase in remuneration for managerial personnel during the year ended 31-03-2024: There is increase of 13%
(iii)	The percentage increase in the median remuneration of employees in the financial year	There is increase of 8% in remuneration of employees. NB: Employees continuing on duty as on 01.04.2023 and 31.03.2024 are considered only
(iv)	The number of permanent employees on the rolls of the Company	235 employees as on 31.03.2024 for Uttarpara Unit Total = 235 Employees on Roll as on 31.03.2024
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average salary increase of non-managerial employees: No increase NB: Except KMPs, all employees on duty are considered. The increase in the managerial remuneration is as given in (ii) above.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid during the year is as per remuneration policy of the Company.

For and on behalf of the Board of Directors

Kolkata
7th August, 2024

Uttam Bose
Director
(DIN- 02340000)

A. Sankaranarayanan
Director
(DIN- 00385632)

Annexure-5 to the Directors' Report

Information under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 and forming part of the Directors' Report for the year ended March 31, 2024

- No employee throughout the financial year 2023-24 was in receipt of remuneration, which, in the aggregate was Rupees One crore and two lakh or more.
- No employee for a part of the financial year 2023-24, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate was Rupees Eight lakh and fifty thousand or more per month.

Rule 5(2)(iii) is not applicable to any employee of the Company.

For and on behalf of the Board of Directors

Kolkata
7th August, 2024

Uttam Bose
Director
(DIN- 02340000)

A. Sankaranarayanan
Director
(DIN- 00385632)

Annexure-6 to the Directors' Report

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo

(a) Conservation of energy

(i) the steps taken or impact on conservation of energy	a. The Uttarpara Plant of the Company is under suspension of work with effect from 24th May, 2014. The following steps have been taken post suspension of work to conserve energy and reduce electricity expenses. i) Reduction in demand load from 8000KVA to 3000 KVA for the period September, 2014 to December, 2014. ii) Electricity connection was disconnected with effect from 3rd December, 2014 to save the payment of minimum demand charges.
(ii) the steps taken by the Company for utilizing alternate sources of energy	NIL
(iii) the capital investment on energy conservation equipment	NIL

(b) Technology absorption

(i) the efforts made towards technology absorption	All research and development efforts towards redesign and upgrading of product at Uttarpara Plant were put on hold due to suspension of work
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	Not Applicable
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –	Not Applicable
(a) the details of technology imported	Not Applicable
(b) the year of import;	Not Applicable
(c) whether the technology been fully absorbed	Not Applicable
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
(iv) the expenditure incurred on Research and Development	NIL

(c) Foreign Exchange Earnings and Outgo

(i) Foreign exchange earned (net of exchange)	Rs. NIL
(ii) Foreign exchange outgo	
a) CIF value of imports	Rs. NIL
b) Others	Rs. NIL

For and on behalf of the Board of Directors

Kolkata
7th August, 2024

Uttam Bose
Director
(DIN- 02340000)

A. Sankaranarayanan
Director
(DIN- 00385632)

Annexure-7 to the Directors' Report

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

M/s. Hindustan Motors Limited

"Birla Building", 13th Floor,

Western Side, 9/1 R N Mukherjee Road

Kolkata - 700 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/S HINDUSTAN MOTORS LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the audit period covering the period 1st April 2023 to 31st March 2024, we hereby report that in our opinion, the Company has, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on, 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Sick Industrial Companies Act, 1985;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereon;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and subsequent amendments thereon;
- (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2016 and subsequent amendments thereon;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client and subsequent amendments thereon;

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Act:

Motor Vehicles Act, 1988 and rules made there under, to the extent of their applicability to the Company during the Financial Year ended 31.03.2024 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgement and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environments laws, etc.

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

We further report that the provisions of the following regulations/guidelines /standards were not applicable to the Company for the Financial Year ended 31.03.2024:

- a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- c) SEBI (Share Based Employee Benefits) Regulations, 2014;
- d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards (SS-1 and SS-2) as issued by The Institute of Company Secretaries of India and which became effective from 01.07.2015.
- II. The Listing Agreements entered by the Company with The National Stock Exchange of India Limited (NSE) and The Bombay Stock Exchange of India Limited (BSE).

We further report that :

- a) The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- d) There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Management Responsibility

1. Maintenance of secretarial records is the responsibility of the Management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practice and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practice, we followed & provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial records and Books of Accounts of the company or verified the compliance of Laws other than those mentioned above.

4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

We further report that during the Audit period, the company has not incurred any specific event/action that can have a major bearing on the companies compliance responsibilities in pursuance of the above referred laws, Rules, regulations, guidelines, standards etc.

This Report is to be read with our letter of even date which is annexed "ANNEXURE - A" and forms an Integral Part of this Report.

For **RBM & Associates**
Company Secretaries

Place : Kolkata
Date : 21.05.2024

Radhaballav Mandal
Proprietor
M. No. : F8182
UDIN: F008182F000411838

ANNEXURE - A

(TO THE SECRETARIAL AUDIT REPORT OF M/S HINDUSTAN MOTORS LIMITED
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024)

To,
The Members,
M/s Hindustan Motors Limited
"Birla Building", 13th Floor,
Western Side, 9/1 R N Mukherjee Road
Kolkata -700001

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **RBM & Associates**
Company Secretaries

Place : Kolkata
Date : 21.05.2024

Radhaballav Mandal
Proprietor
M. No. : F8182
UDIN: F008182F000411838

Independent Auditor's Report

To the Members of HINDUSTAN MOTORS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Hindustan Motors Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules issued thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Material Uncertainty related to 'Going Concern'

We draw attention to the following Note to the financial statements:

Note 41 to the financial statements, which indicates that the Company does not have any operations. During the year, the Company had earned substantial gains from disposal of its old and obsolete assets including equipment, which had resulted in its current assets exceeding current liabilities, also led to significant reduction of the accumulated losses and ultimately its net worth turned positive. However, the Company continues to prepare its financial statements on a 'going concern' basis for the reasons stated in the said Notes.

Our opinion is not modified in respect of the matter.

Emphasis of Matter

We draw attention to the following Note to the financial statements:

Note 43 to the financial statement, which states order issued for resumption of HM Uttarpara land by the Government of West Bengal. Application filed before West Bengal Land Reform and Tenancy Tribunal (WBLRRTT) and after conclusion of final hearing, an appeal filed by the Company before Hon'ble Calcutta High Court against the order passed by WBLRRTT, which is pending for hearing.

Our opinion is not modified in respect of the matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. Except for the matters described in the ‘Material Uncertainty Related to Going Concern’ and ‘Emphasis of Matter’ paragraphs herein above, we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditors’ Response
1.	<p>Evaluation of various disputed claims including taxes against the Company pending under appeals</p> <p>The Company has material amount of disputed claims including taxes and these are at present pending for adjudication at various forums, which involves significant judgment to determine the possible outcomes of these pending disputes, as their likely outcome shall be known in future.</p> <p>Refer Note Nos. 1(n) and 37 to the financial statements.</p>	<p>Principal Audit Procedures Performed</p> <p>Obtained detailed list of all pending claims including taxes based on tax assessments and demands up to the year ended March 31, 2024 from Management. We have checked the relevant papers and documents and also verified Management’s underlying assumptions in estimating the tax provision and the possible outcome of the pending litigations. In course of our verification, we have also considered legal precedence and other rulings in evaluating Management’s position on these uncertain tax positions.</p> <p>Audit Conclusion:</p> <p>Our procedures did not identify any material exceptions.</p>

Information Other than the Financial Statements and Auditors’ Report Thereon

The Company’s Management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Corporate Governance and Shareholder’s Information included in the Annual report, but does not include the financial statements and auditors’ report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with

the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. In this context attention is drawn to Note 41 to the financial statements about the Company's ability to continue as a 'going concern' and the Company continues to prepare its accounts on a "Going Concern" basis unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. Attention is drawn to Material Uncertainty related to 'Going Concern' paragraph in our report herein above with related disclosures in the Note 41 to the financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in

extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder.
 - (e) The matter described under the 'Material Uncertainty related to Going Concern' paragraph and 'Emphasis of Matter' paragraph herein above, in our opinion, may have an adverse effect on the functioning of the Company.
 - (f) On the basis of the written representations received from the directors as on March 31, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) With respect to the adequacy of the internal financial controls over financial reporting with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no managerial remuneration excepting sitting fees is paid to its directors during the year by the Company.
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended by the Companies (Audit and Auditors) Second Amendment Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 37 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly

lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and in the immediately preceding financial year.
 - vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account in respect of the financial year commencing on April 1, 2023 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **RAY & RAY**
Chartered Accountants
(Firm's Registration No. : 301072E)

Asish Kumar Mukhopadhyay
Partner
Membership No. : 056359
(UDIN : 24056359BKGVYW7207)

Place: Kolkata
Date : May 21, 2024

Annexure to the Auditor's Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment have not been physically verified by the management during the year but as per the phased verification programme, the verification was carried out in earlier years and looking to the nature of assets and complexity in its physical count it is found reasonable. Since no physical verification has been carried out during the year, discrepancies, if any, were not ascertained.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the Balance Sheet date.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use Assets) or intangible assets during the year.
- (e) We have been informed that no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory. Accordingly, provisions of Clause (ii) of paragraph 3 of the aforesaid Order are not applicable to the Company.
- (b) As per the records of the Company and on the basis of the information and explanations given to us, there are no borrowings from bank or financial institutions at any point of time during the year. In view of this, clause (ii) (b) of paragraph 3 of the aforesaid Order is not applicable.
- (iii) According to the information and explanation given to us, during the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties. Accordingly, provisions of clauses (iii) (a) and (b) to (f) of paragraph 3 of the aforesaid Order are not applicable to the Company.
- (iv) According to the information and explanation given to us, during the year the Company has not given loans, made investments, given guarantees and provided securities covered by provisions of section 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) According to the information and explanation given to us, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act for the business activities carried out by the Company. Hence, Clause (vi) of paragraph 3 of the aforesaid Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we are of the opinion that the Company is generally regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income tax, sales tax/ value added tax, service tax, duty of customs, duty of excise, cess and any other statutory dues with appropriate authorities though there has been delays in respect of sales tax/value added tax and municipal tax. The extent of arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date, they became payable, are as mentioned below:

Nature of the Statute	Nature of dues	Amount (Rs. in lacs)	Period to which amount relates	Due Date	Date of payment
West Bengal Deferment Tax	STDC	1791.50	June,2012 to June, 2014	July, 2012 to July, 2014	Not paid
The West Bengal Municipal Act, 1993	Municipal Tax under Uttar Para Kotrang Municipality	297.93	April 2019 to March, 2024	April, 2018 to April, 2023	Not paid

- (b) According to the information and explanations given to us, the following dues of sales tax/ value added tax, duty of custom and duty of excise have not been deposited by the Company on account of any dispute:

Nature of the Statute	Nature of dues	Amount (Rs. in lacs)	Period to which amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Dispute on Account of Classification, Cenvat Credit, Assessable Value, Differential Excise Duty, Input Service Tax Credit and Service Tax	3875.52	1984-2015	High Court, CESTAT, Commissioner (Appeals)/ Commissioner/ Additional Commissioner/ Joint Commissioner/ Assistant Commissioner of Central Excise.
The Central Sales Tax Act, 1956	Stock Transfer, Non-submission of C/D Forms etc.	504.21	1995-2014	High Court/ W.B. Commercial Taxes Appellate and Revisional Board/ Joint Commissioner- Appeal
West Bengal Value Added Tax Act, 2003	Provisional Assessment, Enhancement of turnover with wrong calculation and taxed	2,422.86	2007-2015	Taxation Tribunal of West Bengal/West Bengal Commercial Tax Appellate & Revisional Board
The Customs Act, 1956	Dispute on account of Classification, Duty on inclusion of Technical Know-how fees on imported goods, import of Engines, Short Levy etc.	40.87	1990-2006	Commissioner/ Assistant Commissioner Appeals/ Tribunal
M.P. Commercial Tax Act, 1994 (Entry Tax)	Exemption Notification denied by Commissioner Appeal	12.25	1997-2004	Appellate Board, Bhopal
M.P. VAT Act, 2002	Ex-party Assessment Order	26.64	2011-2012	Commercial Tax Officer
W.B. Commercial Tax Act	Entry Tax	149.09	2012-2014	Calcutta High Court/West Bengal Taxation Tribunal
GST Act	Goods and Service Tax	44.69	2018-2019	Appeal filed with Appropriate Authority

- (viii) We have been informed that there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has no loans or other borrowings. Accordingly, clause (ix) (a) of paragraph 3 of the aforesaid Order is not applicable to the Company.
- (b) As explained to us by the Management that the Company has not been declared wilful defaulter by any bank or financial institution or other lender as on the date of the financial statements.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year. Accordingly, clause (ix) (c) of paragraph 3 of the aforesaid Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have, prima facie, been used for long-term purposes.
- (e) The Company does not have any subsidiary, associate or joint venture, hence, the clause (ix) (e) of paragraph 3 of the aforesaid Order is not applicable to the Company during the year.
- (f) The Company does not have any subsidiary, associate or joint venture, hence, the clause (ix) (f) of paragraph 3 of the aforesaid Order is not applicable to the Company during the year
- (x) (a) According to the information and explanations given to us, the Company has not raised moneys by way

- of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause (x) (a) of paragraph 3 of the aforesaid Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause (x) (b) of paragraph 3 of the aforesaid Order is not applicable to the Company.
- (xi) (a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT – 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government During the year and up to the date of this report.
- (c) We have been informed that no whistle - blower complaints received during the year (and up to the date of this report) by the Company.
- (xii) The Company is not a Nidhi Company. Accordingly, clause (xii) of paragraph 3 of the aforesaid Order is not applicable to the Company.
- (xiii) On the basis of our examination of the books of account of the Company and according to the information and explanations given to us, the transactions entered into with the related parties are in compliance with section 177 and 188 of the Act where applicable and the same has been disclosed in the Notes to the financial statements as required by the applicable Indian Accounting Standards (Ind AS).
- (xiv) (a) The Company has an internal audit system during the year commensurate with the size and nature of its business.
- (b) We have considered the reports of the Internal Auditors for the year under audit.
- (xv) On the basis of our examination of the records of the Company and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with its directors.
- (xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, clauses (xvi) (a), (b) and (c) of paragraph 3 of the aforesaid Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause (xvi) (d) of paragraph 3 of the aforesaid Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to future viability of the Company. We further state that our reporting is based on the facts up to the date of our audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In view of non-applicability of section 135 of the Act to the Company, the relevant clauses (xx) (a) and (b) of paragraph 3 of the aforesaid Order is not applicable to the Company.

For **RAY & RAY**
Chartered Accountants
(Firm's Registration No. : 301072E)

Asish Kumar Mukhopadhyay
Partner

Membership No. : 056359
(UDIN : 24056359BKGVYW7207)

Place : Kolkata
Date : May 21, 2024

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 2(g) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Hindustan Motors Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to financial statements

A Company's internal financial control over financial reporting with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles including the Indian Accounting Standards (Ind AS). A Company's internal financial control over financial reporting with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of

management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **RAY & RAY**
Chartered Accountants
(Firm's Registration No. : 301072E)

Asish Kumar Mukhopadhyay
Partner
Membership No. : 056359
(UDIN : 24056359BKGVYW7207)

Place : Kolkata
Date : May 21, 2024

Balance Sheet as at March 31, 2024

		(Amounts in INR Lakhs)	
	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
NON-CURRENT ASSETS			
Property, Plant And Equipment	3	1,159.13	1,638.52
Intangible Assets	3	-	-
Financial Assets			
(i) Investments	4	10.84	10.84
(ii) Trade Receivables	5	5.47	5.47
(iii) Other Financial Assets	6	0.07	0.17
Deferred Tax Assets - Net	7	-	-
Other Non-Current Assets	8	62.88	65.35
TOTAL NON-CURRENT ASSETS		<u>1,238.39</u>	<u>1,720.35</u>
CURRENT ASSETS			
Financial Assets			
(i) Cash and Cash Equivalents	9	2,165.12	724.84
(ii) Other Financial Assets	10	1,849.10	189.46
Current Tax Assets (Net)	11	12.99	0.13
Other Current Assets	12	14.20	60.75
TOTAL CURRENT ASSETS		<u>4,041.41</u>	<u>975.18</u>
TOTAL ASSETS		<u>5,279.80</u>	<u>2,695.53</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	10,441.44	10,441.44
Other Equity	14	(8,807.77)	(11,344.97)
Total Equity		<u>1,633.67</u>	<u>(903.53)</u>
Liabilities			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Other Financial Liabilities	15	16.31	20.10
Provisions For Employee Benefit Obligations	16	180.55	232.26
Other Non-Current Liabilities	17	63.08	65.69
TOTAL NON-CURRENT LIABILITIES		<u>259.94</u>	<u>318.05</u>
CURRENT LIABILITIES			
Financial Liabilities			
(i) Trade Payables	18		
(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		316.20	373.78
(ii) Other Financial Liabilities	19	2,297.65	2,241.32
Other Current Liabilities	20	710.01	623.53
Provisions For Employee Benefit Obligations	21	62.33	42.38
TOTAL CURRENT LIABILITIES		<u>3,386.19</u>	<u>3,281.01</u>
TOTAL EQUITY AND LIABILITIES		<u>5,279.80</u>	<u>2,695.53</u>

Significant accounting policies and other accompanying notes (1 - 46) form an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date.

For **Ray & Ray**

Chartered Accountants

ICAI Firm's Registration Number: 301072E

Asish Kumar Mukhopadhyay

Partner

Membership No. 056359

Vishakha Gupta

Company Secretary

(M. No. - A54948)

As Approved,

For and on behalf of the Board of Directors

A. Sankaranarayanan

Director

(DIN - 00385632)

Prakash Sahu
Chief Executive Officer

Mahesh Kumar Kejriwal
Chief Financial Officer

Uttam Bose
Director
(DIN - 02340000)

Place : Kolkata

Date : May 21, 2024

Statement of Profit and Loss for the year ended March 31, 2024

(Amounts in INR Lakhs)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
INCOME			
Revenue from Operations	22	324.75	–
Other Income	23	2,691.21	379.04
TOTAL INCOME		3,015.96	379.04
EXPENSES			
Employee Benefits Expense	24	139.16	150.10
Finance Costs	25	3.01	12.74
Depreciation and Amortisation Expense	26	41.54	52.74
Rates & Taxes	27	79.14	78.32
Other Expenses	28	223.61	287.46
TOTAL EXPENSES		486.46	581.36
Profit / (Loss) Before Exceptional Items and Tax		2,529.50	(202.32)
Exceptional Items	29	–	100.00
Profit / (Loss) Before Tax		2,529.50	(102.32)
TAX EXPENSE			
Current Tax	30	–	–
Income Tax Adjustment For Earlier Year (Net)		(13.02)	(106.82)
Profit / (Loss) For The Year After Tax		2,542.52	4.50
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
- Remeasurement of Post-employment benefit obligations		(5.32)	5.39
- Tax relating to these items		–	–
Income Tax	30	–	–
Total Other Comprehensive Income / (Loss) for the year, net of tax		(5.32)	5.39
Total Comprehensive Income / (Loss) for the year		2537.20	9.89
(comprising Profit / (Loss) and Other Comprehensive Income / (Loss) for the Year)			
Earnings per equity share (in Rs.) (Face value of Rs. 5/- per share)			
(1) Basic	39	1.22	0.00
(2) Diluted	39	1.22	0.00

Significant accounting policies and other accompanying notes (1 - 46) form an integral part of the financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For **Ray & Ray**

Chartered Accountants

ICAI Firm's Registration Number: 301072E

Asish Kumar Mukhopadhyay

Partner

Membership No. 056359

Vishakha Gupta

Company Secretary

(M. No. - A54948)

A. Sankaranarayanan

Director

(DIN - 00385632)

Place : Kolkata

Date : May 21, 2024

Prakash Sahu
Chief Executive Officer

Mahesh Kumar Kejriwal
Chief Financial Officer

Uttam Bose
Director
(DIN - 02340000)

Statement of changes in Equity

A. Equity Share Capital

	Note	(Amounts in INR Lakhs)
As at April 01, 2022	13	10,441.44
Changes in equity share capital during the previous year		–
As at March 31, 2023		10,441.44
Changes in equity share capital during the year		–
As at March 31, 2024		10,441.44

B. Other Equity

(Amounts in INR Lakhs)

Particulars	Note	Reserves and surplus					Total
		Capital Reserve	Securities premium	Revaluation Reserve	Capital Subsidy	Retained earnings Surplus/ (Deficit)	
Balance as at April 1, 2022		3.53	2,771.60	710.42	15.00	(14,855.41)	(11,354.86)
Profit for the year						4.50	4.50
Other comprehensive income for the year, net of tax						5.39	5.39
Total comprehensive income for the year		–	–	–	–	9.89	9.89
Balance as at March 31, 2023		3.53	2,771.60	710.42	15.00	(14,845.52)	(11,344.97)
Balance as at April 1, 2023		3.53	2,771.60	710.42	15.00	(14,845.52)	(11,344.97)
Profit for the year						2,542.52	2,542.52
Other comprehensive income for the year, net of tax						(5.32)	(5.32)
Total comprehensive income for the year		–	–	–	–	2,537.20	2,537.20
Balance as at March 31, 2024		3.53	2,771.60	710.42	15.00	(12,308.32)	(8,807.77)

Significant accounting policies and other accompanying notes (1 - 46) form an integral part of the financial statements. This is the Statement of Changes in Equity referred to in our report of even date.

For **Ray & Ray**
Chartered Accountants
ICAI Firm's Registration Number: 301072E

As Approved,
For and on behalf of the Board of Directors

Asish Kumar Mukhopadhyay
Partner
Membership No. 056359

Vishakha Gupta
Company Secretary
(M. No. - A54948)

A. Sankaranarayanan
Director
(DIN - 00385632)

Place : Kolkata
Date : May 21, 2024

Prakash Sahu
Chief Executive Officer

Mahesh Kumar Kejriwal
Chief Financial Officer

Uttam Bose
Director
(DIN - 02340000)

Cash Flows Statement for the year ended March 31, 2024

	(Amounts in INR Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
A Cash Flows from Operating Activities		
Profit / (Loss) before Exceptional Items and Tax	2,529.50	(202.32)
Adjustment for -		
Depreciation and amortisation expense	41.54	52.74
(Gain)/loss on disposal of property, plant and equipment	(2,481.85)	-
Unspent Liabilities and Provisions no longer required Written Back	(55.04)	(297.07)
Interest income classified as investing cash flows	(107.92)	(37.64)
Finance costs	3.01	12.74
Changes in Operating Assets and Liabilities		
(Increase)/ Decrease in other financial assets	(1,599.90)	509.18
(Increase)/Decrease in other non-current assets	2.47	4.55
(Increase)/Decrease in other current assets	46.55	12.33
Increase/(Decrease) in trade payables	(2.54)	23.95
Increase/ (Decrease) in employee benefit obligations	(37.08)	19.27
Increase/(Decrease) in other financial liabilities	52.54	(29.78)
Increase/(Decrease) in other Non-current liabilities	(2.61)	(2.72)
Increase/(Decrease) in other current liabilities	86.48	0.93
Cash Flows from Operating Activities	(1,524.85)	66.16
Income taxes paid (net of refund)	0.16	54.35
Net cash flows from Operating Activities (A)	(1,524.69)	120.51
B. Cash flows from Investing Activities		
(Purchase)/Sale of Property, Plant & Equipment	(3.50)	(0.49)
Gain on assignment of "Contessa" Brand and related Rights	-	100.00
Proceeds from sale of property, plant and equipment	2,923.20	-
Increase in Fixed Deposits	(1,399.99)	(190.72)
Interest received	48.28	39.03
Net cash flows from Investing Activities (B)	1,567.99	(52.18)
C. Cash flows from Financing Activities		
Interest paid	(3.01)	(12.74)
Net cash flows from Financing Activities (C)	(3.01)	(12.74)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	40.29	55.59
Cash and cash equivalents at the beginning of the year	124.83	69.24
Cash and cash equivalents at the end the year	165.12	124.83

Note : Cash and cash equivalents represent cash in hand, bank balances and fixed deposits with maturity of less than 3 months.

The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS 7- Statement of Cash Flows.

Significant accounting policies and other accompanying notes (1 - 46) form an integral part of the financial statements.

This is the Statement of Cash Flows referred to in our report of even date.

For **Ray & Ray**

Chartered Accountants

ICAI Firm's Registration Number: 301072E

Asish Kumar Mukhopadhyay

Partner

Membership No. 056359

Vishakha Gupta

Company Secretary

(M. No. - A54948)

As Approved,

For and on behalf of the Board of Directors

A. Sankaranarayanan

Director

(DIN - 00385632)

Prakash Sahu

Chief Executive Officer

Mahesh Kumar Kejriwal

Chief Financial Officer

Uttam Bose

Director

(DIN - 02340000)

Place : Kolkata

Date : May 21, 2024

Notes to Accounts (Contd.)

CORPORATE INFORMATION

Hindustan Motors Limited ("the Company") is a Company limited by shares, incorporated and domiciled in India having its Registered Office at Kolkata. The Shares of the Company are publicly traded on the National Stock exchange of India and BSE Limited. The Company primarily used to be engaged in manufacture and sale of Vehicles, Spare Parts of Vehicles, Steel Products and Components. The Company also used to be engaged in Trading of Spare Parts of Vehicles.

1 SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PREPARATION

The financial statements have been prepared as a going concern on an accrual basis in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended] and Other applicable provisions of the Act, to the extent applicable.

The financial statements have been prepared under historical cost convention and presented in Indian Rupees (INR) which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest lakhs.

However, the following financial assets and financial liabilities are measured at fair value:

- i) Certain financial assets and liabilities measured at fair value.
- ii) Plan assets of defined employee benefit plans.

(b) PROPERTY, PLANT AND EQUIPMENT

The Company has elected to avail the exemption granted by IND AS-101 "First time adoption of IND AS" and regarded the Previous GAAP carrying value for all of its property, plant and equipment as deemed cost at the transition date, viz., 1st April, 2016. Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation, net of impairment, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on 'Straight Line Method', over the estimated useful lives of the respective assets as prescribed under Schedule II of the Companies Act, 2013 except for vehicles used for Research and development purpose, which are depreciated @20% p.a. which was higher than the rates prescribed under Schedule II of the Companies act, 2013. Leasehold land (other than perpetual lease) is amortised over the respective lease period. Depreciation on addition to property, plant and equipment is provided on pro-rata basis with reference to the month of addition. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future benefits are expected from its use or disposal. Depreciation on disposal of property, plant and equipment is provided on pro-rata basis with reference to the month of disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

Notes to Accounts (Contd.)

(c) INTANGIBLE ASSETS

The Company has elected to avail the exemption granted by IND AS-101 "First time adoption of IND AS" and regarded the Previous GAAP carrying value for all of its intangible assets as deemed cost at the transition date, viz., 1st April, 2016. Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and its cost can be measured reliably. Intangible assets are amortised on straight line basis over their estimated useful lives.

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in profit or loss.

(d) INVENTORIES

- a) Inventories are valued at lower of cost, computed on annual weighted average basis, and net realisable value.
- b) The closing stock of materials inter-transferred from one unit to another is valued at cost or net realisable value whichever is lower.
- c) Net realisable value is the selling price in the ordinary course of business, less costs of completion and costs necessary to make the sale.
- d) Cost of finished goods and work in progress include direct materials, labour and an appropriate proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

(e) FAIR VALUE MEASUREMENT

Fair value is the price that would be received on sale of asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. Normally at initial recognition the transaction price is the best evidence of fair value.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and the risks of the asset or liability and at the level of the fair value hierarchy. This categorization is based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1-Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2-Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3-Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Notes to Accounts (Contd.)

(f) FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

FINANCIAL ASSETS:

Initial recognition and measurement

All financial assets except trade receivables are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, then at transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expressed in the Statement of Profit and Loss.

The Company measures the trade receivables at their transaction price, if the trade receivables do not contain a significant financing component.

Subsequent measurement

Subsequent measurement of financial assets is described below-

(i) Debt instruments :

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

(ii) Equity investments :

The Company subsequently measures all equity investments in companies other than equity investments in subsidiaries, joint ventures and associates at fair value. As per management, as sufficient recent information is not available to measure the fair value, cost represents best estimate of the fair value within that range.

Derecognition :

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities :

Financial liabilities of the Company are contractual obligations to deliver cash or another financial asset to another entity.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value minus transaction

Notes to Accounts (Contd.)

costs that are directly attributable and subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised through profit or loss and loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value, and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The differences in the respective carrying amounts are recognized in the Statement of Profit and Loss.

(g) IMPAIRMENT

1. Property, plant and equipment and other intangible assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Intangible assets with indefinite useful lives and intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

2. Financial assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. The Company tests for impairment using the ECL model for financial assets such as trade receivables, loans and advances to be settled in cash and deposits.

Loss allowance for trade receivables with no significant financing component is measured at an amount

Notes to Accounts (Contd.)

equal to lifetime ECL. Life time ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss (P&L). This amount is reflected in a separate line in the P&L as an impairment gain or loss. For financial assets measured at amortised cost, ECL is presented as an allowance which reduces the net carrying amount of the financial asset.

(h) REVENUE RECOGNITION

- (i) Amounts disclosed as revenue are net of rebate, discount if any.
- (ii) Insurance and other claims, to the extent considered recoverable, are accounted for in the year of claim. However, claims and refunds whose recovery cannot be ascertained with reasonable certainty are accounted for on acceptance basis.
- (iii) Revenue from interest is recognized on accrual basis and determined by contractual rate of interest.
- (iv) Dividend income is stated at gross and is recognized when right to receive payment is established.

The company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity after dispatch of goods and passing of title to the customer.

(i) EMPLOYEE BENEFITS**(i) Short term obligations :**

Short term employee benefits are accrued in the year services are rendered by the employees.

(ii) Post employment benefit obligations :

Contributions to defined contribution plans such as Provident Fund etc. are being made in accordance with the statute and are recognized as and when incurred.

Contribution to defined benefit plans consisting of contribution to gratuity are determined at close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income. Other costs are recognized in the Statement of Profit and Loss.

Other long term employee benefits consisting of Leave encashment are determined at close of the year at present value of the amount payable using actuarial valuation techniques. The changes in the amount payable including actuarial gain or loss are recognized in the Statement of Profit or Loss.

Contribution to Superannuation Fund, a defined contribution plan is made in accordance with the Company Policy and is recognized in the Statement of Profit and Loss.

(j) FOREIGN CURRENCY TRANSACTION**(i) Transactions and balances**

At each Balance Sheet date, monetary items denominated in foreign currency are translated at the functional currency exchange rates prevailing on that date and exchange difference has been recognized in the Statement of Profit and Loss. The company classifies all its foreign operations as integral in nature.

Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rate at the date of transaction.

Notes to Accounts (Contd.)

- (ii) Forward Exchange contracts not intended for trading or speculation purpose

The premium or discount arising at the inception of forward exchange contracts is amortised as expenses or income over the life of respective contracts. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

(k) INCOME TAXES

Current income tax is recognized based on the amount expected to be paid to the tax authorities, using tax rates and tax laws that have been enacted or substantially enacted on the date of Balance Sheet.

Current tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(l) DEFERRED TAX

Deferred tax is recognised, using the Balance Sheet- liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. If the Company has carry forward unabsorbed depreciation and tax losses, all deferred tax assets are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax assets can be realised.

At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises, unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(m) EARNINGS PER SHARE

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of shares and dilutive equity equivalent shares outstanding during the period, except when results will be anti-dilutive.

(n) PROVISIONS, CONTINGENT LIABILITIES, CONTINGENT ASSETS

Provisions are recognized when there is a present legal or statutory obligation or constructive obligation as a result of past events and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are recognized when there is a possible obligation arising from past events due to occurrence and non occurrence of one or more uncertain future events not wholly within the control of the company or where any present obligation cannot be measured in terms of future outflow of resources or where

Notes to Accounts *(Contd.)*

a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets where it is probable that future economic benefits will flow to the company are not recognised but disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

(o) SEGMENT REPORTING

In accordance with Ind AS 108-"Operating Segment", the Operating segments are reported in a manner consistent with the internal reporting provided to the "Chief Operating Decision Maker"(CODM). The Board of Directors is collectively the Company's CODM.

2 RECENTLY ISSUED ACCOUNTING PRONOUNCEMENT

As on 31st March, 2024 there are no new standards or amendments to existing standards applicable to the Company which has been notified by Ministry of Corporate Affairs.

2A USE OF ESTIMATES AND MANAGEMENT JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires management to make judgements, assumptions and the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides information about the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates, underlying assumptions and judgements are reviewed on ongoing basis. Revisions to accounting estimates are recognised in a period in which the estimates are revised. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Notes to Accounts (Contd.)**3. Property, Plant and Equipment**

(Amounts in INR Lakhs)

Particulars	Tangible Assets						
	Freehold Land [Note (c)]	Buildings [Notes (a) to (c)]	Plant & Equipment	Furniture & Fixtures	Office Equipments	Vehicles	Total
At Deemed Cost							
<i>As at March 31, 2022</i>	660.08	326.89	1,076.12	9.05	17.84	18.93	2,108.91
Additions	–	–	–	–	0.49	–	0.49
Disposals / Adjustments	–	–	–	–	–	–	–
<i>As at March 31, 2023</i>	660.08	326.89	1,076.12	9.05	18.33	18.93	2,109.40
Additions	–	–	–	–	3.50	–	3.50
Disposals / Adjustments	–	–	488.89	6.61	8.78	–	504.28
<i>As at March 31, 2024</i>	660.08	326.89	587.23	2.44	13.05	18.93	1,608.62
Depreciation							
<i>As at March 31, 2022</i>	–	105.11	293.18	3.81	2.11	13.93	418.14
Charge for the period	–	13.03	39.35	0.05	0.23	0.08	52.74
Disposals / Adjustments	–	–	–	–	–	–	0.00
<i>As at March 31, 2023</i>	–	118.14	332.53	3.86	2.34	14.01	470.88
Charge for the period	–	12.45	28.16	0.01	0.84	0.08	41.54
Disposals / Adjustments	–	–	59.38	3.55	–	–	62.93
<i>As at March 31, 2024</i>	–	130.59	301.31	0.32	3.18	14.09	449.49
Net Block							
<i>As at March 31, 2023</i>	660.08	208.75	743.59	5.19	15.99	4.92	1,638.52
<i>As at March 31, 2024</i>	660.08	196.30	285.92	2.12	9.87	4.84	1,159.13

Notes :

- (a) Building includes proportionate cost of a part of Building and Other Assets amounting to INR 0.87 lakhs (2023-INR 0.87 lakhs) held in joint ownership basis with others at Kolkata.
- (b) Building includes INR 4.50 lakhs (2023-INR 4.50 lakhs) being the value of share in Co-operative Housing Societies.
- (c) Includes some portion of land and building given on rent, but the value of which could not be ascertained.

Notes to Accounts (Contd.)

(Amounts in INR Lakhs)

	As at March 31, 2024	As at March 31, 2023
4. NON-CURRENT INVESTMENTS		
Investments in equity instruments (fully paid)		
Unquoted -		
In Subsidiary Companies (at cost)		
1,00,000 (2023 - 1,00,000) Equity shares in Hindustan Motors Limited, USA (Incorporated in the State of Delaware, USA)	163.09	163.09
Less: Diminuation in the value of Investment	(163.09)	(163.09)
In Other Entities (at cost)		
50,000 (2023 - 50,000) equity shares of INR 10 each in Pithampur Auto Cluster Limited	5.00	5.00
2,000 (2023 - 2,000) equity shares of INR 10 each in Bengal Shriram Hitech City Private Limited	0.20	0.20
10,000 (2023 - 10,000) equity shares of INR 10 each in AVTEC Limited	5.64	5.64
Total investment in equity instruments	10.84	10.84
Total non-current investments	10.84	10.84
Aggregate amount of unquoted investments	173.93	173.93
Aggregate amount of impairment due to diminuation in the value of investment	(163.09)	(163.09)
5. TRADE RECEIVABLES		
Debts outstanding for a period exceeding six months from the date they are due		
Unsecured, Considered good		
from Related Party	5.47	5.47
Total trade receivables	5.47	5.47

Trade Receivables aging schedule

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivable from Related Party - considered good	-	-	-	-	5.47	5.47
	(-)	(-)	(-)	(-)	(5.47)	(5.47)

Notes to Accounts (Contd.)

	(Amounts in INR Lakhs)		
	As at	As at	
	March 31, 2024	March 31, 2023	
6. OTHER NON-CURRENT FINANCIAL ASSETS			
<i>Unsecured, considered good</i>			
Security Deposits	0.07	0.17	
<i>Unsecured, considered Doubtful</i>			
Loan to Related Party (Subsidiary Company)	107.65	107.65	
Less: Provision made for doubtful loan	(107.65)	(107.65)	
Total other non-current financial assets	0.07	0.17	
7. DEFERRED TAX ASSETS - NET			
<i>Deferred Tax Liabilities on account of:</i>			
Depreciation	12.36	130.12	
Total deferred tax liabilities (A)	12.36	130.12	
<i>Deferred Tax Assets on account of:</i>			
Accrued Expenses Deductible on Payment	243.83	253.83	
Unabsorbed Depreciation and carried forward business loss	972.61	977.08	
Total deferred tax assets (B)	1,216.44	1,230.91	
Deferred Tax Liabilities / (Assets) (Net) - (A-B)	(1,204.08)	(1,100.79)	
<i>Movement in deferred tax liabilities</i>		Depreciation	
<i>As at March 31, 2022</i>		143.00	
Change due to timing difference		12.88	
<i>As at March 31, 2023</i>		130.12	
Change due to timing difference (Refer Note below)		117.76	
<i>As at March 31, 2024</i>		12.36	
<i>Movement in deferred tax assets</i>	Statutory Expenses allowable against taxable income in future	Unabsorbed Depreciation and carried forward business loss	Amounts in INR Lakhs
<i>As at March 31, 2022</i>	243.73	1,864.08	2,107.81
Changes on the basis of amount claimed against taxable income	10.10	(887.00)	(876.90)
<i>As at March 31, 2023</i>	253.83	977.08	1,230.91
Changes on the basis of amount claimed against taxable income (Refer Note below)	(10.00)	(4.47)	(14.47)
<i>As at March 31, 2024</i>	243.83	972.61	1,216.44

Note : In terms of accounting policy 1(l) followed by the Company, net deferred tax assets have not been recognised.

Notes to Accounts (Contd.)

	(Amounts in INR Lakhs)	
	As at	As at
	March 31, 2024	March 31, 2023
8. OTHER NON-CURRENT ASSETS		
<i>(Unsecured)</i>		
Prepaid Expenses	-	2.47
Other Deposit of Non financial nature		
Considered good	61.45	61.45
Considered doubtful	98.20	98.20
Less: Provision made for Doubtful Advances	(98.20)	(98.20)
Other Receivables		
Considered good	1.43	1.43
Considered doubtful	70.75	70.75
Less: Provision made for doubtful receivables	(70.75)	(70.75)
Total other non-current assets	62.88	65.35
9. CASH AND CASH EQUIVALENTS		
Balances with Scheduled Banks		
in Current Accounts	64.85	74.79
in Fixed Deposit Accounts		
Deposit with maturity of less than three months	100.00	50.00
Deposits with maturity more than 3 months but less than 12 months	2,000.00	600.01
Cash in hand	0.27	0.04
Total cash and cash equivalents	2,165.12	724.84
10. OTHER CURRENT FINANCIAL ASSETS		
<i>(Unsecured, considered good)</i>		
Security Deposits	0.16	0.16
Bank Deposits with maturity more than 12 months	1,600.00	-
Receivable towards sale of CCP assets (Pursuant to Business Transfer Agreement)	180.98	180.98
Accrued Interest	67.96	8.32
Total other current financial assets	1,849.10	189.46

Notes to Accounts (Contd.)

(Amounts in INR Lakhs)

	As at March 31, 2024	As at March 31, 2023
11. CURRENT TAX ASSETS (NET)		
Income Tax		
As per last Balance Sheet	0.13	(52.34)
Adjustment/Refunds	(3.69)	21.44
Taxes Paid	16.55	31.03
Total Advance Payment of Income Tax (Net)	12.99	0.13
12. OTHER CURRENT ASSETS		
<i>(Unsecured, considered good)</i>		
Prepaid Expenses	2.46	2.75
Advances receivable in cash or in kind or for value to be received or for pending adjustments	5.91	14.92
GST and other refund receivable	4.51	8.42
Balances with Custom, Port trust & other government departments	1.32	34.66
Total other current assets	14.20	60.75
13. EQUITY SHARE CAPITAL		
Authorised		
33,00,00,000 (33,00,00,000) Equity shares of INR 5 each	16,500.00	16,500.00
55,00,000 (55,00,000) Unclassified shares of INR 100 each	5,500.00	5,500.00
	22,000.00	22,000.00
Issued		
20,90,76,597 (20,90,76,597) Equity Shares of INR 5 each	10,453.83	10,453.83
Subscribed & Paid-Up		
20,86,59,293 (20,86,59,293) Equity Shares of INR 5 each	10,432.96	10,432.96
Add: Forfeited Shares (amount originally paid-up)	8.48	8.48
Total equity share capital	10,441.44	10,441.44

(i) *Reconciliation of equity share capital*

	Number of Shares	Amount (In Lakhs)
As at March 31, 2023	20,86,59,293	10,441.44
Change during the year	-	-
As at March 31, 2024	20,86,59,293	10,441.44

Notes to Accounts (Contd.)**(ii) Rights and preferences attached to equity shares :**

The Company has only one class of equity shares issued and subscribed of face value of INR 5 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after settlement of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders. In the event of declaration of dividend by the Company, approval of shareholders will be required in its Annual General Meeting.

(iii) Details of Shareholders each holding more than 5 percent shares in the Company :

Name of Shareholders	As at 31st March 2024		As at 31st March 2023	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Central India Industries Limited	1,84,00,600	8.82%	1,84,00,600	8.82%
National Bearing Co. (Jaipur) Limited	2,16,12,354	10.36%	2,16,12,354	10.36%

(iv) Shareholding of Promoters:

Name of Shareholders	As at 31st March 2024		As at 31st March 2023	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Amer Investments (Delhi) Limited	87,90,000	4.21%	87,90,000	4.21%
Amita Birla	33,600	0.02%	33,600	0.02%
Bengal Rubber Company Limited	53,54,950	2.57%	53,54,950	2.57%
Birla Brothers Private Ltd.	11,00,000	0.53%	11,00,000	0.53%
Central India Industries Limited	1,84,00,600	8.82%	1,84,00,600	8.82%
Chandra Kant Birla	6,000	0.00%	6,000	0.00%
Gwalior Finance Corporation Limited	6,70,206	0.32%	6,70,206	0.32%
Hindusthan Discounting Company Limited	30,84,556	1.48%	30,84,556	1.48%
Hitaishi Investments Limited	1,77,496	0.09%	1,77,496	0.09%
India Silica Magnesite Works Limited	3,65,000	0.17%	3,65,000	0.17%
Jaipur Finance And Dairy Products Pvt. Ltd.	36,62,000	1.76%	36,62,000	1.76%
National Bearing Co. (Jaipur) Limited	2,16,12,354	10.36%	2,16,12,354	10.36%
National Engineering Industries Limited	9,05,000	0.43%	9,05,000	0.43%
Nirmala Birla	4,87,992	0.23%	4,87,992	0.23%
Ranchi Enterprises And Properties Ltd.	70,500	0.03%	70,500	0.03%
Shekhavati Investments And Traders Ltd.	12,48,000	0.60%	12,48,000	0.60%
Soorya Vanijya And Investment Limited	15,05,000	0.72%	15,05,000	0.72%

As per records of the Company, including its register of Shareholders/Members and other declarations received from Shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of Shares.

Notes to Accounts (Contd.)

(Amounts in INR Lakhs)

	As at March 31, 2024	As at March 31, 2023
14. OTHER EQUITY		
Reserves and Surplus		
Capital Reserve	3.53	3.53
Securities Premium	2,771.60	2,771.60
Revaluation Reserve	710.42	710.42
Capital Subsidy	15.00	15.00
Surplus / (Deficit)	(12,308.32)	(14,845.52)
Total other equity	(8,807.77)	(11,344.97)
(i) CAPITAL RESERVE		
Opening Balance	3.53	3.53
Adjustment during the year	-	-
Closing Balance	3.53	3.53
(ii) SECURITIES PREMIUM		
Opening Balance	2,771.60	2,771.60
Adjustment during the year	-	-
Closing Balance	2,771.60	2,771.60
(iii) REVALUATION RESERVE		
Opening Balance	710.42	710.42
Adjustment during the year	-	-
Closing Balance	710.42	710.42
(iv) CENTRAL SUBSIDY		
Opening Balance	15.00	15.00
Adjustment during the year	-	-
Closing Balance	15.00	15.00
(v) RETAINED EARNINGS - SURPLUS / (DEFICIT)		
Opening Balance	(14,845.52)	(14,855.41)
Add: Profit /(Loss) during the year as per Statement of Profit and Loss	2,542.52	4.50
Other Comprehensive Income recognised directly in retained earnings - Remeasurements of post-employment benefit obligation, net of tax	(5.32)	5.39
Closing Balance	(12,308.32)	(14,845.52)

*Nature and purpose of Reserves***(i) Securities Premium**

Securities Premium represents amount received in excess of per value of issue of shares. The Premium is utilised in accordance with the provisions of the Companies Act.

(ii) Revaluation Reserve

Revaluation Reserve was created under previous GAAP on upward revaluation of land and building.

Notes to Accounts (Contd.)

(Amounts in INR Lakhs)

	As at March 31, 2024	As at March 31, 2023
15. OTHER NON-CURRENT FINANCIAL LIABILITIES		
Security Deposit	16.31	20.10
Total other non-current financial liabilities	16.31	20.10
16. PROVISIONS FOR EMPLOYEE BENEFIT OBLIGATIONS - Non-current		
Leave Encashment - Unfunded		
Present value of obligation	56.41	65.24
Gratuity - Funded		
Present value of obligation	226.10	246.79
Fair value of plan assets	101.96	79.77
Net Liability	124.14	167.02
Total employee benefit obligations	180.55	232.26
17. OTHER NON-CURRENT LIABILITIES		
Other liabilities	63.08	65.69
Total other non-current liabilities	63.08	65.69
18. TRADE PAYABLES		
Trade Payables - others	306.87	364.45
Trade Payables to related parties	9.33	9.33
Total trade payables	316.20	373.78

Trade Payables aging schedule

Particulars	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Others	18.13 (24.14)	0.95 (1.67)	1.60 (0.60)	286.19 (338.04)	306.87 (364.45)
Related Parties	– (–)	– (–)	– (–)	9.33 (9.33)	9.33 (9.33)

Based on the information/documents available with the Company, there are no Micro, Small and Medium Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, as amended, to whom the Company owes any dues.

Notes to Accounts (Contd.)

	(Amounts in INR Lakhs)	
	As at	As at
	March 31, 2024	March 31, 2023
19. OTHER CURRENT FINANCIAL LIABILITIES		
Current Maturities of Long Term Debt		
S. T. Deferral Credit (STDC)*	1,791.50	1,791.50
Security Deposits	232.17	141.67
Others :		
- Other Payables	261.34	295.31
Liabilities for Other Expenses	12.64	12.84
Total Other current financial liabilities	2,297.65	2,241.32
* Repayment of interest free STDC of Rs. 1791.50 lakhs (Rs. 1791.50 lakhs) which already became due has not been paid as on Balance Sheet date.		
20. OTHER CURRENT LIABILITIES		
Advance from Parties	10.61	9.29
Statutory and other dues	507.53	403.67
Liabilities related to Employees	189.27	207.85
Other Liabilities - Deferred Rent Income	2.60	2.72
Total other current liabilities	710.01	623.53
21. PROVISIONS FOR EMPLOYEE BENEFIT OBLIGATIONS - Current		
Leave Encashment - Unfunded		
Present value of obligation	19.22	20.73
Gratuity - Funded		
Present value of obligation	78.52	79.09
Fair value of plan assets	35.41	57.44
Net Liability	43.11	21.65
Total employee benefit obligations	62.33	42.38

Notes to Accounts (Contd.)

	(Amounts in INR Lakhs)	
	Year ended	Year ended
	March 31, 2024	March 31, 2023
22. REVENUE FROM OPERATIONS		
Other Operating Revenues		
Sale of Scrap	324.75	–
Total revenue from operations	324.75	–
23. OTHER INCOME		
a) Interest on Fixed Deposit with Banks and Others *	107.92	37.64
b) Other Non Operating Income		
Unspent Liabilities and Provisions no longer required Written Back	55.04	297.07
Rent and Hire Charges (Including Access Fees)	38.56	35.30
Miscellaneous Income -Non Operating	7.84	9.03
Profit on Disposal of Property, Plant and Equipment (Net) (Note 41)	2,481.85	–
* Includes : Interest on Income Tax Refund Rs. 0.38 Lakhs (Nil)		
Total other income	2691.21	379.04
24. EMPLOYEE BENEFITS EXPENSE		
Salaries & Wages	100.90	105.65
Contribution to Provident and Other Funds	27.97	35.52
Staff Welfare Expense	10.29	8.93
Total employee benefits expense	139.16	150.10
25. FINANCE COSTS *		
Interest on delayed payment of statutory liabilities & others	3.01	12.74
Total finance costs	3.01	12.74
* includes INR Nil (INR 10.00 Lakhs) interest on arrear Municipal Tax.		
* includes INR 1.86 Lakhs (Nil) interest on Income Tax paid		
26. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of property, plant and equipment	41.54	52.74
Total depreciation and amortisation expense	41.54	52.74
27. RATES & TAXES		
Municipal & other taxes	79.14	78.32
Total Rates & Taxes	79.14	78.32

Notes to Accounts (Contd.)

	(Amounts in INR Lakhs)	
	Year ended	Year ended
	March 31, 2024	March 31, 2023
28. OTHER EXPENSES		
Rent	6.32	6.16
Repairs & Maintenance		
Building	0.01	17.96
Plant & Machinery	6.10	5.78
Insurance Charges	0.01	0.01
Power & Fuel	5.98	7.12
Delivery Charges, Freight and Transportation	-	0.77
Travelling and Conveyance	4.13	4.98
Motor Car	2.90	2.15
Legal Expenses	19.31	47.96
Professional Fee	112.06	111.17
Membership Fee & Subscription	27.90	21.03
Bank Charges	0.01	0.01
Printing & Stationary	3.80	3.95
Sanitation & Cleaning	0.98	3.94
Sundry balance Written off	2.08	1.12
Directors' Sitting Fee	7.50	7.35
Directors Travelling	-	0.81
Auditors Remuneration [refer note below *]	9.00	9.00
Advertisement & Publicity	0.15	0.17
Court Award & Settlement	3.25	18.86
Penalty & Fines	0.01	1.64
Miscellaneous expenses	12.11	15.52
Total other expenses	223.61	287.46
* Details of Auditors' remuneration		
Audit fee (Including Quarterly review fees)	8.00	8.00
Tax Audit Fees	1.00	1.00
Total auditors remuneration	9.00	9.00
29. EXCEPTIONAL ITEMS		
Gain on assignment of "Contessa" Brand and related Rights	-	100.00
Total	-	100.00

Notes to Accounts (Contd.)

(Amounts in INR Lakhs)

	Year ended March 31, 2024	Year ended March 31, 2023
30. TAX EXPENSE		
Income tax		
Tax on profits for the year (*)	-	-
Adjustments for prior periods	(13.02)	(106.82)
Total income tax	(13.02)	(106.82)
Less : Recognised in OCI	-	-
Total tax expense	(13.02)	(106.82)
Reconciliation of tax expense and the accounting profit multiplied by tax rate:		
Profit / (Loss) before income tax expense	2,529.50	(102.32)
Other Comprehensive Income / (Expenses)	(5.32)	5.39
	2524.18	(96.93)
Tax at the rate of 25.168% (2023 - 25.168% on Capital Gain)	635.29	-
Tax effect of amounts which are not deductible in calculating taxable income:		
Sundry Balance Written off /Provision for Doubtful Debts	0.52	0.28
Short term capital gain	731.93	-
Depreciation adjustment on account of difference in WDV as per Companies Act and Income tax Act	10.46	12.88
Other Adjustments	(0.90)	(3.02)
	742.01	10.14
Tax effect of amounts which are claimed in calculating taxable income:		
Expenses earlier disallowed u/s 43B now claimed on payment basis (Net)	6.65	(11.10)
Expenses (net) claimed u/s 35DDA	-	2.11
Profit / Loss on sale of Fixed assets	624.63	-
Brought forwarded Business Loss Set off	746.02	-
	1,377.30	(8.99)
Tax Expense provided for the year	-	

* Provision for Income Tax is not required to be made in the accounts in view of brought forward losses.

Notes to Accounts (Contd.)

31. FAIR VALUE MEASUREMENTS

Financial instruments by category

The accounting classification of each category of financial instrument, their carrying amount / fair value are as follows:-

(Amounts in INR Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	FVOCI	Cost/ Amortised Cost	FVOCI	Cost/ Amortised Cost
<i>Financial assets</i>				
Investments				
- Equity instruments	-	10.84	-	10.84
Trade Receivables	-	5.47	-	5.47
Cash and cash equivalents	-	2,165.12	-	724.84
Security deposits	-	0.23	-	0.33
Deposits with maturity of more than 12 months	-	1,600.00	-	-
Receivable towards sale of CCP assets (Pursuant to Business Transfer Agreement)	-	180.98	-	180.98
Accrued Interest	-	67.96	-	8.32
Total financial assets	-	4,030.60	-	930.78
<i>Financial liabilities</i>				
Security deposits	-	248.48	-	161.77
Trade payables	-	316.20	-	373.78
Others	-	2,065.48	-	2,099.65
Total financial liabilities	-	2,630.16	-	2,635.20

(a) Fair value

The fair value of the financial assets and liabilities approximates their carrying amounts as at the Balance Sheet date.

(b) Fair valuation Techniques

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transactions between market participants at the measurement date.

The following method of assumption were used to estimate the fair values:

- The fair value of cash and cash equivalents, trade receivables, trade payables, current financial liabilities/ financial assets approximate their carrying amount largely due to the short term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost /amortised cost in the financial statements approximate their fair value.
- A substantial portion of the Company's long-term debts has been contracted at fixed rate of interest. Fair value of variable interest borrowings approximates their carrying value subject to adjustments made for transaction cost.

Notes to Accounts (Contd.)

32. FINANCIAL RISK MANAGEMENT

The Company's risk management is carried out by a treasury department under policies approved by the Board of Directors, Company Treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, liquidity risk and investment of excess liquidity.

(A) Market Risk

(i) Foreign currency risk

The Company does not operate internationally. The Company does not have significant foreign currency exposure.

(ii) Interest rate risk

The Company does not have borrowing as at 31st March 2024. As such there is no interest rate risk.

(iii) Price risk

The Company does not have a practice of investing in market equity securities with a view to earn fair value changes gain. At the reporting date Company does not hold quoted securities. Accordingly, Company is not exposed to significant market price risk.

(B) Credit Risk

The Company is exposed to credit risk from its activities and from its financing activities including deposits with banks.

(C) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unexpected losses.

33. CAPITAL MANAGEMENT - RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

34. RELATED PARTY TRANSACTIONS

A. List of Related Parties

a. Subsidiary Company

Hindustan Motors Limited, U.S.A (HML,USA) (Dissolved on 16th February 2017)

b. Key Management Personnel of the company and close member of Key Management Personnel of the company

- i) Mr. A. Sankaranarayanan, Director
- ii) Mr. Raj Kamal Johri, Director
- iii) Mr. Uttam Bose, Director
- iv) Smt. Mou Mukherjee, Director
- v) Mr. Om Prakash Gupta, Director
- vi) Mr. Sourav Daspatnaik, Director
- vii) Mr. Prakash Sahu, Chief Executive Officer
- viii) Mr. Mahesh Kumar Kejriwal, Chief Financial Officer
- ix) Mrs. Vishakha Gupta, Company Secretary

Notes to Accounts (Contd.)**B. Transactions with Related Parties for the year ended March 31, 2024**

Nature of Transactions	Subsidiary		(Amounts in INR Lakhs)	
			Key Management Personnel/ Relative of Key Management Personnel	
	2024	2023	2024	2023
EXPENSES :				
Salaries, Allowances, Provident fund and Other				
Mr Prakash Sahu	-	-	49.55	43.79
Mr Mahesh Kumar Kejriwal	-	-	16.94	13.48
Mrs Vishakha Gupta	-	-	7.19	6.05

C. Outstanding Balances as on March 31, 2024**PAYABLES :****For Goods & Services**

Hindustan Motors Limited, U.S.A (HML,USA)
(Balance outstanding as at 15th February, 2017)

9.33 9.33 - -

LOANS & ADVANCES AND RECEIVABLES :**For Goods & Services**

Hindustan Motors Limited, U.S.A (HML,USA)
(Balance outstanding as at 15th February, 2017)

5.47 5.47 - -

35. RELATIONSHIP WITH STRUCK OFF COMPANIES

Name of Struck off Company	Nature of transactions with Struck off Company	Balance outstanding as at March 31, 2024	Relationship with the Struck off Company
Hindustan Motors Limited, U.S.A (HML,USA)	Investments in securities	163.09 * (163.09) *	Subsidiary Company
	Receivables	5.47 (5.47)	
	Payables	9.33 (9.33)	
	Loan	107.65 * (107.65) *	

* Fully Provided

36. LOANS OR ADVANCES TO RELATED PARTIES

Type of Borrower	Amount of loan or advances in the nature loan outstanding as at March 31,2024	Percentage of total Loans and Advances in the nature of loans
Related Parties	107.65 * (107.65) *	05.50 (36.21)

* Fully Provided

Notes to Accounts (Contd.)**37. CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR**

The company had contingent liabilities at March 31, 2024 in respect of:

- a) Claims against the Company pending appellate/judicial decisions not acknowledged as debts :

(Amounts in INR Lakhs)

Particulars	March 31, 2024	March 31, 2023
(a) Sales Tax	2964.82	2964.82
(b) Service Tax	341.31	374.63
(c) Customs Duty	85.16	85.16
(d) Excise Duty	3546.27	3546.27
(e) GST	44.69	-
(f) Others	1073.90	1023.23

The Management believes that the outcome of the above will not have any material adverse effect on the financial position of the company. Against the above claims/demands, payments have been made under protest and/or debts have been withheld by the respective parties, to the extent of INR 73.39 Lakhs (INR 73.39 Lakhs).

Included in the above are contingent liabilities to the extent of INR 875.65 Lakhs (INR 875.65 Lakhs) relating to the pre transfer period of the erstwhile Power Unit Plant and Power Product Division of the Company, which were transferred to AVTEC Limited in June 2005, INR 471.16 Lakhs (INR 471.16 Lakhs) relating to the pre-transfer period of the erstwhile Earthmoving Equipment division of the Company, which was transferred to Caterpillar India Private Limited in February 2001 and INR 569.80 Lakhs (INR 603.14 Lakhs) relating to the pre transfer period of the erstwhile Chennai Car Plant of the Company, which has been transferred to Hindustan Motor Finance Corporation Limited in March 2014. However, demands to the extent of INR 667.29 Lakhs (INR 667.29 Lakhs) in case of erstwhile Power unit Plant are covered by counter guarantees by the customers.

- b) Bonus for the years 1963-64 to 1967-68 at Uttarpara unit is under adjudication (amount undetermined). The Company contends that no liability exists in this regard under the Payment of Bonus Act, 1965, as amended.

38. DESCRIPTION OF PLANS**i) Description of Plans****A. Defined benefit plans****a) Provident Fund**

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and neither it has further contractual nor any constructive obligation.

b) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972.

B. Other Employee Benefits**Leave Encashment**

The amount of the provision of INR 19.22 Lakhs (March 31, 2023 INR 20.73 Lakhs) is considered as current and the accumulated leave expected to be carried forward beyond twelve months as long term employee benefit for measurement purpose.

Notes to Accounts (Contd.)

ii) Movement of defined benefit obligation and fair value of plan assets :

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(Amounts in INR Lakhs)

Particulars	Gratuity (Funded)			Leave Encashment (Unfunded)
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
As at April 1, 2022	334.42	164.83	169.59	91.16
Current service cost	14.38	–	14.38	8.56
Interest expense/(income)	22.54	11.79	10.75	6.23
Actuarial (Gain) /Loss applicable	–	–	–	(11.82)
Total amount recognised in profit or loss	36.92	11.79	25.13	2.97
Remeasurements				
Loss due to experience	(1.52)	–	(1.52)	–
Loss due to change in financial assumptions	(5.58)	–	(5.58)	–
Return on plan assets (greater)/less than discount rate	–	(1.71)	1.71	–
Total amount recognised in other comprehensive income	(7.10)	(1.71)	(5.39)	–
Employer contributions	–	0.66	(0.66)	–
Benefit payments	(38.36)	(38.36)	–	(8.17)
As at March 31, 2023	325.88	137.21	188.67	85.96
As at April 1, 2023	325.88	137.21	188.67	85.96
Current service cost	13.00	–	13.00	7.85
Interest expense/(income)	20.67	9.56	11.11	5.60
Actuarial (Gain) /Loss applicable	–	–	–	(12.39)
Total amount recognised in profit or loss	33.67	9.56	24.11	1.06
Remeasurements				
Loss due to experience	2.31	–	2.31	–
Loss due to change in financial assumptions	1.27	–	1.27	–
Return on plan assets (greater)/less than discount rate	–	(1.74)	1.74	–
Total amount recognised in other comprehensive income	3.58	(1.74)	5.32	–
Employer contributions	–	50.85	(50.85)	–
Benefit payments	(58.51)	(58.51)	–	(11.39)
As at March 31, 2024	304.62	137.37	167.25	75.63

The net liability disclosed above relates to funded and unfunded plan are as follows:

(Amounts in INR Lakhs)

Particulars	March 31, 2024	March 31, 2023
Present value of funded obligations	304.62	325.88
Fair value of plan assets	137.37	137.21
Deficit of funded plan	167.25	188.67
Unfunded plans	75.63	85.97
Deficit of Employee Benefit Plans	75.63	85.97

Notes to Accounts (Contd.)**iii) Post-Employment benefits**

The significant actuarial assumptions were as follows :

(Amounts in INR Lakhs)

Particulars	March 31, 2024	March 31, 2023
Discount Rate	6.97%	7.15%
Salary Growth Rate	1.00%	1.00%
Expected Return on Assets	6.97%	7.15%
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Withdrawal Rate	1.00%	1.00%

iv) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(Amounts in INR Lakhs)

Particulars	Change in assumption		Impact on defined benefit obligation			
	March 31, 2024	March 31, 2023	Increase by 0.50%		Decrease by 0.50%	
Particulars	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Gratuity						
Discount rate	0.50%	0.50%	299.76	320.01	309.64	331.95
Salary growth rate	0.50%	0.50%	309.89	332.25	299.47	319.66
Leave Encashment						
Discount rate	0.50%	0.50%	74.34	84.35	76.98	87.66
Salary growth rate	0.50%	0.50%	77.04	87.74	74.26	84.25

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method i.e. projected unit credit method has been applied as that used for calculating the defined benefit liability recognised in the balance sheet.

v) The major categories of plan assets are as follows :

Particulars	March 31, 2024		March 31, 2023	
	Unquoted	in %	Unquoted	in %
Investment funds with Life Insurance corporation of India*	137.37	100%	137.21	100%

* Gratuity trust pays contribution to Life Insurance Corporation of India (LICI) which in turn invests the amount in various instruments. As it is done by LICI in totality basis along with contributions from other participants, the Company wise investment in planned assets - category / class wise is not available.

Notes to Accounts (Contd.)

vi) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Description of Risk Exposers :

Valuations are based on certain assumption which are dynamic in nature and vary over time. As such Company is exposed to various risk as follows:

Interest rate risk : Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

Withdrawals : Actual withdrawals providing higher or lower than assumed withdrawals can impact plan's liability.

Discount Rate : Reduction in discount rate in subsequent valuations can increase the plans liability.

vii) Defined benefit liability and employer contributions

Expected contribution to post employment benefit plan for the year ending March 31, 2024 is INR 253.92 Lakhs (INR 279.90 Lakhs)

The weighted average duration of the defined benefit obligation is 10 years in case of Gratuity and 10 years in case of Leave encashment in all the two years.

The expected maturity analysis of undiscounted gratuity and leave encashment is as follows:

(Amounts in INR Lakhs)

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 3 years	Between 3 - 4 years	Between 4 - 5 years	Beyond 5 years	Total
March 31, 2024							
Defined benefit obligation							
Gratuity	81.21	57.96	58.07	51.96	43.23	100.02	392.45
Leave encashment	19.88	13.19	14.37	12.50	12.81	30.19	102.94
Total	101.09	71.15	72.44	64.46	56.04	130.21	495.39
March 31, 2023							
Defined benefit obligation							
Gratuity	81.87	44.25	57.87	56.16	50.90	145.99	437.04
Leave encashment	21.46	10.45	14.22	13.61	12.67	45.21	117.62
Total	103.33	54.70	72.09	69.77	63.57	191.20	554.66

39. EARNINGS PER EQUITY SHARE

a) Basic and diluted earnings per share :

Particulars	March 31, 2024	March 31, 2023
	INR	INR
Basic earnings per share	1.22	0.00
Diluted earnings per share	1.22	0.00

Notes to Accounts (Contd.)**b) Reconciliation of earnings used in calculating earnings per share :**

(Amounts in INR Lakhs)

Particulars	March 31, 2024	March 31, 2023
Profit / (Loss) attributable to the equity holders of the company used in calculating basic earnings per share:	2,542.52	4.50
Profit / (Loss) attributable to the equity holders of the company used in calculating diluted earnings per share	2,542.52	4.50

c) Reconciliation of weighted average number of shares used as the denominator :

	March 31, 2024	March 31, 2023
	Number of shares	Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	20,86,59,293	20,86,59,293
Adjustments for calculation of diluted earnings per share:	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	20,86,59,293	20,86,59,293

40. SEGMENT REPORTING

As the Company's business activity falls within a single primary business segment viz "Automobiles" and there is no reportable secondary segment i.e. geographical segment, the disclosure requirement of IND AS 108 - "Operating Segments " is not applicable.

41. The Company has been continuously rationalising the cost post "suspension of work" at Uttarpara plant. It has reduced the fixed cost including employee cost considerably and continuously working on further reducing its fixed cost. The accumulated losses of the Company was brought down to Rs.12308.32 Lacs as on 31st March, 2024 as compared to Rs.25218.07 Lacs as on 31st March, 2017. The net worth of the Company has also turned positive, and the value is Rs.904.69 lacs as on 31st March, 2024 as compared to negative net worth of Rs.1632.50 lakhs as on 31st March, 2023. The Company is presently debt free (Financial debt) barring few liabilities which stand mainly on employee account, trade payables & other liabilities. At present, the current asset of the Company exceeds the current liabilities resulting in favourable current ratio and reflects that Company has sufficient liquidity to meet its liabilities. The Company is considering various measures including alternative use of Fixed Assets to generate revenue. The Company has started to monetize its old and obsolete assets including equipment during the year.

The long awaited eco-friendly electric vehicle project is stalled at the moment due to Notice from Government of West Bengal on resumption of Uttarpara Land.

The Company has alternate plans to facilitate and generate additional revenue and realize adequate fund required, after the resumption issue is resolved.

Thus, the Company will facilitate and generate additional revenue and realize further fund required and hence, the Company continues to prepare its accounts on a going concern basis.

Notes to Accounts (Contd.)

42. Due to low productivity, growing indiscipline, shortage of funds and lack of demand of products, the management declared "Suspension of work" at Company's Uttarpara Plant with effect from 24th May 2014.

Based on legal opinion obtained, the employees and workmen, falling under the purview of "Suspension of work" at Uttarpara plant, are not entitled to any salary & wages during that period and accordingly the Company has not provided for such salary & wages.

43. The Government of West Bengal issued an order for resumption of HM Uttarpara land. Application filed before West Bengal Land Reform and Tenancy Tribunal (WBLRTT) and after conclusion of final hearing, an appeal filed by the Company before Hon'ble Calcutta High Court against the order passed by WBLRTT, which is pending for hearing.

44. The wholly owned immaterial foreign subsidiary of the Company namely Hindustan Motors Limited, USA was already dissolved on 16th February, 2017 as per the laws applicable in USA and as such not in existence since after dissolution. Further, the application made by the Company to Reserve Bank of India seeking permission for writing off its entire investment in Hindustan Motors Limited, USA (Capital, Loan and other receivables/payables) for which necessary provision has been made in the accounts of the Company, is under consideration.

Ratios	Numerator	Denominator	Current Year	Previous Year	Remarks (Explanation for change in the ratio by more than 25% as compared to the preceding year)
Current ratio (in terms)	Total Current Assets	Total Current Liabilities	1.19	0.30	Increase in Cash and Cash equivalents resulting from sale of obsolete assets including equipments.
Return on equity ratio (%)	Profit for the year less Preference Dividend (if any)	Average shareholder's equity	696.45	(0.50)	Significant improvement due to substantial increase in retained earnings, which is due to gain on disposal of obsolete assets including equipments.
Return on capital employed (%)	Profit before Interest and Taxes	Capital Employed	155.02	(9.91)	

46. a) Figures in brackets represent figures for the previous year.

b) Previous year's figures have been regrouped / rearranged wherever necessary.

As per our report of even date.

For **Ray & Ray**

Chartered Accountants

ICAI Firm's Registration Number: 301072E

Asish Kumar Mukhopadhyay

Partner

Membership No. 056359

Vishakha Gupta

Company Secretary

(M. No. - A54948)

Prakash Sahu
Chief Executive Officer

Mahesh Kumar Kejriwal
Chief Financial Officer

Place : Kolkata

Date : May 21, 2024

As Approved,
For and on behalf of the Board of Directors

A. Sankaranarayanan

Director

(DIN - 00385632)

Uttam Bose

Director

(DIN - 02340000)

If undelivered please return to :



**Hindustan
Motors
Limited**

“Birla Building”, 13th Floor
9/1, R. N. Mukherjee Road, Kolkata 700 001

LaserPRINT © 93393 77479