

Hindustan Motors

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

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April 25, 2019

- | | |
|---|---|
| <p>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
(Company Code : HINDMOTORS)</p> | <p>2 Corporate Relationship Dept.
BSE Limited
1st floor, New Trading Ring
Rotunda Building, P. J. Towers
Dalal Street, Fort
Mumbai - 400 001
(Company Code : 500500)</p> |
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Sub: (a) Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information and (b) Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons in securities of the Company

Dear Sir,

We would like to inform you that in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended by Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 vide SEBI notification dated 31st December, 2018, the Board of Directors of the Company through Circular Resolution dated 24th April, 2019 has adopted the following revised Codes effective 1st April, 2019, in supersession of the earlier Code adopted by the Company:-

(a) Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information and

(b) Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons in securities of the Company.

A copy of the said Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information is attached herewith for your information.

Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully,
For Hindustan Motors Limited

Prativa Sharma

Prativa Sharma
Company Secretary

Encl: As above



Hindustan Motors Limited

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

Effective 01 April 2019

[Pursuant to Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and as approved by the Board of Directors on, 2019]

Hindustan Motors Limited

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CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATIONS

1. PREFACE

This code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code") has been formulated by Hindustan Motors Limited in pursuance of Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time and is based on the Principles mentioned therein.

2. OBJECTIVE

This Code aims to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price of the Company's securities. The Company endeavors to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information.

3. DEFINITIONS

'Company' means Hindustan Motors Limited

'Chief Investor Relations Officer (CIRO)' means the Company Secretary/Compliance Officer of the Company.

'Un-Published Price Sensitive Information (UPSI)' means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following-

- Financial results;
- Dividends;
- Change in capital structure;
- Mergers, demergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- Changes in key managerial personnel;

'Legitimate Purpose' the UPSI can be shared as an exception for Legitimate Purposes (as per its "Policy for Determination of Legitimate Purposes" (Annexure A), provided it is not shared to evade or circumvent the prohibition under the Regulation), performance of duties, or discharge of legal obligations.

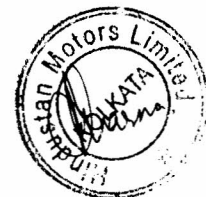
Words and terms used in this Code and not defined herein shall derive the meaning as per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Depositories Act, 1996 or the Companies Act, 2013 including rules and regulations made thereunder.



4. PRACTICES & PROCEDURES

The following principles shall be followed by the Company so as to ensure timely and adequate disclosure of events, occurrence and unpublished price sensitive information that could impact price of its securities in the market:-

- i. The Company shall promptly disclose to the public UPSI that would impact price discovery, no sooner than such credible & concrete information comes into being.
- ii. The Company shall endeavor to make uniform and universal dissemination of UPSI to avoid selective disclosures.
- iii. The Chief Investor Relations Officer (CIRO) shall be responsible for overseeing, monitoring & coordinating for dissemination of UPSI.
- iv. In the event of disclosure of UPSI selectively, inadvertently or otherwise, the Company shall promptly disseminate such information to make it generally available to all/public.
- v. The Company shall fairly and appropriately respond to queries on news reports and requests for verification of market rumours by regulatory authorities, if any.
- vi. The Following Guidelines will be adopted by the Company while dealing with Analysts/ Investors:-
 - a) The Company shall ensure that information shared with analysts/research personnel/large investors and Institutions are not UPSI.
 - b) Questions outside the intended scope of discussions by the Analysts will not be answered normally but the same may be taken on notice and considered response given later.
 - c) The Company shall develop best practices to make transcripts or records of proceedings of the meetings with analysts and other investor relations conference on its official website, in order to ensure official confirmation and documentation of disclosures made. This will be simultaneously sent to the Stock Exchange.
- vii. The Company will make timely and adequate disclosure of shareholding/changes in ownership / ownership by major shareholders required under the Regulations/ SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, to the Stock Exchanges.
- viii. The Company shall notify to the Stock Exchange within two trading days from the receipt of the disclosure or from becoming aware of an off- market trade between Insiders who are in possession of UPSI, such off- market trades shall be reported by the Insiders to the Company within two days.



viii. UPSI shall be handled on a "need to know" basis in the Company. UPSI can be shared by an Insider in furtherance of legitimate purposes as per its "Policy for Determination of Legitimate Purposes" (Annexure A), provided it is not shared to evade or circumvent the prohibition under this Regulation.

5. AMENDMENT TO THE CODE

The Board of Directors of the Company, subject to applicable laws, rules & regulations, may amend, modify or substitute any provision(s) with a new provision(s) or replace this Code at any time without assigning any reason whatsoever.

This Code and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges, if required under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and/or SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment(s) or re-enactment thereto.



Annexure A

Policy for Determination of Legitimate Purposes

(Pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015)

1. INTRODUCTION

This Policy is prepared in accordance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and forms part of "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" will be known as the "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy".

2. OBJECTIVE

Regulation 3(1) and 3 (2) of SEBI (Prohibition of Insider Trading) Regulations, 2015 prohibits the insiders from communicating, providing, allowing access to any Unpublished Price Sensitive Information (UPSI) relating to the Company or its securities, to any persons except where such communication is in furtherance of the legitimate purposes, performance of duties or discharge of legal obligations.

The objective of this policy is to identify or determine 'Legitimate Purposes' for performance of duties or discharge of legal obligations.

3. POLICY & PROCEDURES

i. 'Legitimate Purposes' shall include sharing of UPSI in the ordinary course of business by an Insider with the following, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations:

- Partners
- Auditors (Statutory, Internal, Branch, Cost, Secretarial, GST and any other Auditor as applicable)
- Staff Members of the Audit firm/team conducting the Audit
- Collaborators
- Lenders
- Customers
- Suppliers
- Bankers
- Legal Advisors
- Merchant Bankers
- Insolvency Professionals
- Investor Relation Advisors/ Agencies
- Credit Rating Agencies/ Advisors
- Registrar & Share Transfer Agent
- Depositories
- Consultants



- Any other advisers/consultants/partners
- Any other business relationship not specifically covered above, which necessitates sharing of UPSI

In addition to the above what shall constitute legitimate purpose and what shall not constitute legitimate purpose will be based on business related needs of the Company as may be determined by the Managing Director.

- ii. **'Insider'** shall mean any connected person or a person having access to UPSI and shall include a person in receipt of UPSI pursuant to a "legitimate purpose" for the purpose of these regulations.
- iii. UPSI can be shared by Insiders for legitimate purposes, provided confidentiality agreement shall be signed or due notice shall be given to the recipient of the said information to maintain confidentiality of such UPSI in compliance of these regulations and refrain himself/ themselves from trading in the shares of the Company while in possession of UPSI.
- iv. While sharing of the information, care should be taken so as to not evade or circumvent the prohibitions of the regulations.
- v. The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities, as the case may be, with whom UPSI is shared under this regulation along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database shall be maintained with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.

