



February 27, 2007

1. The Secretary
The Calcutta Stock Exchange
Association Limited
7 Lyons Range
Kolkata 700 001
2. Corporate Relationship Dept.
Bombay Stock Exchange Limited,
1st Floor, New Trading Ring
Rotunda Building, P.J. Towers
Dalal Street, Fort
Mumbai 400 001
3. The Manager
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051

Dear Sir(s)

Sub: Intimation under the Listing Agreement regarding development of Integrated IT Township & Auto Park in 314 acres

This is to bring to your attention that our Company has finalised an arrangement with M/s Shriram Properties Ltd. of Bangalore, for the development of 'An Integrated IT Township and Auto Park' in 314 acres of land specifically identified for this purpose and in accordance with the conditions laid down by the West Bengal Government in it's approval order dated 13th September 2006.

The Company will forthwith submit necessary application to the consortium of lenders since the arrangement is subject to their approval.

Development of the proposed Integrated IT Township & Auto Park would be accomplished jointly with M/s Shriram Properties through a SPV. As consideration, the Company expects to receive about Rs. 295 Crores in five tranches spread over the next ten quarters as well as non compete fee equal to 4% of sale proceeds.

The Company will be utilising proceeds from this arrangement for implementation of the revival and renewal plan of it's Uttarpara plant, as committed in its application to the Government of West Bengal, namely investments on modernisation, expansion and development of contemporary automotive forging, stamping and foundry facilities and growth initiatives.

The Company had engaged M/s. HDFC Limited for advising in the identification of prospective developers, evaluation of bids and to conclude the commercial terms.

Thanking you,

Yours faithfully
For Hindustan Motors Limited

G N Pareek
Company Secretary