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## **Code of Conduct to Regulate, Monitor and Report Trading by Designated Person**

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**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 24<sup>th</sup> April, 2019]

### **Hindustan Motors Limited**

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*Approved version of the Code of Conduct as approved by the Board of Directors through circulation on 24April, 2019*

**CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS**

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1. This Code of Conduct will be known as "HINDUSTAN MOTORS LIMITED CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING" (hereinafter referred to as Code of Conduct) made pursuant to Regulations 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

**2. POLICY AND OBLIGATION**

As a part of Company's commitment to transparency and good governance, the Code of conduct to regulate, monitor and report trading by insiders in securities has been framed with an objective to regulate trading by an insider in securities, preserve the confidentiality of unpublished price sensitive information and to ensure fairness in dealing with all stakeholders.

All Designated persons and their immediate relatives shall be governed by this code.  
Code of Conduct shall come into force from the 1<sup>st</sup> day of April, 2019.

**3. DEFINITIONS**

- (a) "Act" means the Securities and Exchange Board of India Act, 1992 or any modification thereto
- (b) "Board" means the Securities and Exchange Board of India
- (c) "Board of Directors" means the Board of Directors of the Hindustan Motors Limited.
- (d) "Code" or "this Code" shall mean this code of conduct to regulate, monitor and report Trading by Designated Persons in Securities of the Hindustan Motors Limited as amended from time to time.
- (e) "Company" - means Hindustan Motors Limited.
- (f) "Regulations" means the SEBI (Prohibition of Insider Trading) Regulations,2015.
- (g) " Compliance Officer" means any senior officer, designated so and reporting to the board of directors, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of UPSI, monitoring of trades and the implementation of the codes specified in these Regulations under the overall supervision of the board of directors of the Company.

Explanation – For the purpose of this regulation, "financially literate" shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.

- (h) "Business Day" means all days excluding the days that the Company is not open for business.
- (i) "Confidential Information" includes any information that is deemed to be confidential by the management and shall include all unpublished price – sensitive information.

- (j) "Conflict of Interest" means a circumstance which places a designated person in a position where their interests, professional and/or personal could compromise their independence.
- (k) "Connected person" means,-
- (i) any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
  - (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
    - (a) an immediate relative of connected persons specified in clause (i); or
    - (b) a holding company or associate company or subsidiary company; or
    - (c) an intermediary as specified in section 12 of the Act or an employee or director thereof; or
    - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
    - (e) an official of a stock exchange or of clearing house or corporation; or
    - (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
    - (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2(72) of the Companies Act, 2013; or
    - (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
    - (i) a banker of the company; or
    - (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest;
- (l) "Designated person(s)" mean persons specified as such by the Board of Directors of the Company in consultation with the Compliance Officer and shall include:
- a. All directors of the Company
  - b. All Promoters of the Company
  - c. Key Managerial Personnel appointed under the Companies Act, 2013
  - d. employees of the Company designated on the basis of their functional role in the Company or ability to have access to unpublished price sensitive information.
  - e. employees of material subsidiaries of the Company, if any, designated by their board of directors, on the basis of their functional role or ability to have access to unpublished price sensitive information.
  - f. chief executive officer of the Company and employees up to two level below the managing director or chief executive officer of the Company and its material subsidiaries irrespective of their functional role in the Company or ability to have access to unpublished price sensitive information.
  - g. All employees of the secretarial department, accounts department and IT department having access to unpublished price sensitive information.
  - h. Auditors of the Company including secretarial auditor, statutory auditor, internal auditor, cost auditor and their representatives connected with the Company.
  - i. Immediate relatives of the aforesaid persons
  - j. Such other persons as may be notified by the Compliance Officer from time to time.

NOTE – In case any Designated Person separates from the services of the Company due to superannuation/resignation/termination etc. he/she shall continue to be considered as a Designated Person for a further period of 6(six) months subsequent to the date of his/her separation from the Company as envisaged under the Regulations.

- (m) “generally available information” means information that is accessible to the public on a non-discriminatory basis
- (n) “legitimate purpose” shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, auditors, collaborators, lenders, customers, suppliers, 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.
- (o) “immediate relative” means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;
- (p) "insider" means any person who is:
  - i) a connected person; or
  - ii) in possession of or having access to unpublished price sensitive information;
  - iii) further any person in receipt of UPSI pursuant to a legitimate purpose.
- (q) "promoter" shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- (r) “promoter group” shall have the meaning assigned to it under the SEBI (ICDR) Regulations, 2018 or any modification thereto.
- (s) “Takeover Regulations” means the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011 and any amendments thereto.
- (t) "trading" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;
- (u) “trading day” means a day on which the recognized stock exchanges are open for trading;
- (v) "unpublished price sensitive information" 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: –
  - (i) financial results;
  - (ii) dividends;
  - (iii) change in capital structure;
  - (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
  - (v) changes in key managerial personnel; and
  - (vi) material events in accordance with the listing agreement.
- (w) “Key Managerial Personnel” means
  - The Chief Executive Officer or the Managing Director or the Manager.
  - The Company Secretary
  - The Whole Time Director
  - The Chief Financial Officer

- Such other officer as may be prescribed under the Companies Act, 2013

- (x) “Trading Window” means trading period for dealing in Company's Securities as specified by the Company.
- (y) “Securities” means Equity Shares or such other security of the Company having voting rights.

Words and expressions used and not defined in this code but defined in the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made thereunder shall have the meaning respectively assigned to them in that legislation.

#### **4. COMPLIANCE OFFICER**

- a) The Company Secretary of the Company will be the Compliance Officer for the purpose of this code.
- b) The Compliance Officer shall report to the Board of Directors and in particular, shall provide a report annually to the Chairman of the Audit Committee in relation to the mandates of the Regulations and the Code. In the event of the office of the Company Secretary falling vacant till such time a successor is appointed, the Managing Director shall, in the interim period act as the Compliance Officer. In the performance of his/her duties, the Compliance Officer shall have access to all information and documents relating to the securities of the Company.

#### **5. PERSERVATION, COMMUNICATION AND PROCUREMENT OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

Designated Persons shall maintain the confidentiality of all UPSI coming into their possession or control. They shall not pass on such information to any person including their immediate relative, directly or indirectly.

All information shall be handled within the Company on a need to know basis. No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the Company or securities to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

The ‘Policy for determination of legitimate purposes’ has been framed by the Company and forms part of “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information”.

The Board of directors shall ensure that a structured digital database is maintained containing the name 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.

To comply with the confidentiality obligation, the Designated Person shall not:

- (i) Communicate, provide or allow access to any unpublished price sensitive information directly or indirectly, including by way of making a recommendation for the purchase or sale of Securities relating to the Company to any person except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- (ii) Discuss UPSI in public places,
- (iii) Shall trade in the securities of the Company while in possession of unpublished price sensitive information.

- (iv) Disclose UPSI to any Employee who does not need to know the information for discharging his or her duties.

If, in the performance of duties, it becomes necessary for the Designated Person(s) to disclose any UPSI to any person outside the Company, e.g., Advisors, Auditors, Consultants, Merchant Bankers, etc., the Designated Person(s) shall ensure that the concerned Advisor, Auditor, Consultant, Merchant Bankers, etc., executes a non-disclosure/ confidentiality agreement in the prescribed format (Annexure – A).

No Designated Person(s) shall procure or seek from or require the communication by any Insider, of UPSI, expect in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

**CHINESE WALL:**

To prevent misuse of confidential information the company has adopted a "Chinese Wall" procedure which separates those areas of the organization which routinely have access to confidential information, considered "inside areas" from those departments providing support services, considered "public areas".

As per the said procedure:

- a. The employees in the inside area shall not communicate any unpublished price sensitive information to anyone in public area or any one.
- b. The employees in inside area may be physically separated from the Employees in public area.
- c. The demarcation of various departments as inside area shall be determined by the Compliance Officer in consultation with the Board of Directors.
- d. In exceptional circumstances employees from the public areas may be brought "over the wall" and given confidential information on the basis of "need to know" criteria, under intimation to the compliance officer.

**LIMITED ACCESS TO UPSI:**

Designated Person(s) privy to UPSI shall, in preserving the confidentiality of information, and to prevent its wrongful dissemination, adopt among others, the following safeguards:

- a) Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password.
- b) Follow the guidelines for maintenance of electronic records and systems as may be prescribed by the Compliance Officer from time to time in consultation with the person in charge of the information technology functions.

**6. PREVENTION OF MISUSE OF UNPUBLISHED PRICE SENSITIVE INFORMAION**

All Designated Person(s) shall not use UPSI for Trading in Company's Securities in any manner. When a Designated Person and any other person for whom they take trading decisions has traded in securities of the Company when in possession of Unpublished Price Sensitive Information, their trades would be presumed to have been motivated by the knowledge and awareness of such information in their possession.

All Designated Persons and any other person for whom they take trading decisions shall be subject to the trading restrictions as enumerated in this Code.

**A) TRADING WINDOW**

Other than the period(s) for which the Trading Window is closed as prescribed hereunder, the same shall remain open for Trading in the securities of the Company.

The period prior to declaration of price sensitive information is considered sensitive for transaction in the Company's securities. The designated persons along with their immediate relatives shall not deal in the securities of the Company during the closure of trading window. Intimation of closure of trading window shall be given by the Compliance Officer when he/she determines that the designated persons can reasonably be expected to have possession of unpublished price sensitive information. The timing for re- opening of trading window shall be determined by the Compliance Officer taking into accounts various factors including the UPSI in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.

Trading window shall be closed during the following period unless otherwise specified by the Compliance Officer:

- a) Announcement of the meeting of the Board of directors for consideration of all other UPSI matters, including the following shall remain close upto 48 hours after the public announcement of the decision taken by the Board of Directors:
  - (i) Declaration of financial results (quarterly, half-yearly or annual)
  - (ii) Declaration of dividends (interim/final)
  - (iii) Issue of securities by way of public/bonus/ rights etc.
  - (iv) Any major acquisition/expansion plans or execution of new projects.
  - (v) Amalgamation, mergers, takeovers and buy-back.
  - (vi) Change in Key Managerial Personnel.
  - (vii) Disposal of whole or substantially the whole of the undertaking.
- b) The trading window shall be closed seven calendar days prior to the Board Meeting in which the above decisions are to be taken and shall be open 48 hours after the price sensitive information becomes generally available.
- c) In case of ESOPs, exercise of option may be allowed in the period when the Trading Window is closed.
- d) However if the circumstances so warrant, the time for closing the Trading Window may be increased or decreased by the Compliance officer with the approval of any one of the directors or the CEO.
- e) The gap between clearance of financial results by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.

## **B) PRE-CLEARANCE OF TRADES**

All /Designated Persons and their immediate relatives intending to trade in the securities of the Company for all transactions, aggregating for an amount exceeding 10 lakhs in value or 10000 shares whichever is less or such other amounts as may be specified by the Board (whether in one transaction or a series of transactions during any calendar quarter) , pre-clearance to be taken from the Compliance Officer.

In other cases, they should follow the following procedure:-

- (1) Make an application to the Compliance Officer as prescribed in Annexure B for pre-clearance of the transaction if the same is likely to exceed the above threshold limit along with an undertaking in favour of the Company that the designated person is not in possession of any UPSI, has not contravened the Code and has made full and true disclosure in the matter.
- (2) Only after receiving the clearance, the transaction can be carried out.
- (3) No designated person shall apply for pre-clearance of any trade if such person is in possession of unpublished price sensitive information even if the trading window is not closed.
- (4) The Compliance Officer shall approve or reject the pre clearance application within 2 days from the date of acknowledgment. There shall be no obligation to give reasons for rejection of any application.
- (5) The execution of the order in respect of the security of the Company will have to be completed within seven trading days of approval of pre-clearance failing which it will be required to be cleared again. However such approval shall automatically deemed to be withdrawn if such period is superseded by closure of trading Window. After execution the detail of the pre-clearance shall be provided to the Compliance Officer with 2 working days as per Annexure E.
- (6) In case the sale of securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing his/her reasons in this regard provided same is not in violation of Regulations. Application of such relaxation shall be made as per Annexure C

- (7) The designated persons shall report the trade executed or reason for not executing a trade after receipt of pre clearance as per Annexure D within 3 calendar days from the expiry of the approved period.

### C) **HOLDING PERIOD**

Designated Persons who buy or sell any number of shares of the company shall not enter into an opposite transaction i.e. sale or buy any number of shares during the next **six months** following the prior transaction. Designated Persons shall also not take positions in derivative transactions in the shares of the company at any time.

The aforesaid restrictions on entering into opposite transaction shall not apply to acquisition of securities in the primary market or pursuant to exercise of options vested under any ESOP Scheme(s) of the Company.

In case of a contra trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Securities and Exchange Board of India for credit to the Investor Protection and Education Fund administered by Securities and Exchange Board of India under the Act.

In case of the Compliance Officer himself intends to deal in securities of the Company above the threshold limit, pre clearance from any of the Director or the CEO has to be obtained and similarly waiver in case of contra trade has to be obtained from any of the Director or the CEO.

## 7. **TRADING PLAN**

An insider shall be entitled to formulate a trading plan and present it to the compliance officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan. The Compliance Officer shall only approve a Trading Plan in accordance with the applicable provisions of the regulations.

Such trading plan shall-

- not entail commencement of trading on behalf of the insider earlier than **six months** from public disclosure of the plan.
- not entail trading for the period between the **twentieth trading** day prior to the last day of any financial period for which results are required to be announced and the second trading day after the disclosure of such financial results.
- entail trading for a period of not less than twelve months.
- not entail overlap of any period for which another trading plan is already in existence.
- set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected.
- not entail trading in securities for market abuse.

The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

Provided further that trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.

The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

Provided that the implementation of the trading plan shall not be commenced if any UPSI in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the compliance officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information.

Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

## **8. DISCLOSURES**

### **8.1 General Provisions**

- i. The disclosure to be made by any person under this clause shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.
- ii. The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for the purpose of this clause.
- iii. The Compliance officer shall maintain records of all disclosures /applications for a minimum period of 5 years.

### **8.2 Initial Disclosure**

- i. Every promoter, member of promoter group, key managerial personnel and director of the Company shall disclose his holding of securities of the Company as on the date of SEBI (Prohibition of Insider Trading) Regulations, 2015 taking effect, to the Company within thirty days of the above said code taking effect in the form as prescribed by SEBI from time to time.
- ii. Every person on appointment as a director or a key managerial personnel or upon becoming a promoter, member of promoter group shall disclose his/her holding of securities of the Company as on the date of appointment or becoming a Promoter, to the Company within seven days of such appointment or becoming a promoter in the form as prescribed by SEBI from time to time.

### **8.3 Continual Disclosure**

Every promoter, member of promoter group, designated persons shall disclose to the Company in the form as prescribed by SEBI from time to time, the number of such securities acquired or disposed off within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over a calendar quarter, aggregates to a traded value in excess of ten lakh rupees.

Explanation: It is clarified for the avoidance of doubts that the disclosure of the incremental transactions after any disclosure under this sub-clause, shall be made when the transactions effected after the prior disclosure cross the threshold specified in the above clause.

### **8.4 Disclosure by other connected persons**

The Company may at its discretion require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the Company in the form as prescribed by SEBI from time to time at such frequency as may be determined by the Company in order to monitor compliance with this code.

### **8.5 Annual Disclosure**

Designated Persons shall furnish to the Compliance Officer as per Annexure F an annual statement of their holdings in securities of the Company as on 31st March, within 30 days of the close of each financial year.

### **8.6 Disclosure by the Company to the Stock Exchanges**

Upon receipt of disclosure or becoming aware of information under clause 8.3 the Company shall notify the particulars of such trading to the stock exchanges on which the securities of the Company are listed within two trading days.

#### 8.7 Disclosure by Designated Persons

All Designated Persons shall be required to disclose to the Company, the names and Permanent Account Number or any other Identifier of the following persons on an annual basis and as and when the information changes:

- (a) immediate relatives
- (b) persons with whom the Designated Person shares a material financial relationship
- (c) Phone Mobile/Cell numbers of such persons.

All Designated Person shall within 30 days of the adoption of this code disclose the names of the educational institutions from which they have graduated and names of their past employers.

For the purpose of this clause, "Material financial relationship" shall mean a relationship in which one person is recipient of any kind of payment such as by way of loan or gift during immediately preceding twelve months, equivalent to atleast 25% of Designated Person's annual income but shall exclude relationships in which the payment is based on arm's length transaction.

### 9. INSTITUTIONAL MECHANISM FOR PREVENTION OF INSIDER TRADING

9.1 The Compliance Officer of the Company shall ensure effective implementation of internal controls to ensure compliance with the requirements of these regulations to prevent insider trading.

9.2 Internal control shall include the following:

- a. All employees who have access to unpublished price sensitive information shall be identified as designated employee and maintenance of its confidentiality;
- b. All the unpublished price sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of these regulations
- c. adequate restrictions shall be placed on communication or procurement of unpublished price sensitive information as required by these regulations;
- d. lists of all employees and other persons with whom unpublished price sensitive information is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons for maintaining confidentiality;
- e. all other relevant requirements specified under these regulations shall be complied with.
- f. periodic process review shall be undertaken to evaluate effectiveness of such internal controls.
- g. All insiders to whom unpublished price sensitive information are shared shall be made aware of the duties and responsibilities attached to the receipt of inside information and the liability that attaches to misuse or unwarranted use of such information.

9.3 The Audit Committee of the Company shall review compliance with the provisions of these regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

9.4 The Company shall have in place a whistle-blower policy and makes its employees aware of any such changes in the policy to enable them to report instances of leak of unpublished price sensitive information.

9.5 If any inquiry is initiated by the Company in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, then the relevant intermediaries and fiduciaries shall co-operate with the Company in connection with such inquiry conducted by the Company.

#### **10. POLICY AND PROCEDURE FOR INQUIRY IN CASE OF LEAK/ SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

The Company shall follow the following policy for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information.

- a. As soon as the Company becomes aware of leak/ suspected leak of unpublished price sensitive information, it shall initiate an appropriate inquiry and inform SEBI about the same.
- b. The Compliance officer shall by an order in writing constitute a committee to be named as the “Internal Enquiry Committee” (IEC) for causing inquiry, and for causing appropriate internal investigation and for recommendation for taking disciplinary action. The IEC shall consist of the CEO, CFO, and Company Secretary .
- c. The Internal Committee shall proceed to make inquiry in accordance with the provisions of the service rules applicable to the respondent and reasonable opportunity shall be provided to the respondent to explain his/her stand in the matter.
- d. The inquiry by the Internal Committee shall be completed within a period of ninety days and the report shall be submitted to the Board/ Audit Committee. In special cases, the timeline can be extended with the approval of the Board/ Audit Committee.
- e. Where the Internal Committee arrives at the conclusion that the allegation against the respondent has been proved, it shall recommend to the Company to take actions as mentioned in clause 11.
- f. The outcome of the inquiry shall be informed to SEBI.

#### **11. PENALTY:**

Designated Persons who trade in securities or communicate any information for trading in securities in contravention of the Code of Conduct prescribed by the Company may be penalised and appropriate action may be taken against them by the Company after giving reasonable opportunity to them to explain their stand in the matter. They shall also be subject to disciplinary action including wage freeze, suspension and ineligibility for future participation in ESOPs. (Employees Stock Option Plans) etc.

In addition to the action taken by the Company the persons violating these Regulations will also be subject to action by SEBI as per SEBI Act. In case of any violation, the Company shall inform the SEBI about the matter.

Agreement for Confidentiality and No-trading in securities of Hindustan Motors  
Limited  
(On the Letterhead of Hindustan Motors Limited)

Date  
To  
Name of the consultant  
Address

Dear Sir,

As you have agreed to act as our Employee/advisor/consultant/auditor/merchant banker/share transfer agent\_\_\_\_\_ (specify the other service) to the Company in respect of our business and in this connection would provide you from time to time various information related to Hindustan Motors Limited and/or its group and associate company/ies (hereinafter collectively referred to as the "Company" or "HML") which is not generally available or is proprietary in nature (herein referred to as the "Confidential information").

Confidential Information: Confidential Information is any material, knowledge, information and data (verbal, electronic, written or any other form) concerning the Company or its businesses not generally known or disclosed to the public, consisting of, but not limited to, financials, pricing & sale data, revenue, turnover, production, inventory & supply data, inventions, discoveries, plans, concepts, designs, blueprints, drawings, models, devices, equipment, apparatus, products, prototypes, formulae, algorithms, techniques, research projects, computer programs, software, firmware, hardware, business, development and marketing plans, merchandising systems, information concerning investors, customers, suppliers, consultants and employees, and any other concepts, ideas or information involving or related to the business which, if misused or disclosed, could adversely affect the Company's business.

Exceptions: For the purposes of this Agreement, information shall not be deemed Confidential Information if:

- a) are or become generally available to the public other than as a result of disclosure by Recipient or its Representatives,
- b) become available to Recipient on a non-confidential basis from a source not subject to a confidentiality obligation to HML, whether by contractual, legal or fiduciary obligation or otherwise or
- c) were as evidenced by written records or other documentation satisfactory to HML, in Recipient's possession on a non-confidential basis prior to HML's disclosure to Recipient.

As a condition to you being furnished with any information and as consideration for such, you (the "Recipient") agree as follows:

1)(a) Non-disclosure: Recipient recognizes and acknowledges the competitive value of the Confidential Information and the damage that could result from the disclosure thereof to third parties. Accordingly, Recipient agrees to keep the Information strictly confidential and will not, without the prior written consent of HML, disclose/communicate such Confidential Information to any person, including my relatives, past and future employer, for my own personal benefit or the benefit of any other person, corporation or entity in any manner whatsoever, in whole or in part, except that Recipient may disclose the information to those of Recipient's directors, officers, employees, agents or other representatives (collectively, "Representatives") who (i) need to know the Confidential Information for the purpose for which the Recipient has been appointed or for legitimate purposes or to perform its duties assigned or to discharge its legal obligations (ii) have been informed of the confidential nature of the Confidential Information and (iii) have agreed in writing to keep the Information confidential and be bound by the terms of this Agreement as if they were parties hereto. Recipient agrees to use the same degree of care to protect the Confidential Information from unauthorized use or disclosure as the Recipient would use to protect its own Confidential Information of a similar nature, but in no event with less than reasonable care. Recipient agrees to be responsible for and to indemnify HML and its representatives against any breach by any of Recipient's Representatives of the matters referred to herein.

b) Restrictions on Use: The Confidential Information will not, without the prior written consent of HML, be used by Recipient or its Representatives, directly or indirectly, for any purpose other than the purpose for which the Confidential Information is being provided to the Recipient and such use shall absolutely cease at the request of HML. In addition, Recipient hereby acknowledges that Recipient is aware (and, if applicable, that Recipient's Representatives have been advised) that Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto, if any, prohibits any person, who possesses or having access to UPSI about the Company, from trading securities of such Company or from communicating such information to a third party under circumstances in which it is reasonably foreseeable that such third party is likely to trade in the securities of the Company.

c) Return of Confidential Information: Upon the request of the HML, Recipient shall, and shall cause its Representatives to promptly return all Confidential Information to HML, without retaining any copies, summaries or extracts thereof. In the event of such request, all documents, analysis, compilations, studies or other materials prepared by Recipient or its Representatives that contain or reflect Confidential Information shall be destroyed and no copy thereof shall be retained (such destruction to be confirmed in writing by a duly authorized officer of Recipient). Notwithstanding the return or destruction of the Confidential Information, Recipient and its Representatives shall continue to be bound by their obligations of confidentiality and other obligations hereunder. With respect to those portions of the Confidential Information that consist of analysis, compilations, studies or other materials prepared by Recipient or its Representatives, HML may, in its sole discretion, permit the retention of such Confidential Information for evidentiary purpose. Notwithstanding such retention, Recipient and its Representatives shall continue to be bound by their obligations of Confidentiality and other obligations hereunder.

2) Without HML's prior written consent, Recipient shall not and Recipient shall cause each of its Representatives not to, directly or indirectly, alone or in concert with others, trade in securities of HML or encourage any third party to trade in securities of HML, The term "securities of HML" shall mean and include the Equity Shares of HML and such other securities issued by HML and listed on any recognized Stock Exchange. The term "Trade" used herein shall mean to subscribe, buy, sell, deal or agreeing to subscribe, buy, sell, pledge or otherwise deal, directly or indirectly, in securities of HML by any person either as principal or agent.

3) In the event that Recipient or its Representatives are requested or become legally compelled (by oral questions, interrogatories, request for information or documents, subpoena, investigative demand or similar process) to disclose any of the information, Recipient and its Representatives will promptly provide HML with written notice so that HML may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. If, in the absence of a protective order or other remedy or waiver, Recipient or its Representatives are, in the opinion of HML's counsel, legally compelled to disclose such Confidential Information to any tribunal or else, in the opinion of HML's counsel, stand liable for contempt or suffer other censure or penalty, Recipient or its Representatives will furnish only that portion of the Confidential Information which is legally required to be furnished and each will exercise its best efforts to obtain reliable assurance that confidential treatment will be accorded to such Confidential Information.

4) The Recipient hereby agrees that money damages could be only a part remedy for any breach or threatened breach of this Agreement by the Recipient or its Representatives. In addition to the money damages, HML shall be entitled, without the requirement of posting a bond or other security, to specific performance and injunctive or other equitable relief in the event of any such breach or threatened breach, in addition to all remedies available to HML at law or in equity. In the event of litigation relating to this Agreement, if a court of competent jurisdiction determines that the Recipient has breached this Agreement, then the Recipient shall be liable and pay to HML, the legal fees and expenses incurred by HML in connection with such litigation, including any appeals there from.

5) The Recipient further agrees to indemnify, defend, and hold harmless HML and its affiliates and any directors, officers, employees, agents, advisors or other representatives thereof (each as "Indemnified Person") from and against any losses, claims, damages or liabilities arising out of a breach or alleged breach of this Agreement and to reimburse each indemnified person for all costs and expenses (including counsel fees) incurred in connection therewith. Such indemnify agreement shall be in addition to any other liabilities that may be available to any indemnified person. If you agree to the terms and conditions of this Agreement, please indicate your acceptance by signing and returning to the undersigned the duplicate copy of this Agreement.

Yours faithfully,  
For Hindustan Motors Limited

Signature:  
Name:  
Designation:

Agreed to as of the Dated first written above:

For (Name of the consultant/advisor)

Signature:  
Name:  
Designation:  
PAN No.:

**FORM FOR PRE-CLEARANCE FROM THE COMPANY REGARDING PROPOSED PURCHASE/SALE OF  
EQUITY SHARES/LISTED SECURITIES OF THE COMPANY**

Date:

The Compliance Officer  
Hindustan Motors Limited  
“Birla Building”, 13<sup>th</sup> Floor  
9/1 R N Mukherjee Road  
Kolkata – 700 001

Dear Sir,

**Sub: Application for pre-dealing approval in securities of the Company**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company’s **Code of Conduct for Prohibition Insider Trading**, I seek approval to purchase / sale / subscription of \_\_\_\_\_ equity shares of the Company as per details given below:

1.	Name of the applicant	
2.	Designation	
3.	Number of securities held as on date	
4.	Folio No. / DP ID / Client ID No.)	
5.	The proposal is for	(a) Purchase of securities (b) Subscription to securities (c) Sale of securities
6.	Proposed date of dealing in securities	
7.	Estimated number of securities proposed to be acquired/subscribed/sold	
8.	Price at which the transaction is proposed	
9.	Current market price (as on date of application)	
10.	Whether the proposed transaction will be through stock exchange or off-market deal	
11.	Folio No. / DP ID / Client ID No. where the securities will be credited / debited	

I hereby undertake as follows:-

- i) I am not in possession of price sensitive information up to the time of signing this undertaking.
- ii) In case I have access to or receive “Unpublished Price Sensitive Information” after the signing of this undertaking but before the execution of transaction I shall inform to the Compliance Officer of the change in my position and I shall not deal in the securities of the Company till the time such information becomes public.
- iii) I have not contravened the Code of Conduct for Prohibition of Insider Trading as notified by the Company from time to time.
- iv) I will hold/not repurchase such equity shares/listed securities for a minimum period of six months from the date of purchase/sale.

- v) In case of non-execution of transaction by me within 7 days from the date of permission for purchase/sale, I will again take the clearance for the same.
- vi) That I/we have not entered into contract trade i.e. purchased/sold any number of shares during the preceding six months prior to proposed transaction.
- vii) I/we will report once the trade executed and also intimate you if I/we could not execute the trade with reasons stated therein.

I further confirm that the information given herein is full and true disclosure in the matter.

Thanking you,

Yours faithfully,

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

Designation : \_\_\_\_\_

Department : \_\_\_\_\_

Employment No : \_\_\_\_\_

Date : \_\_\_\_\_

## FORMAT FOR APPLICATION FOR WAIVER/ APPLICATION FOR ENTERING INTO CONTRA TRADE

To,  
 The Compliance Officer  
 Hindustan Motors Limited  
 "Birla Building", 13<sup>th</sup> Floor  
 9/1 R N Mukherjee Road  
 Kolkata – 700 001

Dear Sir,

I wish to inform you that, I had purchased/sold \_\_\_\_\_ equity shares / securities of the Company on \_\_\_\_\_ and want to execute a contra trade as per the details mentioned below:

1	Name of Designated Person	
2	Name of person (in case of immediate relative) in whose name the transaction took place.	
3	Designation, Department and Employee Id	
4	PAN	
5	Folio No./DP ID/Client ID	
6	Date and price of original purchase/Sale	
7	Existing total holding	
8	Proposed quantity and price at which want to sell/purchase	
9	Reason for early sale/purchase (contra trade)	
10	Mode of transaction: Private/ Open Market	

I have no access to nor am I in possession of any unpublished price sensitive information at the time of making this application.

You are requested to kindly waive of the minimum time restrictions and permit me to execute the contra trade as requested.

Date:

Place:

Signature:

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(For Office use only)

Date of receipt of application:

Acceptance or Rejection:

Date of communication of acceptance or rejection :

Reason for Rejection:

Signature of Compliance Officer

**FORMAT FOR DISCLOSURE OF TRANSACTIONS***(To be submitted within 2 days of transaction / dealing in securities of the Company)*

The Compliance Officer  
Hindustan Motors Limited  
“Birla Building”, 13<sup>th</sup> Floor  
9/1 R N Mukherjee Road  
Kolkata – 700 001

I hereby inform that I

- have not bought / sold/ subscribed any securities of the Company
- have bought/sold/subscribed to \_\_\_\_\_ securities as mentioned below on \_\_\_\_ (date)

Name of holder	No. of securities dealt with	Date of transaction	Bought/sold/ subscribed	DP ID/Client ID / Folio No	Price (Rs.)

In connection with the aforesaid transaction(s), I hereby undertake to preserve, for a period of five years and produce to the Compliance officer / SEBI any of the following documents:

1. Broker’s contract note.
2. Proof of payment to/from brokers.
3. Extract of bank passbook/statement (to be submitted in case of demat transactions).
4. Copy of Delivery instruction slip (applicable in case of sale transaction).

I agree to hold the above securities for a minimum period of six months. In case there is any urgent need to sell these securities within the said period, I shall approach the Compliance Officer for necessary approval. *(applicable in case of purchase / subscription).*

I declare that the above information is correct and that no provisions of the Company’s Code and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

Designation : \_\_\_\_\_

Date : \_\_\_\_\_

**FORMAT FOR PRE- CLEARANCE ORDER**

To,

Name : \_\_\_\_\_

Designation : \_\_\_\_\_

Place : \_\_\_\_\_

This is to inform you that your request for dealing in \_\_\_\_\_ (nos) shares of the Company as mentioned in your application dated \_\_\_\_\_ is approved. Please note that the said transaction must be completed on or before \_\_\_\_\_ (date) that is within 7 days from today.

In case you do not execute the approved transaction /deal on or before the aforesaid date you would have to seek fresh pre-clearance before executing any transaction/deal in the securities of the Company. Further, you are required to file the details of the executed transactions in the attached format within 2 days from the date of transaction/deal. In case the transaction is not undertaken a 'Nil' report shall be necessary.

Yours faithfully,  
For Hindustan Motors Limited

Compliance Officer

Date : \_\_\_\_\_

Encl: Format for submission of details of transaction

**FORMAT FOR DISCLOSURE OF SHAREHOLDINGS (ANNUALLY)**

The Compliance Officer  
Hindustan Motors Limited  
“Birla Building”, 13<sup>th</sup> Floor  
9/1 R N Mukherjee Road  
Kolkata – 700 001

**Sub: Information to be furnished by Insider in terms of the Code of Conduct for Prohibition of Insider Trading.**

**Annual statement of holdings in the securities of the Company – Year \_\_\_\_\_.**

The following table gives the details of the holdings of the securities of the Company in my name as well as in the names of my Immediate Relatives, either singly or jointly, as on \_\_\_\_\_.

<i>Sl. No.</i> <i>(1)</i>	<i>Name of the holder</i> <i>PAN/CIN/DIN/</i> <i>AADHAR with</i> <i>contract No.</i> <i>(2)</i>	<i>Relationship</i> <i>(3)</i>	<i>Nature of holding</i> <i>(Single/Joint)</i> <i>(4)</i>	<i>No. of</i> <i>shares held</i> <i>(5)</i>	<i>Distinctive</i> <i>No./DP/Client ID</i> <i>(6)</i>
<i>1.</i>					

*[Please attach a separate sheet in case of more entries.]*

I/we declare that I/we have complied with the requirements of Insider Trading Regulations.

I/we further declare that the above disclosure is true and correct and is in accordance with the previous disclosures given to the Company.

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

Designation : \_\_\_\_\_

Date : \_\_\_\_\_

1. In case of Joint holding, names of all the holders are to be indicated in Column 2.
2. This statement has to be submitted by all Insiders once in a year. This should be submitted to the Compliance Officer within 30 days of the close of the financial year.
3. **It is requested that all the Insiders should submit the statement even if there are nil holdings.** This will ensure that the holdings of the Immediate Relatives have also been verified and confirmed as well as it will avoid any omission.

## FORM A

## Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

## [Regulation 7(1)(a) read with Regulation 6(2)]

Name of the Company: Hindustan Motors Limited  
 “Birla Building”, 13<sup>th</sup> Floor  
 9/1 R N Mukherjee Road  
 Kolkata – 700 001

ISIN of the Company: INE253A01025

**Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

Name, PAN No.,CIN/ DIN & address with contact nos.	Category of Person (Promoters/K MP/ Directors/ immediate Relatives/ Others etc.	Securities held as on the date of regulation coming into force		% of Share-holding	Open Interest of the Future contracts held as on the date of regulation coming into force		Open Interest of the Option Contracts held as on the date of regulation coming into force	
		Type of security (For e.g.– Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6		7	

*Note: “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.*

Signature :

Name :

Designation:

Date

Place:

## FORM B

## Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

## [Regulation 7(1)(b) read with Regulation 6(2)]

Name of the Company: Hindustan Motors Limited  
 "Birla Building", 13<sup>th</sup> Floor  
 9/1 R N Mukherjee Road  
 Kolkata – 700 001

ISIN of the Company: INE253A01025

**Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2)**

Name, PAN No.,CIN/ DIN & address with contact nos.	Category of Person (Promoters/ KMP/ Directors/ immediate Relatives /others etc.	Date of appointment of Director /KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter /appointment of Director /KMP		% of Share-holding	Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP		Open Interest of the Option Contracts held at the time of becoming Promoter/ appointment of Director/KMP	
			Type of security (For e.g.–Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6	7		8	

*Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.*

Signature :

Name :

Designation:

Date

Place:

**ANNEXURE-I**

**FORMAT FOR SUBMISSION OF MONTHLY STATEMENT**

The Compliance Officer  
Hindustan Motors Limited  
“Birla Building”, 13<sup>th</sup> Floor  
9/1 R N Mukherjee Road  
Kolkata – 700 001

**Sub: Information to be furnished by Insider in terms of the Code of Conduct for Prohibition of Insider Trading.**

**Details of monthly statement of transactions in the securities of the Company for the month of .....**

The following table gives the details of monthly transactions in securities of the Company by myself and as well as my immediate relatives.

<i>Sl. No</i>	<i>Name of the Insider or the immediate relative, who transacted</i>	<i>Relationship</i>	<i>Nature of the transaction (Purchase / Sale)</i>	<i>No of shares Purchased/Sold</i>	<i>Purchase price/Sale price as the case may be</i>	<i>Date of the transaction</i>
(1)	(2)	(3)	(4)	(5)	(6)	(7)

*[Please attach a separate sheet in case of more entries.]*

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

Designation : \_\_\_\_\_

Date : \_\_\_\_\_

1. In case of joint holding, names of all the holders should be mentioned.
2. This statement has to be submitted by all the Insiders for each calendar month when there are transactions in excess of 10,000 shares. For the purpose of reckoning the limit of 5000 shares, transactions by the Immediate Relatives are also to be considered. This statement should reach the Compliance Officer before 5th of the subsequent month.
3. There is no requirement to submit this statement if there is no transaction or the level of transaction is below the limit of 10,000 shares. In order to avoid any omission on this account, it is suggested that the Insiders submit a nil statement or the statement with necessary details, even if they are below the limit, as a measure of caution.

*[The onus is on the Insider to submit the information and if no information is received, it will be presumed that there are no reportable transactions.]*

**ANNEXURE-J**

**FORM C**

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7(2) read with Regulation 6(2) –  
Continual disclosure]**

Name of the Company: Hindustan Motors Limited  
 “Birla Building”, 13<sup>th</sup> Floor  
 9/1 R N Mukherjee Road  
 Kolkata – 700 001

ISIN of the Company:

**Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2)**

Name, PAN No., CIN/DIN & address of Promoter/ Employee/ Director with contact nos.	Category of Person (Promoters/ KMP/ Directors/ immediate Relatives/ others etc.	Securities held prior to acquisition/ disposal		Securities acquired/disposed				Securities held post acquisition/ disposal		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of Intimation to company	Mode of acquisition/ disposal (on market/ public/rights/preferential offer/off-market/Inter-se transfer/ESOPs etc.)
		Type of security (For e.g.–Shares, Warrants, Convertible Debentures etc.)	No. and % of share holding	Type of security (For e.g.–Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/ Sale/ Pledge/ Revoke / Invoke)	Type of security (For e.g. – shares, Warrants, Convertible Debentures etc.)	No. and % of share holding	From	To		