Hindustan Motors

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February 04, 2012

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)

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)

3 The Secretary
The Calcutta Stock Exchange Limited,
7 Lyons Range
Kolkata – 700 001
(Company Code : 1000012)

Dear Sirs

Sub: Outcome of Meeting of Special Committee of Directors-Issuance price of preferential issue of Equity Shares and Warrants

Further to our letter dated 31st January, 2012, we would like to inform you that the Special Committee of Directors of the Company at its meeting held on 4th February, 2012 has resolved

(a) That the proposed preferential issue of upto 1,18,00,000 Equity Shares of Rs. 5 each fully paid up together with upto 1,18,00,000 warrants in accordance with Chapter VII of the SEBI ICDR Regulations be fixed at Rs. 12.25 each (including a premium of Rs. 7.25); and

(b) That the said Equity Shares and Warrants be issued to Amer Investments (Delhi) Limited, Bengal Rubber Company Limited, Central India Industries Limited and Hindusthan Discounting Company Limited being part of the Promoter/Promoter Group of the Companies, on preferential basis.

The aforesaid preferential issue of Equity Shares and Warrants is subject to approval of the Shareholders under the provisions of Section 81(1A) of the Companies Act, 1956 and other approvals and will be made in terms of Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other applicable Rules / Regulations / Guidelines of Securities and Exchange Board of India and other regulatory authorities.

The Special Committee of Directors has also decided to convene an Extraordinary General Meeting on 7th March, 2012 to seek approval of Shareholders for the preferential issue of aforesaid Equity Shares and Warrants.

This is for your information and record and doing the needful.

Thanking you,

Yours faithfully
For Hindustan Motors Limited

Yogesh Goenka
Chief Financial Officer and
Company Secretary