

POLICY FOR DETERMINATION OF MATERIALITY FOR DISCLOSURE OF EVENTS OR INFORMATION

Introduction

The Policy for determination of materiality for disclosure of events or information (hereinafter referred to as "Policy") has been formulated pursuant to the provisions of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") as applicable and amended from time to time.

Hero MotoCorp Limited (hereinafter referred to as "HMCL" or "the Company") believes in promoting a transparent, ethical and professional work environment. This Policy aims at disseminating all material events or information in a fair and timely manner to enable the investors to take informed decisions.

Applicability

This Policy shall be effective from February 1, 2019 and applicable on all events and information of the Company.

Definitions

1. "Senior management" shall mean officers/personnel of the Company who are members of its core management team excluding Board of Directors and shall comprise all members of management one level below the Chief Executive Officer/ Managing Director/Whole-time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the Board) and shall specifically include Company Secretary and Chief Financial Officer.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013 (hereinafter referred to as "the Act"), Listing Regulations, or any other applicable law, rules or regulations.

Criteria for determination of materiality of events / information

Regulation 30 of the Listing Regulations mandates disclosure of all material events or information by the Company.

The events specified in Para A of Part A of Schedule III of the Listing Regulations are deemed to be material and shall be disclosed without applying any test of materiality.

For the events specified in Para B of Part A of Schedule III of the Listing Regulations, the following criteria shall be considered for determining the materiality:

- a. if its omission is likely to result in discontinuity or alteration of event or information already available publicly; or
- b. if its omission is likely to result in significant market reaction if the said omission comes to light at a later date.

Where it is difficult to disclose the events or information based on the above criteria, the event or information may be considered material for disclosure if the potential impact exceeds 10% of the total revenue or net worth, whichever is lower, as per the last audited financial statements of the Company.

Further, the Company shall disclose any other event or information which, in the opinion of the Board of Directors, is material.

All the events / information under this Policy shall be disclosed within such time and with such details as provided under the Listing Regulations or guidance issued by SEBI and / or stock exchanges or any other authority from time to time.

Events/ information with respect to subsidiaries

The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.

Authority

The Chief Financial Officer and the Company Secretary & Chief Compliance Officer of the Company are jointly entitled and authorized:

- a. to take a view on the materiality of an event or information that qualifies for disclosure under Regulation 30 of the Listing Regulations;
- b. to decide the appropriate time at which such disclosure is to be filed with Stock Exchanges, and
- c. to decide the details that may be disclosed in the best interest of the Company and present & potential investors.

All the members of Senior Management (or such other persons at par with them or in the similar positions) are responsible and are obliged to inform promptly the occurrence of material events/ information as per the criteria specified under this Policy, with respect to the Company and any of its subsidiaries, to the Chief Financial Officer and the Company Secretary & Chief Compliance Officer.

The Company Secretary & Chief Compliance Officer shall, thereafter, arrange to inform the respective events / information to the Stock Exchanges.

Disclosure

1. The Policy shall be disclosed on the website of the Company.
2. The contact details of Key Managerial Personnel authorized under this Policy shall be disclosed to the stock exchanges and as well as on the Company's website.
3. The Company shall disclose on its website all such events or information which has been disclosed to stock exchanges under Regulation 30 of Listing Regulations /Policy, and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company.

Review

This Policy shall be reviewed by the Board of Directors as and when required or at least once in three years and updated accordingly.

Limitation and Amendments

In the event of any conflict between the provisions of this Policy and the Act or Listing Regulations or any other statutory enactments or rules, the provisions of such Act or Listing Regulations or statutory enactments or rules shall prevail over this Policy.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, such amendment(s), clarification(s), circular(s) etc. shall prevail upon the relevant provisions of this Policy shall stand amended accordingly from the effective date of such amendment(s), clarification(s), circular(s) etc.
