

Annexure - IV

Corporate Governance Report

Company's philosophy on Corporate Governance

Corporate governance at Hero MotoCorp Limited ("Hero"/"Company") is strongly founded on its core guiding values viz. passion, integrity, respect, courage and responsibility in all its actions, operations and engagement with the stakeholders and society at large. The Company believes that good corporate governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

Being an industry leader for the last 20 years, gives us immense pride and at the same time puts onus on us to raise our own bar of governance. Achieving milestones is important for us, but achieving them the right and ethical way is all the more important and essential.

Create, Collaborate and Inspire are the main tenets of our governance philosophy and a medium or a mission for us to achieve our vision of becoming the future of mobility.

- Create: Re-define mobility through the creation of a mobility roadmap. Set best practices and benchmarks for the industry.
- Collaborate: Leverage partnerships and exhibit teamwork. Co-create solutions that benefit the community, while caring for both the internal and external environmental ecosystems and support sustainability.
- Inspire: Move forward with purpose. Inspire our colleagues, customers and communities. Thrive on the local and global stage.

The governance principles ingrained in the value system of the Company are based on conscience, openness, fairness and professionalism, which have built strong foundation of trust and confidence in the minds of our stakeholders. The governance structure at Hero is based on the principles of providing adequate authority to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and utmost responsibility so as to meet the expectation of all the stakeholders. In line with these principles, the Company follows a three tier corporate governance structure, viz.:

- i. The Board of Directors – Hero has a balanced mix of eminent executive, non-executive and independent directors on the Board. The Board exercises strategic oversight over business operations, ensures compliance with the legal framework, integrity of financial accounting and reporting systems and ensures that a good corporate culture and strong ethical environment is followed across the organization which consequently leads to long term success of the Company.

- ii. Committees of Directors – The Committees of the Board such as Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Sustainability & Corporate Social Responsibility Committee (SCSR), etc. are focused on financial reporting, audit and internal controls, legal & compliance issues, appointment and remuneration of Directors and senior management employees, implementation and monitoring of SCSR activities and the risk management framework.
- iii. Executive Management – The entire business including the support functions are managed with clearly demarcated responsibilities and authorities at different levels. The Managing Director and CEO is responsible for achieving the Company's vision and mission, business strategies, significant policy decisions and providing strategic guidance. The Managing Director and CEO is supported by the leadership team which comprises of functional heads.

Board of Directors

At Hero, we believe that a diversified, active and well-informed Board is necessary to ensure highest standards of corporate governance. The statutory and other significant and material information is placed before the Board to enable it to discharge its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's corporate governance philosophy.

Composition of Board

The Board of Directors ('Board') has an optimum combination of Executive and Non-Executive Directors, representing a blend of professionalism, knowledge and experience. The Company profess the importance of diversity at Board and at all levels within the organization. The size and composition of the Board meet the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). As on March 31, 2021, the Company's Board comprised of nine Directors, with two Executive Directors, one of them being the Chairman, two Non-Executive Directors, five Non-Executive and Independent Directors, including one woman Director, i.e. 78% of total strength of Board comprises Non-Executive Directors.

Mr. Paul B. Edgerley (effective May 4, 2021) ceased to be the Director of the Company, due to completion of his tenure as per the provisions of the Companies Act, 2013 & relevant provisions of the Listing Regulations. The Board appreciates the guidance and support provided by Mr. Edgerley during his tenure. Further, Air Chief Marshal B.S. Dhanoa (Retd.) was appointed as an Additional and Independent Director effective October 1, 2020, for a tenure of five years.

The details of appointment/ re-appointment of Directors are provided in the "Re-appointment of Directors" section of this report.

Composition of the Board as on March 31, 2021 is given in Table 1:

Table 1: Company's Board

Names of Directors	Category of Directorship	Details of Directorships		Committee Memberships*	
		Indian companies		Number of Committee Memberships held	Number of Committee Chairmanships held
		Public companies	Others (including Foreign companies)	(excluding Private, Foreign and Section 8 companies)	
Dr. Pawan Munjal	Chairman, Managing Director & CEO	3	6	-	-
Mr. Vikram S. Kasbekar	Whole-time Director	2	1	-	-
Mr. Pradeep Dinodia	Non-Executive	4	-	8	5
Mr. Suman Kant Munjal	Non-Executive	4	13	1	-
Prof. Jagmohan Singh Raju	Non-Executive & Independent	1	-	1	-
Mr. Meleveetil Damodaran	Non-Executive & Independent	9	3	8	4
Mr. Paul B. Edgerley	Non-Executive & Independent	1	8	1	-
Ms. Tina Trikha	Non-Executive & Independent	2	1	2	-
Air Chief Marshal B.S. Dhanoa (Retd.)	Additional & Independent	1	-	1	-

*As required by Regulation 26 of Listing Regulations, the disclosure includes memberships/chairmanships of the Audit Committee and Stakeholders' Relationship Committee

The names of other listed companies where directorship is held by Board members as on March 31, 2021 is given below in Table 2.

Table 2: Directorship in other listed Companies

S.No.	Names of Directors	Names of companies & categories of Directorship
1.	Dr. Pawan Munjal	-
2.	Mr. Vikram S. Kasbekar	-
3.	Mr. Pradeep Dinodia	<ul style="list-style-type: none"> ▪ Shriram Pistons and Rings Limited Chairman & Non-Executive Director ▪ DCM Shriram Limited Non-Executive & Independent Director
4.	Mr. Suman Kant Munjal	-
5.	Prof. Jagmohan Singh Raju	-
6.	Mr. M. Damodaran	<ul style="list-style-type: none"> ▪ Biocon Limited Non-Executive & Independent Director ▪ Interglobe Aviation Limited Chairman & Non-Executive & Independent Director ▪ CRISIL Limited Non-Executive & Independent Director ▪ Larsen & Toubro Limited Non-Executive & Independent Director ▪ Tech Mahindra Limited Non-Executive & Independent Director
7.	Mr. Paul B. Edgerley	-
8.	Ms. Tina Trikha	<ul style="list-style-type: none"> ▪ Oberoi Realty Limited Non-Executive & Independent Director
9.	Air Chief Marshal B.S. Dhanoa (Retd.)	-

Dr. Pawan Munjal and Mr. Suman Kant Munjal are promoter Directors and are brothers. Apart from this, there is no inter-se relationship among other Directors.

More than fifty percent of Directors on the Board of the Company are Independent Directors. None of the Directors of the Company is serving as an Independent Director or as a Director in more than 7 listed companies. Further, no Independent Director of the Company is a Whole-time Director in another listed company.

None of the Directors on the Board is a Director in more than 10 public companies or is a member in more than 10 Committees or Chairperson of more than 5 Committees.

All Independent Directors have confirmed in accordance with applicable Listing Regulations and Section 149(6) of the Companies Act, 2013 and the rules framed thereunder that they meet the

independence criteria. The Independent Directors have further stated that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective, independent judgement and without any external influence. Based on the disclosure received from all the Independent Directors, the Board is of the opinion that the Independent Directors fulfill the conditions of independence as specified in the Companies Act, 2013 and Listing Regulations.

The Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its Committees. In the context of Company's business and the industry in which the Company operates, the Board members have the appropriate experience and have the following skills/ area of expertise/ competencies:

S.No.	Skills/ Area of Expertise/ Competencies	Names of Board members
1.	Automotive/ Mobility/ Technology/ R&D/ Product Development	Dr. Pawan Munjal Mr. Suman Kant Munjal Mr. Vikram S. Kasbekar
2.	Strategic planning, Business Development, Business Operations	Dr. Pawan Munjal Mr. Suman Kant Munjal Mr. Pradeep Dinodia Mr. Paul B. Edgerley Mr. Vikram S. Kasbekar Air Chief Marshal B.S. Dhanoa (Retd.)
3.	Human resources/ people management	Dr. Pawan Munjal Mr. M. Damodaran Prof. Jagmohan Singh Raju Ms. Tina Trikha Air Chief Marshal B.S. Dhanoa (Retd.)
4.	Corporate Governance, Regulatory & Public Policy/ ESG	Dr. Pawan Munjal Mr. M. Damodaran Mr. Pradeep Dinodia Mr. Paul B. Edgerley
5.	Accounting & financial expertise	Mr. Pradeep Dinodia Mr. M. Damodaran Mr. Paul B. Edgerley Ms. Tina Trikha Air Chief Marshal B.S. Dhanoa (Retd.)
6.	Global Perspective	Dr. Pawan Munjal Prof. Jagmohan Singh Raju Mr. Paul B. Edgerley Ms. Tina Trikha
7.	Consumer sales/ marketing	Dr. Pawan Munjal Mr. Suman Kant Munjal Prof. Jagmohan Singh Raju

Independent Directors

Eminent people having an independent standing in their respective field /profession and who can effectively contribute to the Company's business and policy decisions are considered for appointment as Independent Directors. They are expected to be independent from management and to act as trustees of shareholders, this implies that they should actively participate in Board/ Committee meetings, seek answers to questions, evaluate proposals from the perspective of small shareholders, review current information flow and suggest necessary changes wherever required. The Nomination and Remuneration Committee ('NRC'), *inter alia*, considers various metrics and adheres to defined processes for selection of Independent Directors. The Board considers the NRC's recommendation and takes appropriate decisions in appointment of the Independent Directors. None of the Independent Directors hold more directorships than the permissible limits under the Companies Act, 2013 and Listing Regulations.

During FY 2020-21, none of the Independent Director resigned from the Company before the expiry of his/ her tenure. Mr. Paul B. Edgerley (effective May 4, 2021) ceased to be the Director of the Company, due to completion of his tenure as per the provisions of the Companies Act, 2013 & relevant provisions of the Listing Regulations.

Role of the Board of Directors

The Board has a fiduciary responsibility to protect and enhance shareholder value through providing strategic direction to the Company. The Board exercises its responsibility with care, skill and diligence. The Directors are committed to the highest standards of corporate governance and ensured that sufficient time was spent on matters involving governance and of strategic importance. The Board critically evaluates Company's strategic direction, management policies and their effectiveness. Agenda for the Board includes strategic review from each of the Board Committees, a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets.

The Board meets periodically to review financial reports from the Chief Financial Officer, compliance reports from the Company Secretary and Chief Compliance Officer and business reports from other executive management teams, besides possible risks and risk mitigation measures. These detailed meetings and one-to-one interactions set the agenda and provide the strategic roadmap for the Company. The Board has also established various Committees

Directors' attendance at Board meetings and the annual general meeting (AGM) of the Company held during the year ended March 31, 2021 is given in Table 3.

Table 3: Directors' attendance record during FY 2020-21 at Board meetings and previous annual general meeting

Names of Directors	Number of Board Meetings		Attendance at Previous AGM
	Held	Attended	
Executive Directors			
Dr. Pawan Munjal	5	5	☑
Mr. Vikram S. Kasbekar	5	5	☑

to discharge its responsibilities in an efficient and effective manner. The Chairman, Managing Director & CEO provides overall direction and guidance to the Company and is assisted by the leadership team.

Board Support and Role of Company Secretary in Governance Process

The Company Secretary is responsible for collation, review and distribution of all papers/ documents submitted to the Board and Committees thereof for consideration. The Company Secretary plays a pivotal role in ensuring that the Board procedures are followed and regularly reviewed, investors' queries are handled promptly and reports to the Board about compliance with the applicable statutory requirements and laws.

With a view to leverage technology and reducing paper consumption, the Company provides the agenda papers for Board/ Committee meetings in electronic form.

The process for the Board and Committee meetings provides an effective post meeting follow-up, review and reporting of decisions taken by the Board and Committee members at their respective meetings. Important decisions taken at Board and Committee meetings are communicated promptly to the concerned departments/ HoDs. Action taken reports (ATRs) on decisions taken or recommendations made by the Board/ Committee members at the previous meeting(s) are circulated at the next meeting.

Ms. Neerja Sharma is the Company Secretary and the Chief Compliance Officer of the Company.

Board Meetings

During FY 2020-21, the Board met five times viz. on June 9, 2020, July 23, 2020, August 13, 2020, October 28, 2020 and February 4, 2021. Pursuant to Ministry of Corporate Affairs (MCA) general circular no. 11/2020 dated March 24, 2020, issued in view of COVID-19 outbreak, the mandatory requirement of holding Board meeting within the interval of one hundred and twenty (120) days provided in Section 173 of the Companies Act, 2013 was relaxed and extended by a period of sixty (60) days for the companies.

In view of the above relaxation, the first Board Meeting for FY 2020-21 was conducted on June 9, 2020 which was as per the revised timelines of the MCA circular.

Names of Directors	Number of Board Meetings		Attendance at Previous AGM
	Held	Attended	
Non-Executive Directors			
Mr. Pradeep Dinodia	5	5	☑
Mr. Suman Kant Munjal	5	5	☑
Non-Executive and Independent Directors			
Mr. M. Damodaran	5	5	☑
Mr. Paul B. Edgerley*	5	5	☑
Prof. Jagmohan Singh Raju	5	5	☑
Ms. Tina Trikha	5	5	☑
Air Chief Marshal B.S. Dhanoa (Retd.)#	2	2	N.A.

Appointed as Director effective October 1, 2020

* Ceased to be Director effective May 4, 2021

Shareholding of Non-Executive Directors as on March 31, 2021

Names of Directors	No. of shares held	Beneficiary
Mr. Pradeep Dinodia	160	Shares are held either by himself or jointly with relative(s).
Mr. Suman Kant Munjal	91,250	Self
	10,833	As Karta of HUF
	93,09,018	On behalf of Brijmohan Lall Om Parkash (BMOP), partnership firm

Apart from the above, none of the Non-Executive (including Independent) Directors holds any shares (as own or on behalf of any other person on beneficial basis) in the Company as on March 31, 2021.

Familiarisation Programme for Board Members

The Company regularly provides orientation and business overview to its Directors by way of detailed presentations by the various business & functional heads at Board meetings and through other interactive programmes. Such meetings/ programmes include briefings on the culture, values, business model, domestic and global business of the Company, the roles and responsibilities of Directors and senior executives. Besides these, the Directors are regularly updated about Company's new projects, R&D initiatives, changes in regulatory environment and strategic direction. A two (2) day detailed orientation programme through virtual means was organized for Air Chief Marshal B.S. Dhanoa (Retd.) who joined the Board during the year, covering all aspects of business operations, meetings with business heads and virtual plant tour.

The Board members are also provided relevant documents, reports and internal policies to facilitate familiarization with the Company's procedures and practices, from time to time.

During the year, a session on the specifics of corporate governance and Board room practices was also conducted for the entire Board including the Non-Independent Directors.

The details of Company's familiarization programmes for Directors are posted on the Company's website www.heromotocorp.com and can be viewed at the following link - <https://www.heromotocorp.com/en-in/about-us/familiarisation-program-of-independent-directors.html>.

Code of Conduct for the Board Members and Employees

The Company has laid down a comprehensive Code of Conduct ('Code') for the Board, senior management personnel and employees of the Company.

The Board revised and updated the Code of Conduct during the year, to remain adaptive and agile in order to anticipate and adjust effectively to change. The Company's code was formulated in the year 2010 on the basis of 8 broad principles viz. Fiduciary, Property, Reliability, Transparency, Dignity, Fairness, Citizenship and Responsiveness. On detailed review, it was felt necessary to update the Code in line with contemporary norms, complexities and business requirements.

The updated Code of Conduct features the following:

1. Inclusion of senior management under the "employee" category for uniformity and ease of understanding and implementation.
2. Amendments related to the clause on anti-bribery and anti-corruption.
3. Mandatory disclosure of all personal relationships for employees.
4. Strengthening of "conflict of interest" section.
5. Emphasis on being an equal opportunity employer and to embrace diverse and inclusive culture.

The Company has received affirmations from Board members as well as senior management confirming their compliance with the said Code for FY 2020-21. An annual declaration signed by the Chairman, Managing Director & CEO to this effect forms part of this Report as **Annexure - VII**.

The Code is available on the website of the Company at the following link: https://www.heromotocorp.com/en-in/uploads/code_policy/20191224114146-code-policy-495.pdf.

Board/ Committee Meetings & Procedures

Frequency of meetings and information supplied

A well-defined system of convening at least 4 pre-scheduled Board meetings annually is currently in place in the Company. However, additional Board meetings are convened, from time to time, as per specific requirements by giving appropriate notice. During FY 2020-21, the Company has convened its Board meetings and other committee meetings through video conferencing (VC) pursuant to the circulars issued by Ministry of Corporate Affairs from time to time. Wherever it is not possible to convene a Board meeting, resolutions are passed by circulation in order to meet the business exigencies.

The Board is given presentations covering various aspects of business, major subsidiaries, global and domestic business environment, safety and environment related matters, strategy and risk management.

In addition to regular business items, the following information is regularly placed before the Board:

- Annual operating plans and budgets and any updates;
- Strategy/ industry update & new business opportunities;
- Business & operations updates;
- Quarterly results of the Company and its operating divisions or business segments;
- Minutes of meetings of Audit Committee and other Committees of the Board of Directors;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems, if any and their proposed solutions. Any significant development in human resources/ industrial relations front, like signing of wage agreement, implementation of voluntary retirement scheme etc.;
- Sale of investments, subsidiaries, assets, which are material in nature and not in normal course of business;

- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders' services such as non-payment of dividend, delay in share transfer etc.

Information supplied for Board/Committee meetings

The agenda and corresponding notes to agenda for all Board and Committee meetings are circulated to Directors in advance in a defined format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meetings. Where it is not practical to attach any document to the agenda, it is tabled/ presented before the meeting. The quantum and quality of information supplied by the management to the Board goes well beyond the minimum requirement stipulated under Companies Act, 2013 ('Act'), Secretarial Standard on meetings of the Board issued by Institute of Company Secretaries of India and the Listing Regulations.

Minutes of Board/Committee meetings

Minutes of proceedings of each Board and Committee meeting are recorded and draft minutes are circulated to Board/Committee members for their confirmation within 15 days from the date of meeting. The inputs, if any, of the Board & Committee members are duly incorporated in the minutes after which these are entered in the minutes book within 30 days from the date of meeting.

Meeting of Independent Directors

Independent Directors of the Company met twice during FY 2020-21, i.e. on June 15, 2020 and February 3, 2021.

Committees of the Board

Audit Committee

Your Company has a duly constituted Audit Committee and its composition as well as charter are in line with the requirements of the Act and Listing Regulations. Effective October 28, 2020, Air Chief Marshal B.S. Dhanoa (Retd.) was co-opted as member of the Audit Committee. As on March 31, 2021, Audit Committee comprises five Directors viz. Mr. M. Damodaran, Mr. Paul B. Edgerley, Mr. Pradeep Dinodia, Ms. Tina Trikha and Air Chief Marshal B.S. Dhanoa (Retd.), all learned and eminent personalities in their respective fields. At present, Mr. M. Damodaran is the Chairman of the Committee. All members of the Audit Committee are financially literate and have accounting or related financial management expertise as mandated by the Listing Regulations.

The Audit Committee has the following terms of reference:

- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Review and monitor the auditors' independence and performance and effectiveness of audit process;

- Examination of the financial statements and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters;
- Operate the vigil mechanism in the Company.
- Approval of any subsequent modification of transactions of the Company with related parties;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

Apart from above, following are the terms of reference in accordance with the Listing Regulations:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
 - Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 - Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
 - o Matters required to be included in the Directors' Responsibility Statement forming part of the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - o Changes, if any, in accounting policies and practices and reasons for the same;
 - o Major accounting entries involving estimates based on the exercise of judgment by management;
 - o Significant adjustments made in the financial statements arising out of audit findings;
 - o Compliance with listing and other legal requirements relating to financial statements;
 - o Disclosure of any related party transactions;
 - o Qualifications in the draft audit report.
 - Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
 - Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
 - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - To review the functioning of the whistle blower mechanism;
 - Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
 - To review the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower.
- The Audit Committee also mandatorily reviews the following information:
1. Management discussion and analysis of financial condition and results of operations;
 2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
 4. Internal audit reports relating to internal control weaknesses;
 5. Appointment, removal and terms of remuneration of the Internal Auditor shall be subject to review by the Audit Committee; and
 6. To review, statement of deviation(s), if any, in terms of SEBI Listing Regulations.

Upon invitation, the CFO, internal auditors, statutory auditors of the Company attend meetings of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee.

During FY 2020-21, six meetings of the Audit Committee were held on June 9, 2020, July 23, 2020, August 13, 2020, October 28, 2020, February 4, 2021 and March 3, 2021 in due compliance with the provisions of the Act and Listing Regulations.

The Composition of the Audit Committee and attendance details of members are given below in Table 4.

Table 4: Details of Audit Committee Members and Number of Meetings Attended

Names of Committee Members	Position held	No. of meetings held during FY 2020-21	No. of meetings attended
Mr. M. Damodaran	Chairman	6	6
Mr. Paul B. Edgerley*	Member	6	6
Mr. Pradeep Dinodia	Member	6	6
Ms. Tina Trikha	Member	6	6
Air Chief Marshal B.S. Dhanoa (Retd.)#	Member	2	2

* Ceased to be a Director effective May 4, 2021

Appointed as member effective October 28, 2020

Role and reporting of Internal Auditors

Internal Audit operates on behalf of the Board and Audit Committee of the Company. The Head of Internal Audit functionally reports to the Chair of the Audit Committee and attends meetings of the Audit Committee on a regular basis. Internal audit findings are reported directly to the Audit Committee.

The role of Internal Audit is to provide an objective and independent review of the design and operation of risk management, control and governance processes operated across the Company. Internal Audit also adds value by providing advice to management on improvements they can make to these processes.

Internal Audit reviews controls that cover:

- the appropriateness and effectiveness of risk management and governance processes
- the reliability and integrity of financial and operating information
- the effectiveness and efficiency of operations
- safeguarding of assets
- compliance with laws, regulations and contracts
- the delivery of major programmes
- quality and continuous improvement.

The Head of Internal Audit is responsible for developing the Internal Audit framework and ways of working to support the consistent delivery and reporting of Internal Audit results and activities following principles that are aligned with International Internal Auditing Standards.

Internal Audit reviews design of and compliance with laid down policies and procedures, helps mitigate significant risks identified at a functional, business unit or organizational level, provides support on improvement initiatives and conducts ad hoc reviews in relation to risk and controls when required.

Nomination and Remuneration Committee ('NRC')

The Company has a duly constituted Nomination and Remuneration Committee which, *inter alia*, identifies and recommends persons who are qualified to become directors or appointed as part of senior management and reviews and recommends payment of annual salaries to the Executive Directors of the Company besides finalizing their service agreements and other employment terms and conditions. The NRC takes into consideration the best remuneration practices being followed in the industry while fixing appropriate remuneration packages and also administers employee stock option scheme.

The nomenclature, constitution and terms of reference of the Committee are in consonance with the provisions of Section 178 of the Act and Regulation 19(4), read with Schedule II of Listing Regulations.

The Nomination and Remuneration Committee has the following terms of reference in accordance with Listing Regulations:

- to formulate and recommend to the Board of Directors the Company's policies, relating to the remuneration for the Directors, Key Managerial Personnel and other employees, criteria for determining qualifications, positive attributes and independence of a Director;
- to formulate criteria for evaluation of Independent Directors and the Board;
- to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- to carry out evaluation of every Director's performance;
- to devise a policy on Board diversity;
- to administer and superintend the ESOP including but not limited to the formulation of detailed terms and conditions of the ESOS;

- to allot shares and issue share certificates against the options exercised in terms of Employees Incentive Scheme of the Company as approved by shareholders from time-to-time;
- to recommend to the Board, all remuneration, in whatever form, payable to senior management.

Effective August 13, 2020, Dr. Pawan Munjal was co-opted as member of the NRC. As on March 31, 2021, the NRC comprises four Directors viz. Prof. Jagmohan Singh Raju, Dr. Pawan Munjal, Mr. Pradeep Dinodia and Mr. M. Damodaran as members. At present,

Prof. Jagmohan Singh Raju is the Chairman of the Nomination and Remuneration Committee. The Company Secretary acts as the Secretary of the Nomination & Remuneration Committee.

During FY 2020-21, five meetings of the NRC were held on June 8, 2020, August 12, 2020, October 27, 2020, November 26, 2020 and February 3, 2021.

The composition of NRC and attendance details of members are given below in Table 5.

Table 5: Details of Nomination and Remuneration Committee Members and Number of Meetings Attended

Names of Committee Members	Position held	No. of meetings held during FY 2020-21	No. of meetings attended
Prof. Jagmohan Singh Raju	Chairman	5	5
Dr. Pawan Munjal [#]	Member	3	3
Mr. Pradeep Dinodia	Member	5	5
Mr. M. Damodaran	Member	5	5

[#] Appointed as member effective August 13, 2020

Remuneration and Board Diversity Policy

The Company’s Remuneration Policy represents the approach of the Company to the remuneration of Directors and senior management. The Company’s policy on Board Diversity sets out the approach to have a diversity on the Board of the Company in terms of gender, age, cultural, educational & geographical background, ethnicity, profession, experience skills and knowledge.

The compensation of Directors, Key Managerial Personnel, senior management and other employees is based on the following principles:

- Aligning key executive and Board remuneration with the longer term interests of the Company and its shareholders;
- Minimizing complexity and ensuring transparency;
- Link to long term strategy as well as annual business performance of the Company;
- Promoting a culture of meritocracy and linked to key performance and business drivers; and
- Reflective of line expertise and market competitiveness so as to attract the best talent.

The policy is available on Company’s website at the following link: https://www.heromotocorp.com/en-in/uploads/code_policy/20191126105210-code-policy-421.pdf.

Remuneration paid to Executive Directors

As per the remuneration policy, the remuneration paid to Executive Directors is recommended by the NRC and approved by the Board, subject to subsequent approval by shareholders at the general meeting and such other authorities, as the case may be. The terms and conditions of the employment of Executive Directors are governed by the shareholders’ approval taken in that regard, wherein all the details are provided in the explanatory statement. The remuneration is arrived at after considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry and the financial position of the Company.

The remuneration paid to Executive Directors is commensurate with their respective roles and responsibilities. Remuneration paid to Executive Directors, subject to limits prescribed under Part II, Section I of Schedule V to the Companies Act, 2013, generally consists of fixed salary, perquisites, allowances and retiral benefits, performance linked bonus by whatever name called, grant of stock options as decided by the NRC and such other benefits in accordance with market practices.

Table 6 gives details of remuneration paid to Executive Directors.

Table 6: Remuneration to Executive Directors[#]

Names of Directors	Basic Salary	Perquisites, Allowances & Retirals	Commission (Fixed)	Total
Dr. Pawan Munjal	18.40	30.58	37.95	86.93
Mr. Vikram S. Kasbekar	2.34	4.20	-	6.54

(₹ in crore)

[#] No notice period and severance fee is payable to Executive Directors as on March 31, 2021.

Remuneration paid to Non-Executive Directors

The Non-Executive Directors of the Company are paid sitting fees of ₹ 1 lakh for attending each meeting of the Board, Committees thereof and any other meetings of the Directors. The Non-Executive and Independent Directors are also entitled to remuneration by way of commission aggregating up to 1% of net profits of the Company pursuant to the provisions of Sections 197 and 198 of the Act in addition to the sitting fees. While deciding the remuneration, various factors such as Director’s participation in Board and Committee meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, etc. are taken into consideration.

The Company also has a consultancy service agreement with Prof. Jagmohan Singh Raju for providing consultancy and advisory services to the marketing and sales functions of the Company.

Non-Executive Directors do not have any other pecuniary relationship with the Company except as stated above.

Table 7 gives details of remuneration paid to Non-Executive Directors.

Table 7: Remuneration to Non-Executive Directors

(₹ in crore)

Names of Directors	Sitting fees	Commission	Total
Prof. Jagmohan Singh Raju	0.16	0.50	0.66
Mr. M. Damodaran	0.24	0.77	1.01
Mr. Paul B. Edgerley#	0.17	0.51	0.68
Mr. Pradeep Dinodia	0.24	0.85	1.09
Mr. Suman Kant Munjal	0.05	0.18	0.23
Ms. Tina Trikha	0.13	0.43	0.56
Air Chief Marshal B.S. Dhanoa (Retd.)*	0.06	0.18	0.24

Note: No stock options have been granted to any Non-Executive or Independent Directors.

Ceased to be a Director effective May 4, 2021

* Appointed as Director effective October 1, 2020

During FY 2020-21, the Company did not advance any loans to any of its Directors. Further, there are no pecuniary relationships or transactions between the Independent Directors and the Company, other than the details provided above and the sitting fees and commission drawn by the Non-Executive and Independent Directors.

Performance Evaluation Criteria for Independent Directors

A formal evaluation of performance of the Board, its Committees, the Chairman and individual Directors was carried out in FY 2020-21, details of which are provided in the Board’s Report.

Stakeholders’ Relationship Committee (‘SRC’)

This Committee looks into investors’ grievances arising out of issues regarding share transfers, dividends, dematerialisation and

related matters, evaluating performance and service standards of the Registrar and Share Transfer Agent and takes requisite action(s) to redress the same.

The role and terms of reference of the Committee cover the areas as contemplated under Regulation 20 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act, as applicable. The detailed terms of reference of the Stakeholders’ Relationship Committee are available on the Investors section of the Company’s website at <https://www.heromotocorp.com/en-in/pdf/SRC.pdf>.

During the year, two meetings of the Stakeholders’ Relationship Committee were held on August 12, 2020 and March 3, 2021. The Company Secretary acts as the Secretary of the Stakeholders’ Relationship Committee. Ms. Neerja Sharma is the Company Secretary & Chief Compliance Officer of the Company.

The details of the Stakeholders’ Relationship Committee are given in Table 8.

Table 8: Details of Stakeholders’ Relationship Committee Members and Number of Meetings Attended

Names of Committee Members	Position held	No. of meetings held during FY 2020-21	No. of meetings attended
Mr. Pradeep Dinodia	Chairman	2	2
Prof. Jagmohan Singh Raju	Member	2	2
Mr. M. Damodaran	Member	2	2

Investors' Grievance Redressal

During FY 2020-21, the following complaints were received and resolved to the satisfaction of shareholders. As on March 31, 2021, 18 complaints were pending.

S. No.	Nature of Complaints	Opening	Received	Resolved	Closing (Pending)
1.	Non-receipt of shares	-	17	17	-
2.	Non-receipt of dividend	-	328	310	18*
3.	Complaints lodged with Authorities	-	22	22	-
4.	Non-receipt of securities after transfer/ transmission/duplicate/ remat/name correction etc.	-	-	-	-

* The complaints received on March 30 & 31, 2021 were closed on or before April 6, 2021

Sustainability and Corporate Social Responsibility ('SCSR') Committee

The SCSR Committee is responsible for formulation and recommendation of the CSR policy of the Company. It also recommends the amount of expenses to be incurred on CSR activities and closely and effectively monitors the implementation of the policy. The Company has also been performing work around sustainability in order to make the operations, business and the Company as a whole, a sustainable organization. The Company's sustainability strategy rests on the following five pillars:

- Inclusive Growth
- Eco-efficiency
- People
- Responsible Value Chain
- Product Stewardship

In today's ever-evolving world, it is difficult to separate a corporate's responsibility towards society from the obligation of having a sustainable business and both the concepts are intertwined. From a strong governance perspective, it is imperative that both be run from a common strategic view point and direction, to have maximum long term impact. Therefore, the Board at its meeting held on May 6, 2021 has included 'Sustainability' within the role of Corporate Social Responsibility Committee of the Company and accordingly amended and expanded the terms of reference of the

Committee by including the terms with respect to 'Sustainability'.

The detailed terms of reference of the Committee are available on the Investors section of the Company's website at <https://www.heromotocorp.com/en-in/pdf/CSR.pdf>.

Due to the inclusion of Sustainability within the ambit of the Corporate Social Responsibility Committee, the existing 'Corporate Social Responsibility Committee' was renamed by the Board as 'Sustainability Corporate Social Responsibility Committee'.

Further, due to the recent amendments by the Ministry of Corporate Affairs in the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility Policy was updated during the year, the details of which may be referred to in the Board's Report. The said policy is disclosed on the Company's website, link for which is https://www.heromotocorp.com/en-in/uploads/code_policy/20191126104858-code-policy-35.pdf.

Effective October 28, 2020, Ms. Tina Trikha was co-opted as member of the SCSR committee. As on March 31, 2021, the SCSR committee comprises four Directors viz. Dr. Pawan Munjal as Chairman, Mr. Pradeep Dinodia, Prof. Jagmohan Singh Raju and Ms. Tina Trikha as members.

During the year, two meetings of the Committee were held on June 8, 2020 and October 27, 2020. The Company Secretary acts as the Secretary of the SCSR Committee. The details of the SCSR Committee are given in Table 9.

Table 9: Details of Sustainability and Corporate Social Responsibility Committee Members and Number of Meetings Attended

Names of Committee Members	Position held	No. of meetings held during FY 2020-21	No. of meetings attended
Dr. Pawan Munjal	Chairman	2	2
Mr. Pradeep Dinodia	Member	2	2
Prof. Jagmohan Singh Raju	Member	2	2
Ms. Tina Trikha*	Member	-	-

*Appointed as member effective October 28, 2020

Risk Management Committee ('RMC')

The Company has a duly constituted Risk Management Committee which assists the Board in its oversight of the Company's management of key risks, as well as the guidelines, policies and procedures monitoring and integrating such risks within overall business risk management framework.

The role and terms of reference of the Committee cover the areas of developing a formal risk management structure along with formation and delegation of responsibility to an executive management team. A separate risk management function forms part of your Company, which defines risk across the organization including cyber security, monitors the material risks to which your organization is exposed and appropriately implements the mitigation plan on sustainable and continuous basis.

The detailed terms of reference of the RMC are available on the Investors section of the Company's website at <https://www.heromotocorp.com/en-in/pdf/RMC.pdf>.

Effective October 28, 2020, Air Chief Marshal B.S. Dhanoa (Retd.) was co-opted as member of the RMC. As on March 31, 2021, the RMC comprises four Directors viz. Mr. Pradeep Dinodia as Chairman, Mr. M. Damodaran, Mr. Paul B. Edgerley and Air Chief Marshal B.S. Dhanoa (Retd.) as members.

During the year under review, four meetings of the Risk Management Committee were held on June 8, 2020, August 12, 2020, October 27, 2020 and February 3, 2021. The Company Secretary acts as the Secretary of the Risk Management Committee. The details of the Risk Management Committee are given in Table 10.

Table 10: Details of Risk Management Committee Members and Number of Meetings Attended

Names of Committee Members	Position held	No. of meetings held during FY 2020-21	No. of meetings attended
Mr. Pradeep Dinodia	Chairman	4	4
Mr. M. Damodaran	Member	4	4
Mr. Paul B. Edgerley [#]	Member	4	4
Air Chief Marshal B.S. Dhanoa (Retd.) [*]	Member	1	1

[#] Ceased to be a Director effective May 4, 2021

^{*} Appointed as member effective October 28, 2020



Committee of Directors

The Company has a Committee of Directors which presently comprises Dr. Pawan Munjal as Chairman, Mr. Vikram S. Kasbekar and Mr. Pradeep Dinodia as its members. The Company Secretary acts as the Secretary of the Committee. The resolutions were passed by circulation by the Committee on a need basis. During the financial year under review, circular resolutions were passed on fifteen occasions viz. April 23, 2020, June 15, 2020, July 16, 2020, July 30, 2020, August 20, 2020, September 11, 2020, October 6, 2020, November 4, 2020, December 1, 2020, December 18, 2020, January 14, 2021, February 1, 2021, February 17, 2021, March 12, 2021 and March 26, 2021.

(Finance) and Company Secretary & Chief Compliance Officer are ex-officio members of the Committee. During the financial year under review, circular resolutions were passed on fifteen occasions viz. April 17, 2020, May 6, 2020, June 23, 2020, July 17, 2020, August 4, 2020, August 25, 2020, September 16, 2020, October 9, 2020, November 6, 2020, December 3, 2020, January 19, 2021, February 3, 2021, February 23, 2021, March 17, 2021 and March 31, 2021.

Share Transfer Committee ('STC')

The role of the STC is to attend to the requests pertaining to share transfer, transmission, etc. Chief Financial Officer, Vice President

Confirmation on the Recommendations of Committees of the Board

The Board of Directors had accepted all the recommendations as and when received from its Committees on different matters.

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Credit Ratings

The details of the credit ratings assigned by various rating agencies, is provided in Table 11:

Table 11: Details of Credit Ratings for FY 2020-21

S. No.	Instrument Description	Rating agencies	Rating Assigned
1.	Bank Loan Facilities – Long Term	CRISIL Limited/ ICRA Limited	AAA Stable
2.	Bank Loan Facilities – Short Term	CRISIL Limited/ ICRA Limited	A1+
3.	Commercial Papers/ Fixed Deposit	CRISIL Limited	A1+
4.	Non-Convertible Debentures	CRISIL Limited/ ICRA Limited	AAA Stable

Note: No change/ revision in the aforesaid credit ratings from the rating agencies was received during the financial year. The Company has not issued any Commercial Papers, Non-Convertible Debentures or taken any Fixed Deposit during the year.

Disclosures

Prevention of Insider Trading

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'), the Company has a comprehensive Code of Conduct for regulating, monitoring and reporting of trading by Designated Persons ('the Code'). The said Code lays down guidelines which provide for the procedure to be followed and disclosures whilst dealing with shares of the Company. Further, the Company has complied with the standardized reporting of violations related to code of conduct under SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company has also put in place the institutional mechanism for prevention of insider trading along with policy for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information. The Company has set up a mechanism for weekly tracking of the dealings of equity shares of the Company by the Designated persons and their immediate relatives having access to unpublished price sensitive information.

The officials of the secretarial department conduct induction programs for all the employees joining the organization and various other sessions for spreading awareness amongst its Designated Persons and other employees and to educate them about the specifics of PIT Regulations and the Code.

As part of the awareness programme, the Company had also rolled out an e-learning module for its designated persons, to impart learning and spread awareness on the practical aspects through an engaging audio-video mechanism.

Related Party Transactions

In terms of Section 188(1) of the Act, all related party transactions entered into by the Company during FY 2020-21 were carried out with prior approval of the Audit Committee. No approval of the Board was required as all transactions were on an arm's length basis and in the ordinary course of business. Related party transactions pursuant to Indian Accounting Standard 24 were, however, disclosed to the Board.

There were no material significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or other related parties, which may have a potential conflict with the interest of the Company at large.

The policy on dealing with related party transactions is disclosed on the Company's website, link for which is https://www.heromotocorp.com/en-in/uploads/code_policy/20191126104550-code-policy-434.pdf.

Disclosure of policy on material subsidiaries

The policy for determining material subsidiaries is available on the Company's website, www.heromotocorp.com at the following link: https://www.heromotocorp.com/en-in/uploads/code_policy/20191126105356-code-policy-400.pdf.

Accounting treatment in preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015.

Compliances by the Company

No penalties have been imposed or strictures passed against the Company by the stock exchanges, the Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three years.

Securities of the Company have not been suspended for trading at any point of time during the year and the Company has duly complied with Corporate Governance requirements as specified under Regulation 17 to 27, Regulation 46 (2) clause (b) to (i) and para C, D and E of Schedule V of the Listing Regulations.

Quarterly reports on compliance with Corporate Governance as per Regulation 27 of the Listing Regulations were duly filed with the stock exchanges within the stipulated time and same are also available on website of the Company at <https://www.heromotocorp.com/en-in/investors/corporate-governance.html>.

The Company has complied with all the requirements of Corporate Governance Report as specified under the Listing Regulations.

Legal Compliance Management Tool

The Company has in place a comprehensive and robust legal compliance management online tool, which is devised to ensure compliance with all applicable laws which impact the Company’s business. The tool is intended to provide an assurance to the Board on legal compliances as ensured by the Company.

Vigil Mechanism/ Whistle Blower Policy

In compliance with the Act and the Listing Regulations, the Company has a policy/ mechanism on dealing with whistle blowers, which is approved by the Audit Committee of the Company. The Audit Committee reviews the same as and when required. During the year, no individual was denied access to the Audit Committee for reporting concerns, if any. Also, the said policy was updated during the year, the details of which may be referred to in the Board’s Report. The said policy/ mechanism is disclosed on the Company’s website, link for which is https://www.heromotocorp.com/en-in/uploads/code_policy/20200903060455-code-policy-95.pdf.

The Company has put in place a whistle blower policy to support the Code of Conduct. The details about the vigil mechanism form part of the Board’s Report.

Group Governance Code

Good governance is a business imperative and thus, strong processes, practices and structures through which a Company manages its business and affairs should be established. This helps

in achieving financial, operational and strategic objectives along with long-term sustainability.

Keeping in context of the above approach, the Company has implemented a Group Governance Code for its group companies and entities.

The Code was instituted with the objective of providing guidance for business conduct of the group companies and affiliates in line with the Group’s overall ethos, vision and values and implementation of appropriate governance practices to ensure uniformity and to promote a culture of information sharing.

Commodity price risk or foreign exchange risk and hedging activities

Your Company has an exposure of commodity price risk and foreign exchange risk denominated in USD for exports and predominantly in USD, EUR and JPY in respect of its imports. The Company uses various instruments as approved under the central bank regulations to hedge these exposures. Details of the hedged and unhedged positions are available in the notes to standalone financial statements in the annual report.

Disclosures with respect to demat suspense account/ unclaimed suspense account

As per Schedule V of Listing Regulations, the status of the unclaimed equity shares lying in the demat suspense account is given in Table 12 below. The voting & beneficial rights on these shares are frozen till the rightful owner of such shares claims the shares.

Table 12: Status of unclaimed equity shares lying in the Demat suspense account

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year.	3	1,700
Number of shareholders who approached the Company for transfer of shares from suspense account during the year.	-	-
Number of shareholders to whom shares were transferred from suspense account during the year.	-	-
Number of shareholders whose shares were transferred to the demat account of Investors Education and Protection Fund (IEPF) Authority	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	3	1,700

Disclosure under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has in place a policy on Prevention of Sexual Harassment at the workplace. For further details in this regard, please refer to the Board’s Report forming part of this annual report.

Fees paid to Statutory Auditors

The details of fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which statutory auditors are part of, are given in Table 13.

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Table 13: Details of fees paid to statutory auditors

S. No.	Name of Entity	Relationship with Hero MotoCorp Ltd.	Details of Services	Amount (₹ in crore)
1.	Hero MotoCorp Limited	-	Audit Fees	1.42
2.	Hero MotoCorp Limited	-	Tax Audit Fees	0.08
3.	Hero MotoCorp Limited	-	Out of Pocket Expenses	0.11
4.	Hero MotoCorp Limited	-	Certifications	0.08
5.	HMC MM Auto Limited	Subsidiary	Audit Fees	0.18
6.	HMC MM Auto Limited	Subsidiary	Tax Audit Fees	0.02
7.	HMC MM Auto Limited	Subsidiary	Out of Pocket Expenses	0.01
8.	HMC MM Auto Limited	Subsidiary	Certifications	0.01
9.	HMCL Niloy Bangladesh Limited	Subsidiary	Audit Fees	0.11
10.	HMCL Colombia S.A.S	Subsidiary	Audit Fees	0.17
11.	Hero Tech Center Germany GmbH	Subsidiary	Audit Fees	0.32
12.	HMCL Netherlands B.V.	Subsidiary	Audit Fees	0.25
TOTAL				2.76

The Company had also included the conditions as specified in the SEBI Circular dated October 18, 2019, related to resignation of statutory auditors, in their terms of appointment.

CEO & CFO Certification

The Chairman, Managing Director & CEO and the Chief Financial Officer ('CFO') of the Company furnish a certificate on quarterly and annual basis on financial statements of the Company in terms of Regulation 33(2)(a) and Regulation 17(8) respectively of the Listing Regulations. In terms of Regulation 17(8) of the Listing Regulations, the certificate duly signed by the Chairman, Managing Director & CEO and the CFO of the Company was placed before the Board at its meeting held on May 6, 2021 and is annexed to this report as **Annexure - VII**.

Re-appointment of Directors

Dr. Pawan Munjal was appointed as the Chairman, Managing Director and CEO of the Company for a term of five (5) years with effect from October 1, 2016. The Board at its meeting held on May 6, 2021 has recommended the re-appointment of Dr. Pawan Munjal as Whole-time Director designated as the Chairman and CEO of the Company for another term of 5 years effective October 1, 2021. The details of re-appointment have been furnished in the explanatory statement to the notice of the ensuing annual general meeting.

In terms of the applicable provisions of the Act and the Articles of Association of the Company, Mr. Pradeep Dinodia, Non-Executive Director of the Company retires by rotation at the ensuing annual general meeting and being eligible, has offered himself for re-appointment. Brief resume and other details of Mr. Pradeep Dinodia, who is proposed to be re-appointed as a Director of your Company, have been furnished in the explanatory statement to the notice of the ensuing annual general meeting.

During the FY under review, your Company has appointed Air Chief Marshal B.S. Dhanoa (Retd.) as an Additional Director of

the Company in the category of Non-Executive and Independent Directors effective October 1, 2020. The Board recommends his appointment as an Independent Director of the Company.

Compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Mandatory Requirements

The Company is fully compliant with the applicable mandatory requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Discretionary requirements

The Company has adopted discretionary requirements specified in Part E of Schedule II of Listing Regulations.

The Board

The Company has an Executive Chairman.

Shareholders Rights

As a part of good corporate governance practice, the Company sends its quarterly financial results to shareholders whose email ids are registered with the depository participants through email after they are approved by the Board and disseminated to the stock exchanges. The results are also published on the website of the Company viz. www.heromotocorp.com and in widely circulated newspapers.

During December 2020 – January 2021, the Company conducted a shareholder satisfaction survey, wherein a questionnaire was made available to all the shareholders, whose email IDs were

registered. The link of the survey was also made available on Company's website for others to participate. The objective of the survey was to understand the views of its stakeholders and thereby, enhancing the shareholders' services. The feedback/ outcome was presented to the SRC at its meeting held on March 3, 2021. The outcome of the survey was quite encouraging, while the improvement areas were actioned upon by the Company.

Audit Qualifications

There are no audit qualifications in the financial statements of FY 2020-21. The Company continues to adopt best practices in order to ensure unqualified financial statements.

Separate post of Chairman and CEO

The office of Chairman and CEO is held by Dr. Pawan Munjal.

Role and reporting of Internal Audit

The Head of Internal Audit functionally reports to the Chair of the Audit Committee and attends meetings of the Audit Committee on a regular basis. Internal audit findings are reported directly to the Audit Committee. Further details have been provided in a separate section of this report.

Means of Communication

Company website

Pursuant to Regulation 46 of the Listing Regulations, the Company's website www.heromotocorp.com contains a dedicated functional segment, named 'INVESTORS' where all the information meant for the shareholders is available, including information on Directors, shareholding pattern, quarterly reports, financial results, annual reports, press releases, details of unpaid/ unclaimed dividends and various policies of the Company.

With the objective of enhancing the shareholders' services and guiding the shareholders in an effective manner, the Company has made available Frequently Asked Questions (FAQs) towards queries related to shares and dividend on the Investors section of the Company's website. Procedures and formats related to shares and dividend related requests have also been made available for the shareholders for easy access.

NSE Electronic Application Processing System ('NEAPS')

NEAPS is a web-based application designed by the National Stock Exchange of India Ltd. (NSE) for corporate filings. All periodical compliance related filings, like shareholding pattern, corporate governance report, media releases and corporate actions are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre ('Listing Centre')

The Listing Centre of BSE Ltd., is a web-based application designed for corporate filings. All periodical compliance filings like

shareholding pattern, corporate governance report, media releases, among others are filed electronically on the Listing Centre.

Financial Results

Pursuant to Regulation 33 of Listing Regulations, the Company has regularly furnished within the prescribed timelines the quarterly unaudited as well as annual audited financial results to both the stock exchanges i.e. BSE & NSE.

The quarterly, half yearly and annual results of the Company's performance are published in leading newspapers such as Indian Express and Jansatta. The results are also made available on the Investors section of Company's website at <https://www.heromotocorp.com/en-in/newspaper-publications.html>. The said results are also sent through an email to the shareholders, whose email addresses are registered with the Company/Depositories.

News Releases and Presentations

Official news and media releases are sent to stock exchanges on which the shares of the Company are listed and are also uploaded on the Company's website at www.heromotocorp.com.

Presentations made to Institutional Investors/ Analysts

Presentations on the performance of the Company are placed on the Company's website at www.heromotocorp.com for the benefit of the institutional investors, analysts and other shareholders immediately after communicating to the stock exchanges.

Annual Report

The annual report containing, *inter alia*, the audited financial statements (standalone & consolidated), Board's Report, Auditors' Report, the Management Discussion and Analysis (MDA) report and other important information is circulated to shareholders and other stakeholders and is also available on the Company's website at www.heromotocorp.com.

Reminder to Investors

Periodical reminders for unclaimed shares and unpaid dividends are sent to shareholders as per records of the Company. These details are also uploaded on website of the Company at www.heromotocorp.com.

In our constant endeavour to improve shareholders' services, a process of updating shareholders' database was initiated by the Company in the month of March 2021. The Company had sent a communication, requesting the shareholders to update their credentials/ folio details/ demat account details, which were either not available or have incomplete details in the Company's database. Through this exercise, the Company has tried to reach around 1.33 lakh shareholders for updation of records.

Through the aforesaid communication, the Company has also urged the shareholders to convert their physical holding into dematerialized form to eliminate risks associated with physical shares and for ease of holding.

Green Initiative

Functionality has been provided on the Company's website for shareholders/ investors to raise their queries, questions, if any, directly with the shareholders'/ investor relations' teams.

General Body Meetings

Details of Extra-ordinary General Meeting (EGM)/ Annual General Meeting (AGM)

Location, date and time of general meetings held during the previous three (3) years and ordinary and special resolutions passed there at are given in Table 14 as under:

Table 14: Details of Annual General Meetings held:

Year	Time, Day, Date and Location	Summary of special resolution(s) passed
2019-20	04:30 p.m., Wednesday, August 12, 2020, The meeting was convened through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") as per circular dated May 5, 2020 issued by the Ministry of Corporate Affairs.	- No special resolution was passed at the meeting
2018-19	10:30 a.m., Monday, July 29, 2019, Air Force Auditorium, Subroto Park, New Delhi 110 010.	- Special resolution pertaining to re-appointment of Mr. Meleveetil Damodaran as an Independent Director of the Company for a period with effect from July 29, 2019 to May 3, 2022 was passed at the meeting.
2017-18	10:30 a.m., Tuesday, July 24, 2018, Air Force Auditorium, Subroto Park, New Delhi 110 010.	- No special resolution was passed at the meeting

Details of EGM held: No EGM was held during the previous three (3) years.

General Shareholders' Information

Annual General Meeting

Date : August 4, 2021

Day : Wednesday

Time : 4:30 p.m.

Venue : The Company will conduct the meeting through VC / OAVM, relevant details of which have been provided in the notice of AGM

Financial Calendar: Financial year: April 1, 2020 to March 31, 2021

Postal Ballot

During the year ended March 31, 2021, no resolution was passed by postal ballot. Hence, disclosure under this section is not applicable.

Whether any special resolution is proposed to be passed through postal ballot

None of the business proposed to be transacted at the ensuing annual general meeting require passing of special resolution through postal ballot.

For FY 2020-21	Results were announced on
First quarter ended June 30, 2020	Thursday, August 13, 2020
Second quarter and half year ended September 30, 2020	Wednesday, October 28, 2020
Third quarter and nine months ended December 31, 2020	Thursday, February 4, 2021
Fourth quarter and year ended March 31, 2021	Thursday, May 6, 2021

For FY 2021-22	Results are likely to be announced by (tentative and subject to change)
First quarter ended June 30, 2021	Second week of August, 2021
Second quarter and half year ended September 30, 2021	Second week of November, 2021
Third quarter and nine months ended December 31, 2021	Second week of February, 2022
Fourth quarter and year ended March 31, 2022	Second week of May, 2022

Book closure

The dates of book closure shall be from Saturday, July 24, 2021 to Wednesday, August 4, 2021 (both days inclusive).

Dividend payment

The Board has declared an interim dividend @ 3,250% i.e. ₹ 65 per share and special interim dividend of ₹ 100 crore @ 250% i.e. ₹ 5 per equity share, taking the aggregate interim dividend declared to 3,500% i.e. ₹ 70 per equity share. The dividend was paid to those shareholders whose names appeared on the register of members as on February 16, 2021 and payment was made on February 23, 2021.

The Board has recommended a final dividend @ 1,250% i.e. ₹ 25 per equity share and special dividend @ 500% i.e. ₹ 10 per equity share for FY 2020-21.

The special final and interim dividend has been considered and declared to mark the achievement of historic milestone of achieving 100 million cumulative production of two-wheelers.

The dividend recommended by the Directors for the year ended March 31, 2021, if declared at the ensuing annual general meeting, will be paid by Friday, September 3, 2021 to those members, whose names appear in the register of members/depository records as on July 23, 2021.

Listing on stock exchange

The securities of the Company are listed on the following exchanges:

1. BSE Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
2. National Stock Exchange of India Limited (NSE)
Exchange Plaza, Plot No. C-1, Block G,
Bandra Kurla Complex, Bandra (East), Mumbai 400 051

Stock Codes

The Company's stock codes on the above stock exchanges are:

	Scrip Code
BSE	500182
NSE	HEROMOTOCO

The ISIN of the Company is INE158A01026

Annual Listing Fees

Annual listing fees for FY 2021-22 has been paid to BSE and NSE within the stipulated time.

Stock Market Data

Monthly high and low quotations as well as the volume of shares traded at the National Stock Exchange of India Limited and BSE Limited are given in Table 15.

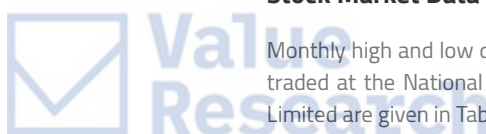


Table 15: Share Price Data for FY 2020-21

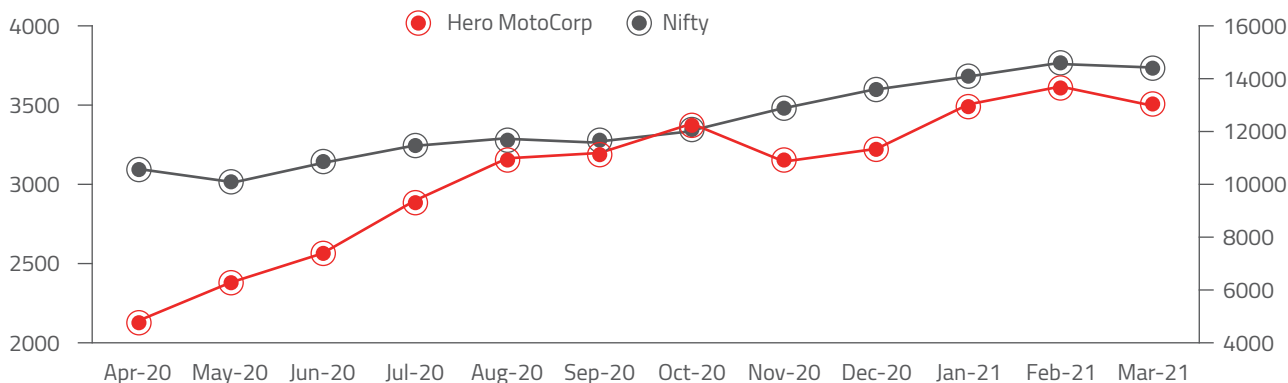
(Equity shares of ₹ 2 each paid up value)

National Stock Exchange of India Limited, Mumbai (NSE)

Month	Total Volume (No. of Shares)	High Price (₹)	Date	Volume on that day	Low Price (₹)	Date	Volume on that day
Apr-20	3,15,58,247	2,198.10	30-Apr-20	27,86,594	1,543.15	03-Apr-20	15,92,848
May-20	4,29,19,992	2,391.90	29-May-20	33,68,797	1,933.25	06-May-20	18,81,161
Jun-20	4,60,49,937	2,590.65	26-Jun-20	13,51,765	2,230.70	12-Jun-20	32,96,739
Jul-20	3,17,14,518	2,885.70	21-Jul-20	12,89,304	2,530.00	01-Jul-20	13,36,769
Aug-20	3,68,14,376	3,181.35	26-Aug-20	46,51,111	2,620.75	03-Aug-20	22,82,040
Sep-20	3,28,69,712	3,222.05	29-Sep-20	33,94,236	2,852.00	07-Sep-20	12,63,519
Oct-20	4,09,79,510	3,394.90	16-Oct-20	14,61,911	2,787.00	30-Oct-20	31,10,794
Nov-20	3,63,07,276	3,156.95	14-Nov-20	1,99,281	2,812.00	02-Nov-20	26,71,709
Dec-20	2,11,98,526	3,239.50	11-Dec-20	12,76,394	2,900.60	22-Dec-20	10,73,505
Jan-21	2,89,06,985	3,520.15	25-Jan-21	22,66,967	3,031.00	05-Jan-21	11,50,326
Feb-21	2,64,12,322	3,629.05	18-Feb-21	1,20,356	3,199.80	26-Feb-21	1,03,281
Mar-21	2,03,59,013	3,510.90	03-Mar-21	9,65,062	2,902.00	31-Mar-21	12,12,659

(Source: This information is compiled from the data available on the website of NSE)

Hero MotoCorp's Share Price Movement vis-a-vis Nifty



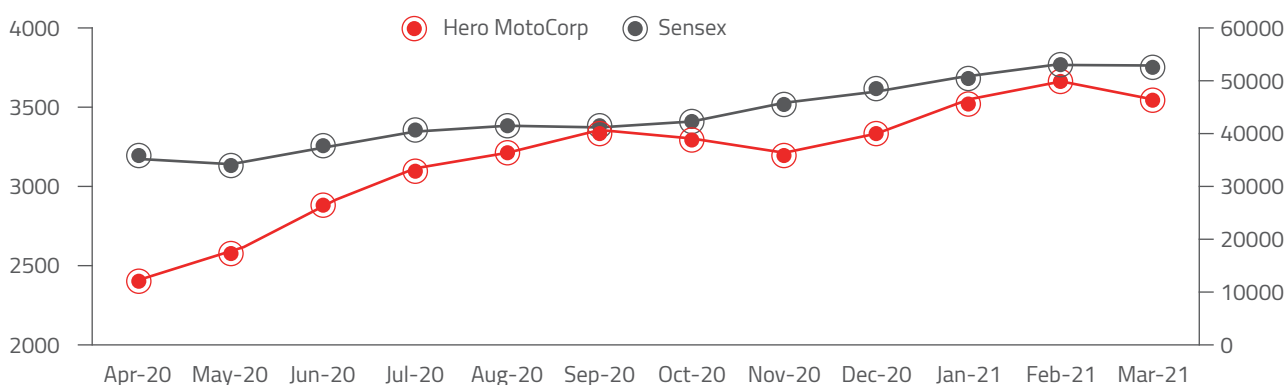
Note: The above chart depicts comparison of monthly high of Nifty and the Company's share price.

BSE Limited, Mumbai (BSE)

Month	Total Volume (No. of Shares)	High Price (₹)	Date	Volume on that day	Low Price (₹)	Date	Volume on that day
Apr-20	10,69,866	2,194.00	30-Apr-20	1,21,658	1,544.90	03-Apr-20	39,309
May-20	11,69,849	2,390.65	29-May-20	53,631	1,935.00	06-May-20	51,827
Jun-20	13,27,970	2,590.70	26-Jun-20	33,948	2,233.40	12-Jun-20	1,09,703
Jul-20	9,89,217	2,887.50	21-Jul-20	34,598	2,530.85	01-Jul-20	46,733
Aug-20	11,81,778	3,179.55	26-Aug-20	1,35,458	2,622.50	03-Aug-20	62,750
Sep-20	13,94,157	3,221.60	29-Sep-20	69,659	2,833.55	09-Sep-20	44,897
Oct-20	10,83,460	3,393.85	16-Oct-20	28,781	2,786.55	30-Oct-20	80,304
Nov-20	11,74,849	3,158.00	14-Nov-20	7,508	2,813.45	02-Nov-20	80,656
Dec-20	7,28,333	3,240.00	11-Dec-20	49,201	2,900.00	22-Dec-20	51,484
Jan-21	11,41,456	3,520.00	25-Jan-21	85,156	3,031.10	05-Jan-21	53,427
Feb-21	11,06,505	3,628.55	18-Feb-21	45,390	3,069.15	24-Feb-21	1,29,446
Mar-21	8,21,088	3,514.20	03-Mar-21	34,798	2,889.30	31-Mar-21	33,662

(Source: This information is compiled from the data available on the website of BSE)

Hero MotoCorp's Share Price Movement vis-a-vis Sensex



Note: The above chart depicts comparison of monthly high of Sensex and the Company's share price.

Distribution of shareholding by size

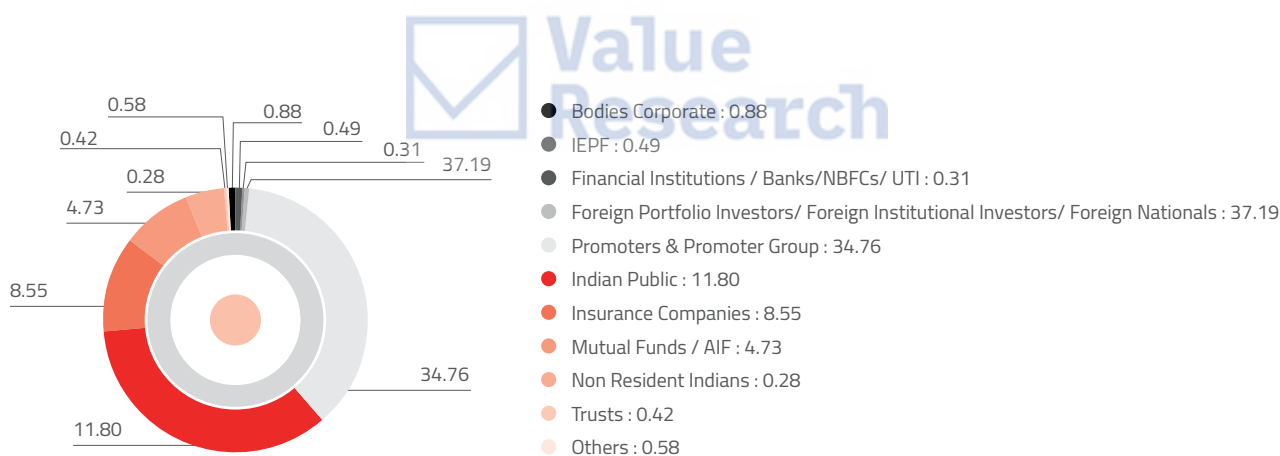
Table 16 lists the distribution of shareholding by number of shares held and shareholding pattern in percentage pursuant to Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on March 31, 2021.

Table 16: Distribution of Shareholding

No. of shares held (₹ 2 paid-up)	Shareholders		Shares of ₹ 2 paid-up	
	Numbers	%	Number	%
Upto 5000	2,09,542	99.39	1,18,07,982	5.91
5001 – 10000	401	0.19	13,88,952	0.70
10001 – 20000	213	0.10	15,08,143	0.75
20001 – 30000	130	0.06	16,04,524	0.80
30001 – 40000	60	0.03	10,35,520	0.52
40001 – 50000	51	0.02	11,50,907	0.58
50001 – 100000	129	0.06	45,26,304	2.27
100001 & above	301	0.14	17,67,57,885	88.48
Total	2,10,827*	100.00	19,97,80,217	100.00

* Shareholders grouped on the basis of PAN

Shareholding Pattern as on March 31, 2021



Category of shareholding as on March 31, 2021

Category	No. of holders	% to total holders	Total shares	% to equity
Physical	2,425	1.12	11,75,046	0.59
NSDL	1,07,213	49.51	19,49,80,175	97.60
CDSL	1,06,891	49.37	36,24,996	1.81
Total	2,16,529	100.00	19,97,80,217	100.00

Corporate benefits

Dividend declared for the last seven (7) years on ₹ 2 paid-up share

Financial Year	Type	Dividend declared	Dividend per share	Due date for transfer to IEPF
2013-14	Final	₹ 65	3250%	September 4, 2021
2014-15	Interim	₹ 30	1500%	September 4, 2021
	Final	₹ 30	1500%	September 30, 2022
2015-16	Interim	₹ 40	2000%	April 11, 2023
	Final	₹ 32	1600%	October 24, 2023
2016-17	Interim	₹ 55	2750%	April 6, 2024
	Final	₹ 30	1500%	August 14, 2024
2017-18	Interim	₹ 55	2750%	March 13, 2025
	Final	₹ 40	2000%	August 30, 2025
2018-19	Interim	₹ 55	2750%	March 5, 2026
	Final	₹ 32	1600%	August 30, 2026
2019-20	Interim	₹ 65	3250%	March 12, 2027
	Final	₹ 25	1250%	September 16, 2027
2020-21	Interim	₹ 70	3500%	March 10, 2028
	Final (recommended)	₹ 35	1750%	September 3, 2028 (tentative)

Transfer of unclaimed shares to Investor Education and Protection Fund

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') notified by the Ministry of Corporate Affairs effective September 7, 2016, as amended, all shares (eligible FY 2012-13) in respect of which dividend has remained unclaimed by the shareholders for seven consecutive years or more were transferred in the demat account of the Investor Education and Protection Fund (IEPF) Authority.

The Company sends notices to the concerned shareholders whose dividend and shares are liable to be transferred to IEPF Authority/ Suspense Account under the said Rules for taking appropriate action and full details of such shareholders and shares due for transfer to IEPF Authority/ Suspense Account have also been uploaded on the Company's website at the link <https://www.heromotocorp.com/en-in/investors/unclaimed-dividends.html>.

An option to claim from IEPF Authority, all unpaid/ unclaimed dividends or other amounts and the unclaimed shares transferred to IEPF, is available to members. Members may make their claim by following the due procedure for refund as prescribed under the said Rules. Details of refund process are also available on the website of the Company at <https://www.heromotocorp.com/en-in/investors/unclaimed-dividends.html>.

Details of dividends remaining unpaid/unclaimed have been duly uploaded on the website of the Company at www.heromotocorp.com and at the website of IEPF Authority at www.iepf.gov.in.

Investor Education and Protection Fund claim Guidelines

With effect from September 7, 2016, Investors whose unpaid dividends and shares have been transferred to IEPF under

Companies Act, 2013, can claim the amounts and shares from the IEPF Authority as per the procedures/guidelines stated below:

- a. Create a login on the website of MCA (<http://www.mca.gov.in/>).
- b. Login to the MCA website with your login credentials.
- c. Select Form IEPF-5 under MCA Services.
- d. Fill the online form with required details and submit. Rule 7 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 or FAQs from the website of IEPF Authority may also be referred for further clarification.
- e. Take a printout of the duly filled and submitted Form IEPF-5 and the copy of the acknowledgement generated.
- f. Following documents to be arranged after submission of online form:
 - I. Indemnity Bond (original) with claimant signature to be executed.

Note: In case of refund of dividend amount of ₹ 10,000 or more and/ or market value of shares, non-judicial stamp paper of appropriate value as prescribed under Stamp Act according to state is required. For claim of only amount of ₹ 10,000 or less, indemnity bond can be executed on a plain paper.
 - II. Advance Receipt (original) with revenue stamp and signatures of claimant and witnesses, to be executed.
 - III. Original share certificate (in case of securities held in physical form) or copy of transaction statement in case of securities held in demat form.

- IV. Self-attested copy of PAN and Aadhaar Card.
 - V. Proof of entitlement/ original share certificate/ dividend warrant (if any).
 - VI. Original cancelled cheque leaf.
 - VII. Copy of Passport, OCI and PIO card in case of foreigners and NRIs.
 - VIII. Client Master List duly attested by the Depository Participant
 - IX. In case any joint holder is deceased, notarized copy of death certificate is to be attached. In case of NRI, self-attested copy of Overseas Indian Card (OIC) issued by MHA or Copy of Passport of PIO card, apostille as per Hague Convention is to be provided.
- g. Submit all the above and self-attested copy of e-form along with the other documents as mentioned in the Form IEPF-5, if any, to the Nodal Officer (IEPF) of the Company at its registered office in an envelope marked "Claim for refund from IEPF Authority".

The Company had received applications from various claimants during the year. The claims of only those claimants are considered to whom the entitlement letters are issued either by the Company or KFin Technologies Private Limited.

The Company has appointed Ms. Neerja Sharma as Nodal Officer and Mr. Dhiraj Kapoor as Dy. Nodal Officer of the Company for the purpose of coordinating with IEPF Authority, ensuring verification of claims.

Dematerialisation of shares and liquidity

The shares of the Company are traded in compulsory demat segment. As on March 31, 2021, 99.41% of the total share capital was held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As to liquidity, equity shares of the Company are part of the BSE Sensex, BSE-100, BSE-200, BSE-500, BSE Sectoral Indices, S&P CNX Nifty, S&P CNX 500 and CNX 100. Further, the equity shares of the Company are frequently traded at NSE and BSE.

Outstanding GDRs/ ADRs/ warrants or any convertible instruments conversion date and likely impact on equity

Not applicable.

Disclosure of commodity price risk or foreign exchange risk and hedging activities in terms of Regulation 34(3) read with clause 9(n) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. Risk management policy of the Company with respect to commodities including through hedging

Hero MotoCorp Limited has an approved risk management policy. The key objectives of the policy are -

- Identification and categorization of potential risks
- Assessment and mitigation of risks
- To monitor and assure continuous growth and to sustain market leadership in the mobility industry, domestically and globally.

Commodity price risk is the financial risk on an entity's financial performance/ profitability upon fluctuations in the prices of commodities. As a resource intensive manufacturing operations, the Company is exposed to a variety of market risks, including the effects of changes in commodity prices and exchange rates.

The Company procures components from its vendors for most of its business requirements, who in turn buy necessary commodities and process the same. Hence, direct purchase of commodity by Company is marginal, but the changes in prices of commodities impact procurement cost of components and parts. The key commodities which are used in the manufacture of two-wheelers are base metals (steel, aluminum), precious metals and crude oil derived plastics/ resins. Sharp fluctuations in commodity prices can create business challenges that can affect production costs, product pricing and earnings.

The risk management policy is designed to manage the impact of commodity price fluctuations across its value chain to effectively manage its financial performance and profitability. Multiple levers are deployed to mitigate these risks and the selection of a lever depends on the cost-benefit analysis and the extent of exposure including its assessment of ability to pass adverse fluctuation to the customer by way of price increases. The Company works on an ongoing basis on cost optimization, weight reduction and process improvement exercises. The Company also considers localization of imports/ global sourcing to ensure lowest cost option in sourcing of parts/ raw material.

2. Exposure of the Company to commodity and commodity risks faced by the Company throughout the year: a) Total exposure of the Company to commodities in INR; and b) Exposure of the Company to various commodities.

Based on the assessment by the Company and after factoring the ability to optimize costs and pass on prices to customers, no individual commodity is likely to adversely impact the financial performance/profitability beyond its materiality threshold approved by the Board. Hence, commodity level information is not being provided hereunder:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives			
			Domestic market		International market	
	Rs./vehicle	Kg/vehicle	OTC	Exchange	OTC	Exchange

As of the reporting date i.e. March 31, 2021, the Company did not have any open contracts/derivative and consequential gains or losses arising therefrom.

- c) Commodity risks faced by the Company during the year and how they have been managed:

After witnessing a fall in the first quarter of the financial year, commodities have seen a sharp increase. Most of the ferrous, non-ferrous and precious metals are at their multi year highs which has adversely impacted the margins across the industry.

The Company has proactively monitored and managed these exposures as an integral part of its overall risk management program, which recognizes the unpredictability of markets and seeks to reduce potentially adverse effects on its business. As part of various levers mentioned including value engineering through the accelerated Leap program which has contributed approximately 200 bps saving in material cost, the Company has also periodically taken, judicious price increases to offset the adverse impact of commodity and currency on its financial performance/ profitability.

Consequent to the various measures, price movements and product mix, the material cost increase as a percentage to revenue from operations has been limited to 2.3%, which is largely attributable to the higher material cost of BSVI vehicles. This increase after offset of saving in the other cost heads has led to Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) margins falling from 13.7% in FY 20 to 13% in FY 21.

Details of public funding obtained in the previous three years

The Company has not obtained any public funding in the previous three years.

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The Company has not raised funds through preferential allotment or qualified institutions placement during the year.

Registrar & Share Transfer Agent ('RTA')

All work related to share registry, both in physical form and electronic form, is handled by the Company's RTA, KFin Technologies Private Limited. The communication address of the RTA is given hereunder:

KFin Technologies Private Limited (Unit: Hero MotoCorp Ltd.)
 Selenium, Tower-B, Plot No. 31 & 32,
 Financial District, Nanakramguda, Serilingampally Mandal,
 Hyderabad – 500 032
 Toll Free No: 1-800-3094-001
 E-mail: einward.ris@kfintech.com
 Website: www.kfintech.com

Share Transfer System

All share transfers and other communications regarding share certificates, change of address, dividends, etc. should be addressed to Registrar & Share Transfer Agent.

Share Transfer Committee is authorised to approve transfer and transmission of shares in the physical segment. Such transfers generally take place on fortnightly basis. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. However, pursuant to the proviso of Regulation 40(1) of the Listing Regulations, the requests for effecting transfer of securities in physical mode shall not be processed by the Company unless the securities are held in the dematerialized form with a depository, except in case of transmission or transposition of securities. The Company obtains from a Company Secretary in practice, half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations, and files a copy of the same with the stock exchanges.

Reconciliation of Share Capital Audit

Audits were also carried out by the practicing Company Secretary to reconcile the total admitted capital with NSDL and CDSL. The reports for the same were submitted to BSE and NSE. The audit confirms that the total issued / paid-up and listed capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a statutory body, has issued Secretarial Standards on Meeting of the Board of Directors and General Meetings. The Company has complied with all the applicable provisions of the Secretarial Standards.

Company’s Registered Address

The Grand Plaza, Plot No. 2, Nelson Mandela Road, Vasant Kunj – Phase-II, New Delhi-110 070.
 CIN: L35911DL1984PLC017354
 Tel: +91-11-4604 4220
 Fax: +91-11-4604 4399
 Website: www.heromotocorp.com

Plant Locations and R&D Centre

Gurugram Plant

37 km Stone, Delhi-Jaipur Highway, Sector 33, Gurugram-122 001 Haryana, India
 Tel: 0124-289 4200, 237 2123
 Fax: 0124-237 3141/42

Dharuhera Plant

69 km Stone, Delhi-Jaipur Highway, Dharuhera, Distt. Rewari-123 110 Haryana, India
 Tel: 01274-264 000
 Fax: 01274-267 018

Haridwar Plant

Plot No. 3, Sector 10, I.I.E., SIDCUL, Roshanabad, Haridwar-249 403, Uttarakhand, India
 Tel: 01334-238 500, 239 514-16
 Fax: 01334-239 512/13

Neemrana Plant

SP 101-103, 108 & 109, RIICO Industrial Area, Phase – II, Delhi-Jaipur Highway, Neemrana, District Alwar, Rajasthan-301 705, India
 Tel: 01494-2673000

Global Parts Centre

SP 104-107, RIICO Industrial Area, Phase – II, Delhi-Jaipur Highway, Neemrana, District Alwar, Rajasthan-301 705, India

Halol Plant

Plot No. 102, Halol (Exp.) Industrial Estate, Vadodara Godhra Highway Taluka-Kalol, Tehsil-Halol, Distt. Panchmahal, Gujarat-389 350, India
 Tel: 02675-229 114

Chittoor Plant

Sy. No. 1, Industrial Park, Madanapalem (Village) Sathyavedu (Mandal) Chittoor, Andhra Pradesh-517 588, India

R&D Centre

Centre of Innovation & Technology SPL-1, RIICO Industrial Area, Kukas, Phase-II, NH-11C, Jaipur, Rajasthan-302 028, India
 Tel: 0142-643 000

Colombia Plant

HMCL Colombia S.A.S KM 24, via Cali – Santender De Quilichao Zona Franca Permanente Conjunto, Industrial Parque Sur, Villa Rica, Cauca, Lote 6A, Colombia
 Tel: +572-3120662

Bangladesh Plant

HMCL Niloy Bangladesh Ltd. Padmabilla, Shakharihati, Kotwali, Jessore, Bangladesh
 Tel: +8809601505541

Hero Tech Center Germany GmbH

Kronstaudener Weg 1, D-83071 Stephanskirchen, Germany

Compliance Certificate of the Secretarial Auditors

Certificates from Sanjay Grover & Associates, Company Secretaries (Firm Registration No. P2001DE052900), was issued confirming:

- a. Compliance with conditions of Corporate Governance as stipulated under Listing Regulations which is attached to this report as **Annexure - V**.
- b. None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority which is also attached to this report as **Annexure - VI**.

Retail Shareholder Correspondence may be addressed to:

KFin Technologies Private Limited (Unit: Hero MotoCorp Ltd.) Selenium, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana
 Toll Free No.: 1-800-3094-001
 E-mail: einward.ris@kfintech.com
 Website: www.kfintech.com



OR

Mr. Dhiraj Kapoor
General Manager-Secretarial & Dy. Nodal Officer
The Grand Plaza, Plot No. 2, Nelson Mandela Road,
Vasant Kunj-Phase-II, New Delhi-110 070
E-mail: secretarialho@heromotocorp.com

For Institutional Investors' matters:

Mr. Umang Deep Singh Khurana,
Head-Investor Relations
The Grand Plaza, Plot No. 2, Nelson Mandela Road,
Vasant Kunj-Phase-II, New Delhi-110 070
E-mail: umang.khurana@heromotocorp.com
investor.relations@heromotocorp.com

Queries relating to the Financial Statements of the Company may be addressed to:

Mr. Niranjana Gupta, Chief Financial Officer
The Grand Plaza, Plot No. 2, Nelson Mandela Road,
Vasant Kunj-Phase-II, New Delhi-110 070

Queries/complaints relating to products, services or dealers etc. may be addressed to:

Customer Care
Hero MotoCorp Ltd.
The Grand Plaza, Plot No. 2, Nelson Mandela Road,
Vasant Kunj-Phase-II, New Delhi-110 070
E-mail: customercare@heromotocorp.com

