

# *Eicher Motors Limited*

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## **Policy for determining materiality of Events and Information**

Last amended on February 10, 2025

## **Introduction**

In order to enable investors to make well-informed investment decisions, timely, adequate and accurate disclosure of information on an ongoing basis is essential. In this regard, the Securities and Exchange Board of India (“SEBI”) has formulated the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“Regulations”). These regulations came into force with effect from December 1, 2015 and the same have been made applicable to all companies whose securities are listed on Indian stock exchanges.

Pursuant to regulation 30(4)(ii) of the Regulations, Eicher Motors Limited (“the Company”) is required to formulate a Policy for determining materiality of events and information (“the Policy”) for disclosure to the exchanges under the regulations.

## **Objective**

The objective of this Policy is:

- (a) to ensure disclosure of any event or information which, pursuant to the regulations or this policy is material,
- (b) to determine whether an event or information is material or not, and
- (c) to ensure timely, accurate, uniform and transparent disclosure.

## **Effective Date**

This Policy was approved by the Board of Directors of the Company and is effective from February 5, 2016.

## **Information required to be disclosed**

Following three categories of events/ information are required to be disclosed to the stock exchanges:

- (a) Events/ Information which are specified under Para-A of Part-A of Schedule III of the Regulations which are deemed to be material events, without applying the principle of materiality.
- (b) Events/ Information which are specified under Para-B of Part-A of Schedule III, if such events or information are considered material by the committee of KMPs, after applying the principle of materiality as set out below.
- (c) Such events/ information which are considered material by the committee of KMPs, after applying the principle of materiality as set out below.

*Committee of KMPs shall mean committee consisting of the Managing Director, Whole-time Director, the Chief Financial Officer and the Compliance Officer.*

## **Principle of Materiality**

Subject to the provisions of the Regulations, materiality of any event/ information will be decided on a case to case basis. Following “Qualitative” criteria and/or “Quantitative” criteria shall be applied to determine whether an event/ information is material or not.

### Qualitative Criteria

The event or information shall be considered material if:

- (a) the omission of an event or information is likely to result in discontinuity or alteration of event or information disclosed earlier under the regulations and available in public; or
- (b) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date; or
- (c) in the opinion of the committee of KMPs of the Board, the event or information is material.

### Quantitative Criteria

The event or information shall be considered material if the impact or the expected impact in terms of the value exceeds the lower of the following:

- (a) 2% of turnover of the Company, or
- (b) 2% of net worth of the Company, or
- (c) 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company.

Financial figures as above shall be as per the last audited consolidated financial statement of the Company.

## **Responsibility of disclosure**

The Board of Directors of the Company has authorized the Committee of KMPs to determine the materiality of an event or information. Based on the decision of the Committee, KMPs are authorized severally for making disclosure to the stock exchanges pursuant to Regulation 30 of the Regulations.

Senior Management of the Company shall be apprised about this Policy so that relevant events can be reported by them to the Committee of KMPs for evaluation and making disclosures, if required.

**Disclosure relating to subsidiaries**

The Company shall also disclose to the stock exchanges, events and information relating to the subsidiaries which are material for the Company by applying the criteria stated above.

**Disclosure relating to events and information published in the mainstream media**

The Company shall confirm, deny or clarify, upon Material Price Movement in Company's share price, any reported event or information in the mainstream media which is not general in nature and which indicates that rumor of an impending specific event or information in terms of the provisions of the SEBI regulation and circulars issued thereunder and which are circulating amongst the investing public, as soon as reasonably possible but in any case not later than twenty four hours from the Material Price Movement.

In this regard, the Company shall follow the industry standards note issued by Industry Standards Forum ("ISF") on verification of market rumour under Regulation 30(11) of SEBI (LODR) Regulations, 2015.

"Mainstream Media" shall have the same meaning prescribed to such term under the SEBI (LODR) Regulations, 2015 read with related SEBI Circulars, Notifications, Guidance Note, and Industry Standards as prescribed by SEBI.

"Material Price Movement", shall be calculated as per the framework issued by the stock exchanges / SEBI from time to time.

For determining foreign jurisdictions with material business operations, the Board of the Company has approved the below criteria:

- i) Revenue generated from a country during the relevant financial year exceeds 10% of the consolidated revenue of the Company as per the last audited financial statements;
- or
- ii) Net-worth of the foreign subsidiary of the Company exceeds 10% of the Company's consolidated net-worth as per the last audited financial statements.

On the basis of the above criteria and audited financial statements of the Company for the financial year 2023-24, at present there are no foreign jurisdictions where the Company has material business operations.

However, the Committee of KMPs shall annually review and identify material foreign jurisdictions based on above parameters and the news sources from such jurisdictions shall be tracked by the Company for the purpose of compliance of above regulations.

In addition to above, the news sources notified under the regulations/ guidelines for the United State of America, Singapore, United Kingdom, Mauritius and Luxembourg shall be monitored for the purpose of compliance under the regulations.

## Time of disclosure

Subject to provisions of the Regulations, the Company shall first disclose to the stock exchange(s) all events or information which are material as soon as reasonably possible and in any case not later than the following:

- (i) **thirty minutes** from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken :

Provided that in case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the Company shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting:

Provided further that in case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.

- (ii) **twelve hours** from the occurrence of the event or information, in case the event or information is emanating from the Company;
- (iii) **twenty four hours** from the occurrence of the event or information, in case the event or information is not emanating from within the Company

However, below information shall be submitted with the exchanges as an outcome of meetings of the board of directors, within 30 minutes or 3 hours as per the requirement of the regulations from the closure of the meeting:

- (a) dividends recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
- (b) any cancellation of dividend with reasons thereof;
- (c) the decision on buyback of securities;
- (d) the decision with respect to fund raising proposed to be undertaken including by way of issue of securities (excluding security receipts, securitized debt instruments or money market instruments regulated by the Reserve Bank of India), through further public offer, rights issue, American Depository Receipts/ Global Depository Receipts/ Foreign Currency Convertible Bonds, qualified institutions placement, debt issue, preferential issue or any other method;
- (e) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares would be credited/dispatched;
- (f) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
- (g) short particulars of any other alterations of capital, including calls;
- (h) financial results;

(i) decision on voluntary delisting by the listed entity from stock exchange(s);

The intimation of outcome of meeting of the board of directors shall also contain the time of commencement and conclusion of the meeting.

In case of delay in making any disclosure, an explanation for such delay shall be submitted along with the disclosure to the exchanges.

Disclosure in respect of claims which are made against the Company under any litigation or dispute, other than tax litigation or dispute shall be submitted with the exchanges within seventy-two hours of receipt of the notice by the Company if all the relevant information in respect of such claims is maintained in the structured digital database of the Company in terms of provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

### **Website update**

All disclosure made to the stock exchanges under this policy shall be posted on the website of the Company. Copy of this policy shall also be posted on the website of the Company.

### **Provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The committee of KMP's shall ensure that the Company comply with all the disclosure requirements as specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Policy review and changes**

The Committee of KMPs may review this policy from time to time and may make such changes as may be required. Any change in the policy shall be ratified by the Board of Directors in its next meeting.

### **Contact details of KMPs**

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