

Annexure I

Disclosures to be provided along with the application for listing:

**1. Issuer details:**

1.1. Details of the issuer:

(i) Name, Address, CIN and PAN -

**HERO FINCORP LIMITED**  
**34, Community Centre, Basant Lok,**  
**Vasant Vihar, New Delhi - 110057**

CIN: **U74899DL1991PLC046774**

PAN: **AAACH0157J**

(ii) Line of business: **Non-Banking Finance Company (Non Deposit taking Systematically Important)**

(iii) Chief Executive (Managing Director / President/ CEO / CFO): **Mr. Abhimanyu Munjal, Joint Managing Director & Chief Executive Officer**

(iv) Group affiliation (if any). – **Hero Group**

**1.2. Details of the directors as on date:**

**Table 1: Format for details of Directors**

S. No.	Name and Designation and DIN	Age	Address	Director since	List of other Directorships
1.	Pawan Munjal & Chairman Director (00004223)	67	B-109, Greater Kailash - I, New Delhi - 110048	16/12/1991	1. Cosmic APA LLP 2. Hero MotoCorp Limited 3. Pan Mining Private Limited 4. Munjal Acme Packaging Systems Private Limited 5. Rockman Industries Limited 6. Bahadur Chand Investments Private Limited 7. Hero Investcorp Private Limited 8. Indian School of Business
2.	Renu Munjal Managing Director (00012870)	66	B-109, Greater Kailash - I, New Delhi - 110048	11/07/1992	1. Munjal Acme Packaging Systems Private Limited 2. Hero Electronix Private Limited 3. Rockman Auto Private Limited 4. BM Munjal Energies Private Limited 5. Hero Future Energies Private Limited 6. Hero Housing Finance Limited

**Hero FinCorp Ltd.**

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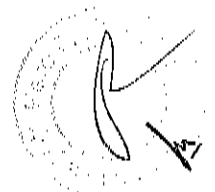
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					7. Bahadur Chand Investments Private Limited 8. Hero Investcorp Private Limited 9. RKMFT Private Limited
3.	Abhimanyu Munjal Joint Managing Director & Chief Executive Officer (02822641)	38	B-109, Greater Kailash - I, New Delhi - 110048	01/06/2016	1. Hero Future Energies Private Limited 2. Foodcraft India Private Limited 3. Hero Housing Finance Limited 4. Advantedge Technology Partners Private Limited 5. RKMFT Private Limited 6. AMFT Private Limited 7. Advantedge Investment Advisors LLP
4.	Pradeep Dinodia Independent Director (00027995)	68	House No. A-9-A, Maharani Bagh, New Delhi 110065	29/05/2016	1. S R Dinodia & Co LLP 2. Shriram Pistons and Rings Limited 3. Hero MotoCorp limited 4. DCM Shriram Limited
5.	Sanjay Kukreja Director (00175427)	44	A-362, Defence Colony, Lajpat Nagar, South Delhi, New Delhi 110024	15/09/2016	1. ChrysCapital Advisors LLP 2. GeBBS Healthcare Solutions Private Limited 3. Nuvo ChrysCapital Advisors Private Limited 4. Intas Pharmaceuticals Limited
6.	Vivek Chaand Sehgal Independent Director (00291126)	65	Villa No. 40, Dubai Creek Villas Dubai Creek Golf and Yacht Club, Port Saeed, Deira, Deira, Utd. Arab Emir.	06/12/2019	1. Motherson Sumi Systems Limited 2. Motherson Sumi Wiring India Limited 3. Marelli Motherson Automotive Lighting India Private Limited 4. Fritzmeier Motherson Cabin Engineering Private Limited 5. Kyungshin Industrial Motherson Private Limited 6. Renu Farms Private Limited 7. Motherson Auto Limited 8. Motherson Techno Tools Limited 9. Shri Sehgal's Trustee Company Private Limited

**1.3. Details of change in directors in last three financial years including change, if any, in the current year:**

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**Table 2: Details of change in directors**

Sl. No.	Name, Designation and DIN	Date of Appointment/Resignation	Date of Cessation (in case of resignation)	Remarks reasons for change
1.	Dharmendar Nath Davar Director (00002008)	30/08/1995	06/09/2019	Retirement
2.	Vivek Chaand Sehgal Independent Director (00291126)	06/12/2019	-	-

**1.4. List of top 10 holders of equity shares of the company as on date or the latest quarter end:**
**Table 3: Details of equity share holders**

Sl. No.	Name of shareholder	Category of shareholder	Total no. of equity shares	No. of shares in Demat form	Total shareholding as % of total no. of equity shares
1.	Hero MotoCorp Limited	Promoter	52,431,893	52,431,893	41.19
2.	Bahadur Chand Investments Private Limited	Promoter	25,896,764	25,896,764	20.34
3.	Otter Limited	Foreign Investor	12,882,170	12,882,170	10.12
4.	Suman Kant Munjal*	Promoter	4,094,737	4,094,737	3.22
5.	Renu Munjal*	Promoter	4,094,737	4,094,737	3.22
6.	Pawan Munjal*	Promoter	3,608,812	3,608,812	2.83
7.	Hero Investcorp Private Limited	Promoter	3,433,008	3,433,008	2.70
8.	Credit Suisse (Singapore) Limited	Foreign Investor	2,930,985	2,930,985	2.30
9.	Apis Growth II (Hibiscus) Pte Ltd	Foreign Investor	2,048,781	2,048,781	1.61
10.	Munjal Acme Packaging Systems Private Limited	Promoter	1,921,968	1,921,968	1.51
	<b>Total</b>		<b>11,33,43,855</b>	<b>11,33,43,855</b>	<b>89.04</b>

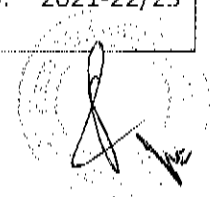
\*On behalf of Brij Mohan Lal Om Parkash (Partnership Firm)

**1.5. Details of the statutory auditor:**
**Table 4: Details of Statutory Auditor**

Name and address	Date of appointment	Remarks (viz. reasons for change etc.)
<b>B S R &amp; Co. LLP</b> (Firm Registration No. 101248W/W100022)	Appointment w.e.f. 21 <sup>st</sup> September, 2018	
DLF Building No. 10, 12 <sup>th</sup> Floor, Tower C, DLF Cyber City, Phase – II Gurgaon-122002, Haryana	(Vacation w.e.f. 16 <sup>th</sup> December, 2021)	Vacation caused due to RBI Circular no. 2021-22/25

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		dated 27 <sup>th</sup> April 2021 for the appointment of SCAs/ SAs
<b>B R Maheswari &amp; Co. LLP</b> Firm Registration No: 001035N/ N500050)	Appointment w.e.f. 16 <sup>th</sup> December, 2021	RBI Circular no. 2021-22/25 dated 27 <sup>th</sup> April 2021 for the appointment of SCAs/ SAs
M-118, Connaught Circus, New Delhi – 110001		
<b>Price Waterhouse LLP</b> (Firm Registration No: 301112E/E300264)	Appointment w.e.f. 16 <sup>th</sup> December, 2021	RBI Circular no. 2021-22/25 dated 27 <sup>th</sup> April 2021 for the appointment of SCAs/ SAs
Nesco IT Building III, 8 <sup>th</sup> Floor, Nesco IT Park, Nesco Complex Gate No. 3 Western Express Highway, Goregaon East, Mumbai – 400063		

**1.6. Details of the change in statutory auditors in last three financial years including any change in the current year:**

**Table 5: Details of change in statutory auditors**

Sl. No.	Name, address	Date of Appointment / Resignation	Date of Cessation (in case of resignation)	Remarks (viz. reasons for change etc.)
1.	<b>B R Maheswari &amp; Co. LLP</b> Firm Registration No: 001035N/ N500050)  M-118, Connaught Circus, New Delhi – 110001	Date of Appointment w.e.f 16 <sup>th</sup> December, 2021	-	RBI Circular no. 2021-22/25 dated 27 <sup>th</sup> April 2021 for the appointment of SCAs/ SAs
2.	<b>Price Waterhouse LLP</b> (Firm Registration No: 301112E/E300264)  Nesco IT Building III, 8 <sup>th</sup> Floor, Nesco IT Park, Nesco Complex Gate No. 3 Western Express Highway, Goregaon East, Mumbai – 400063	Date of Appointment w.e.f 16 <sup>th</sup> December, 2021	-	RBI Circular no. 2021-22/25 dated 27 <sup>th</sup> April 2021 for the appointment of SCAs/ SAs
3.	<b>B S R &amp; Co. LLP</b> (Firm Registration No. 101248W/W100022)  DLF Building No. 10, 12 <sup>th</sup> Floor, Tower C, DLF Cyber City, Phase – II Gurugram 122002, Haryana	Date of Appointment w.e.f. 21 <sup>st</sup> September, 2018	Date of <b>Vacation:</b> w.e.f. 16 <sup>th</sup> December, 2021	RBI Circular no. 2021-22/25 dated 27 <sup>th</sup> April 2021 for the appointment of SCAs/ SAs
4.	<b>Deloitte Haskins &amp; Sells,</b> <b>Chartered Accountants</b> <b>Hero FinCorp Ltd.</b>	Date of Resignation: w.e.f 21 <sup>st</sup> September, 2018	w.e.f 21 <sup>st</sup> September, 2018	Completion of its tenure

(Firm Registration No. 117366W/W-100018)			
7th Floor, Building 10, Tower B, DLF Cyber City Complex, DLF City Phase II, Gurgaon, Haryana – 122002			

1.7 List of top 10 NCD holders (as on 31.03.2022): **Please refer Exhibit 1**

1.8 List of top 10 CP holders (as on 31.03.2022): **Please refer Exhibit 2**

## 2. Material Information:

2.1. Details of all default/s and/or delay in payments of interest and principal of CPs, (including technical delay), debt securities, term loans, external commercial borrowings and other financial indebtedness including corporate guarantee issued in the past 5 financial years including in the current financial year – Not Applicable

2.2. Ongoing and/or outstanding material litigation and regulatory structures, if any. - Not Applicable

2.3. Any material event/ development having implications on the financials/credit quality including any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event which may affect the issue or the investor's decision to invest / continue to invest in the CP. - Not Applicable

## 3. Details of borrowings of the company, as on the latest quarter end: 31<sup>st</sup> March, 2022

3.1. Details of debt securities and CPs: Please refer attached Exhibit 3.

3.2. Details of secured/ unsecured loan facilities/ bank fund based facilities/ rest of the borrowing, (if any, including hybrid debt like foreign currency convertible bonds (FCCB), optionally convertible debentures / preference shares) from banks or financial institutions or financial creditors, as on latest quarter end i.e. 31.12.2021:

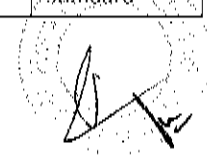
Table 9: Details of loan facilities, bank fund based facilities, other borrowings, etc.

(Amounts in (Rs.) Crores)

Bank / Institution	Facility	Secured / Unsecured	Amount Sanctioned	Principal Outstanding	Repayment Date	Credit rating	Asset Classification
Axis Bank	CC/WCDL	Secured	50	0	On Demand	CRISIL	Standard
Axis Bank	Term Loan	Secured	950	520	30-09-2024	CRISIL	Standard
Bank of America	CC/WCDL	Secured	400	396	On Demand	CRISIL	Standard
Bank of Baroda	CC/WCDL	Secured	100	98	On Demand	ICRA	Standard
Bank of Baroda	Term Loan	Secured	1200	795	18-12-2025	ICRA	Standard
Bank of India	Term Loan	Secured	500	400	30-03-2026	ICRA	Standard
Bank of Maharashtra	Term Loan	Secured	300	233	14-09-2025	ICRA	Standard
MUFGI Bank Ltd	WCDL	Secured	200	200	On Demand	CRISIL	Standard
BNP Paribas	CC	Secured	35	0	On Demand	CRISIL	Standard
BNP Paribas	CC/WCDL	Unsecured	215	0	On Demand	CRISIL	Standard

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Canara Bank	Term Loan	Secured	3250	2350	31-03-2027	ICRA	Standard
Catholic Syrian Bank	Term Loan	Secured	50	20	29-03-2024	CRISIL	Standard
Central Bank of India	Term Loan	Secured	750	597	24-12-2025	ICRA	Standard
Citi Bank	CC	Secured	320	0	On Demand	CRISIL	Standard
CTBC Bank	WCDC	Unsecured	45	45	On Demand	CRISIL	Standard
Deutsche Bank	Term Loan	Secured	650	567	29-07-2024	ICRA	Standard
DCB Bank	CC/WCCL	Secured	50	50	On Demand	CRISIL	Standard
Federal Bank	Term Loan	Secured	300	200	21-09-2024	ICRA	Standard
HDFC Bank	CC/WCCL	Secured	520	400	On Demand	CRISIL	Standard
HDFC Bank	Term Loan	Secured	4000	2094	06-06-2024	ICRA & CRISIL	Standard
HSBC	CC/WCCL	Secured	50	50	On Demand	CRISIL	Standard
ICICI Bank	CC/WCCL	Secured	200	123	On Demand	ICRA	Standard
HSBC	Term Loan	Secured	200	127	05-11-2023	CRISIL	Standard
ICICI Bank	Term Loan	Secured	1950	995	25-02-2025	ICRA	Standard
Indian Bank	CC/WCCL	Secured	200	195	On Demand	ICRA	Standard
Indian Bank	Term Loan	Secured	3250	2271	31-12-2025	ICRA & CRISIL	Standard
Indian Overseas Bank	Term Loan	Secured	200	200	28-12-2025	ICRA	Standard
Mizuho Bank	WCCL	Unsecured	300	0	On Demand	CRISIL	Standard
Punjab and Sind Bank	Term Loan	Secured	200	83	30-06-2023	ICRA	Standard
Punjab National Bank	CC/WCCL	Secured	700	695	On Demand	ICRA	Standard
Karnataka Bank	Term Loan	Secured	200	180	30-06-2024	ICRA	Standard
Punjab National Bank	Term Loan	Secured	2750	2282	31-03-2026	ICRA	Standard
RBL Bank Limited	Term Loan	Secured	100	83	26-12-2021	ICRA	Standard
RBL Bank Limited	Term Loan	Secured	100	58	29-09-2024	ICRA	Standard
Standard Chartered	CC/WCCL	Secured	100	0	On Demand	CRISIL	Standard
State Bank of India	CC/WCCL	Secured	100	0	On Demand	ICRA	Standard
Union Bank of India	CC/WCCL	Secured	50	0	On Demand	ICRA	Standard
South Indian Bank	Foreign Currency Loan	Secured	50	50	23-09-2025	ICRA	Standard
SIDBI	Term Loan	Secured	1700	1636	10-03-2025	CARE	Standard
Union Bank of India	Term Loan	Secured	1350	528	24-12-2024	ICRA	Standard
RBI Bank Limited	CC	Secured	105	105	On Demand	CRISIL	Standard
DBS	ECB	Secured	300	300	28-02-2025	N/A	Standard
Federal Bank	CC	Secured	1	0	On Demand	ICRA	Standard
Yes Bank	CC/WCCL	Secured	150	150	On Demand	CRISIL	Standard
Yes Bank	Term Loan	Secured	200	183	23-11-2024	CRISIL	Standard
Axis Bank	CC/WCCL	Unsecured	185	185	On Demand	N/A	Standard
Hero FinCorp Ltd.	ECB	Secured	1100	569	21-04-2025	N/A	Standard

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TOTAL	29676	20015		
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3.3. The amount of corporate guarantee or letter of comfort issued by the issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account (DSRA) guarantees/ any put option etc. - Not Applicable

#### 4. Issue Information:

4.1. Details of current tranche including ISIN, amount, date of issue, maturity, all credit ratings including unaccepted ratings, date of rating, name of credit rating agency, its validity period, declaration that the rating is valid as at the date of issuance and listing, details of issuing and paying agent and other conditions, if any.

ISIN	Amount	Issue Date	Maturity Date	Current Credit Rating	Date of Rating	Name of CRA	Validity Period of Rating	IPA
INE957N14GD0	1,600,000,000	18-05-2022	18-05-2023	CRISIL A1+	26-04-2022	CRISIL	Till the maturity of the CP	YES BANK
				ICRA A1+	12-05-2022	ICRA	Till the maturity of the CP	

"We confirm that the Credit rating of A1+ vide CRISIL letter dated April 26, 2022 and ICRA letter dated May 12, 2022 for the company's Commercial Paper programme of Rs. 6,000 crores each are valid as at the date of issuance and listing."

4.2. CP borrowing limit, supporting board resolution for CP borrowing, details of CP issued during the last 15 months.

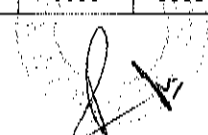
**Board Resolution dated April 29, 2022 (Please refer attached Exhibit 4)**

**WITHIN THE OVERALL BORROWING LIMIT OF THE COMPANY (PRESENTLY UPTO Rs. 40,000 CRORES)**

**Details of CP issued during the last 15 months:**

ISIN	Issue date	Due date	Amount (In Crore)	Amount O/S (In Crore)	IPA	CRA 1	CRA 2	Rating	Rated Amount CRISIL	Rated Amount ICRA
INE957N14EP9	18-02-2021	09-02-2022	200.0	0.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14EQ2	22-02-2021	18-02-2022	200.0	0.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14EQ7	17-03-2021	17-03-2022	200.0	0.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14F11	26-03-2021	25-03-2022	150.0	0.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14ER5	26-03-2021	11-03-2022	100.0	0.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FS3	26-03-2021	22-09-2021	50.0	0.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14EU9	26-04-2021	21-01-2022	300.0	0.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FW5	21-05-2021	12-08-2021	200.0	0.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14EV7	25-05-2021	17-08-2021	100.0	0.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FX3	16-06-2021	16-06-2022	150.0	150.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14EY1	20-07-2021	20-07-2022	50.0	50.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14EZ9	02-09-2021	02-09-2022	200.0	200.0	Yes bank	CRISIL	ICRA	A1+	6000	6000

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INE957N14FB6	23-09-2021	08-12-2021	200.0	0.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INC957N14FA8	23-09-2021	10-12-2021	200.0	0.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FC4	26-10-2021	22-04-2022	60.0	0.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INC957N14FD2	03-11-2021	02-11-2022	250.0	250.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FE0	12-11-2021	11-11-2022	100.0	100.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INC957N14FF7	23-11-2021	14-10-2022	40.0	40.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FI1	21-12-2021	21-12-2022	50.0	50.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INC957N14FI3	22-12-2021	12-12-2022	50.0	50.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FG5	22-12-2021	22-12-2022	50.0	50.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FI9	27-12-2021	28-02-2022	90.0	0.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FK7	06-01-2022	06-01-2023	100.0	100.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FL5	01-02-2022	28-04-2022	200.0	0.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FM3	04-02-2022	12-01-2023	200.0	200.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FQ4	15-02-2022	06-02-2023	50.0	50.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INC957N14FPG	15-02-2022	08-02-2023	50.0	50.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FO9	16-02-2022	14-02-2023	50.0	50.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INC957N14FN1	16-02-2022	16-02-2023	50.0	50.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FT8	17-02-2022	18-07-2022	200.0	200.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INC957N14FS0	17-02-2022	29-07-2022	125.0	125.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FR2	18-02-2022	17-02-2023	75.0	75.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INC957N14FU6	23-02-2022	23-02-2023	50.0	50.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FV4	15-03-2022	06-03-2023	100.0	100.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INC957N14FW2	15-03-2022	15-03-2023	150.0	150.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14FY8	21-03-2022	21-03-2023	200.0	200.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INC957N14FX0	21-03-2022	10-03-2023	50.0	50.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14GB4	28-03-2022	23-06-2022	100.0	100.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INC957N14FZ5	28-03-2022	30-08-2022	150.0	150.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INE957N14GA6	29-03-2022	28-06-2022	200.0	200.0	Yes bank	CRISIL	ICRA	A1+	6000	6000
INC957N14GC2	31-03-2022	29-08-2022	200.0	200.0	Yes bank	CRISIL	ICRA	A1+	6000	6000

4.3. End-use of funds

**PROCEEDS OF CP WILL BE UTILIZED FOR WORKING CAPITAL REQUIREMENTS**

4.4. Credit Support/enhancement (if any): NONE

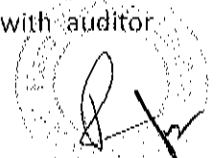
- (i) Details of instrument, amount, guarantor company: NIL
- (ii) Copy of the executed guarantee: NIL
- (iii) Net worth of the guarantor company: NIL
- (iv) Names of companies to which guarantor has issued similar guarantee: NIL
- (v) Extent of the guarantee offered by the guarantor company: NIL
- (vi) Conditions under which the guarantee will be invoked: NIL

**5. Financial Information:**

5.1. a. Audited / Limited review half yearly consolidated (wherever available) and standalone financial information (Profit & Loss statement, Balance Sheet and Cash Flow statement) along with auditor

**Hero FinCorp Ltd.**

Registrar Office : 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi, 110057 - INDIA  
 Corporate Office: 09, Basant Lok, Vasant Vihar, New Delhi - 110057 INDIA  
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qualifications, if any, for last three years along with latest available financial results, if the issuer has been in existence for a period of three years or above; or

(Please refer Annual Reports of the Company as updated on the website of the Company link: <https://www.herofincorp.com/investor-relations/financial-performance>).

b. Audited / Limited review half yearly consolidated (wherever available) and standalone financial information (Profit & Loss statement, Balance Sheet and Cash Flow statement) along with auditor qualifications, if any, pertaining to the years of existence, if the issuer has been in existence for less than three years." – Not Applicable

5.2. Latest audited financials should not be older than six months from the date of application for listing.

5.3 Provided that listed issuers (who have already listed their specified securities and/ or NCDs and/ or NCRPS) who are in compliance with SEBI LODR Regulations, 2015, and/ or issuers (who have outstanding listed CPs) who are in compliance with the continuous listing conditions mentioned at paragraphs 7-10 below, may file unaudited financials with limited review for the stub period in the current year, subject to making necessary disclosures in this regard including risk factors.

**Please refer attached Exhibit 5**

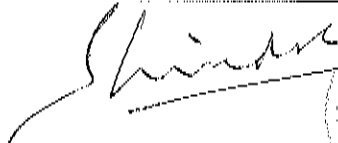
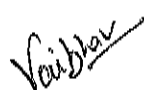
5.4 Latest available limited review quarterly financial results in case an issuer is not having any listed specified securities and is required to prepare such results on quarterly basis for consolidation of financial results of its holding company, under the requirement of any applicable law(s).

**6. Asset Liability Management (ALM) Disclosures:**

6.1. NBFCs/ HFCs seeking to list their CPs shall also make disclosures as specified in Chapter III of this circular.

**Please refer attached Exhibit 6**

Signed By:

Name and Designation	Signature
Shivendra Suman (Head – Compliance & Company Secretary)	
Vaibhav (Sr. Associate – Operations, Treasury)	

Date: 19.05.2022

Place: New Delhi

**Exhibit 1****Table 6: List of top 10 NCD holders as on 31.03.2022**

Name of holder	Category	Face value	Holding of debt securities as a percentage of total debt securities outstanding of the issuer
		(Rs in Crores)	
Axis MF	Mutual Fund	400	21.09%
BNP Paribas	Bank	200	10.54%
State Bank of India	Bank	200	10.54%
ICICI Prudential life insurance	Life Insurance	200	10.54%
L & T Ltd	Corporate	172	9.06%
Union Bank Of India	Bank	150	7.91%
SBI LIFE INSURANCE CO.LTD	Bank	150	7.91%
Central Bank of India	Bank	150	7.91%
Hindustan Zinc Ltd	Corporate	150	7.91%
Graphite India Ltd.	Corporate	125	6.59%
<b>Total</b>		<b>1896.8</b>	

**Exhibit 2****Table 7: List of top 10 CP holders as on 31.03.2022**

Sr. No.	Name of CP holder	Category	Face value of CP holding	CP holding percentage as a percentage of total CP
			(Rs in Crores)	outstanding of the issuer
1	Union Bank Of India	Bank	600	22.02%
2	UTI MF	Mutual Fund	500	18.35%
3	Punjab National Bank	Bank	300	11.01%
4	SBI SAVINGS FUND	Mutual Fund	300	11.01%
5	Aditya Birla Sunlife MF	Mutual Fund	200	7.34%
6	KOTAK MF	Mutual Fund	200	7.34%
7	LARSEN AND TOUBRO LIMITED	Corporate	200	7.34%
8	DSP BLACKROCK MF	Mutual Fund	150	5.50%
9	NIPPON MF	Mutual Fund	150	5.50%
10	INVESCO MF	Mutual Fund	125	4.59%
	<b>Total</b>		<b>2725</b>	







**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE 138<sup>TH</sup> MEETING OF BOARD OF DIRECTORS OF HERO FINCORP LIMITED ("COMPANY") HELD ON FRIDAY, APRIL 29, 2022 AT 34, COMMUNITY CENTRE, BASANT LOK, VASANT VIHAR, NEW DELHI - 110057.**

**APPROVAL FOR ISSUANCE OF COMMERCIAL PAPERS**

**"RESOLVED THAT** in partial modification to the resolution passed by the Committee of Directors at their meeting held on August 30, 2021 and pursuant to the applicable provisions of the Companies Act, 2013 and rules made there under, directions/guidelines framed/issued by Reserve Bank of India (RBI) & FIMMDA and on the terms as mentioned below or such terms and conditions as may deemed fit and appropriate in the interest of the Company from time to time.

<b>Purpose</b>	<b>Working Capital</b>
Total Issue Amount	Within overall borrowing limits of Rs. 40,000 Crore as per Section 180(1)(c) of the Act
Nature of Instrument	Unsecured in the nature of issuance of Promissory Note
Credit Rating	CRISIL and/or ICRA
Tenor	7 days to 365 days
Redemption	On maturity

**RESOLVED FURTHER THAT** any two of the following persons from Group A or Group B, including atleast one person from Group A for the time being be and are hereby jointly authorised on behalf of the Company to do all acts, deeds and things as may be necessary for the issuance of the Commercial Papers, appointment of Registrars, appointment of Issue & Paying Agency [IPA], Admission of Commercial Papers with National Securities Depository Ltd. [NSDL], Central Depository Services [India] Ltd. [CDSL], appointment of Rating Agencies and any other intermediaries as may be required in this connection from time to time.

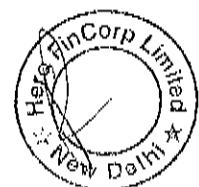
<b>Group - A</b>	<b>Group - B</b>
Mr. Jayesh Jain	Mr. Abhishek Lingwal
Mr. Shyam Lal	Mr. Kumar Vikash Khatana
Mr. Shivendra Suman	Mr. Prateek Garg
Ms. Priya Kashyap	Mr. Shashi Shekhar
Mr. Rajneesh Sharma	Mr. Vaibhav
Mr. Tarang Jain	
Mr. Dhoop Mittal	
Mr. Mayank Manchanda	
Mr. Sudhanshu Dang	
Mr. Vijay Chaturvedi	

**RESOLVED FURTHER THAT** any two of the aforesaid authorized signatories be and are hereby jointly authorized on behalf of the Company to issue and allot aforesaid CP, to operate and deal with IPA, to give necessary instructions and/or to sign, execute, alter, modify, agreements including the agreement with IPA, Registrar, any other intermediaries and such documents, correspondence as may be required in this connection from time to time.

**RESOLVED FURTHER THAT** any one of the aforesaid authorized signatory be and is hereby severally authorized to make, sign, file, submit the necessary application and all such other document(s), deed(s) and writing(s) as may be required with the Collector of Stamps, New Delhi

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 Email: info.hfcl@herofincorp.com Website: www.herofincorp.com CIN:U74899DL1991PLC046774





and/or any other regulatory bodies/authorities of India (hereinafter referred to as "the Authorities"), as may be applicable, for the stamping of above mentioned Commercial papers including the grant of Letter of Authority to person(s)/firm(s) to represent the Company before the Authorities and to do all such other acts, deeds and things as may be deemed fit in this regard.

**RESOLVED FURTHER THAT** any two of the aforesaid authorized signatories on behalf of the Company be and are hereby jointly authorized to open and operate all required accounts for the Commercial Paper Issue viz. designated cash account with aforesaid bank including a Current Account of nomenclature "CP Account - Hero FinCorp Limited" to be opened with any scheduled commercial bank, seeking rollover of Commercial Paper from time to time up to permissible periods and to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution.

**RESOLVED FURTHER THAT** the IPA to the issue be and is hereby authorized to open and operate the Demat account(s) with a Depository Participant in regard to the operation and monitoring of the Commercial Papers held in electronic form and any other account as may be required in this regard.

**RESOLVED FURTHER THAT** any two of the aforesaid authorized signatories on behalf of the Company be and are hereby jointly authorized to carry out various activities for the purpose of issue and allotment of commercial papers including availing of Issuer Services portal of National Securities Depository Limited (NSDL), filing of necessary applications/documents for listing of the Commercial Papers on the National Stock Exchange of India Limited and/or BSE Limited and to do all acts, deeds and things as may be necessary for the issuance of the Commercial Papers.

**RESOLVED FURTHER THAT** any Director or Chief Financial Officer or Company Secretary of the Company be and is hereby severally authorized to sign and issue certified true copy of the resolution to the concerned authority for giving effect to the above resolution".

**Certified True Copy**

**For Hero FinCorp Limited**

  
**Shiveendra Suman**  
**Head - Compliance & Company Secretary**

**M.No. ACS18339**

**Address: 9, Community Centre, Vasant Vihar  
New Delhi - 110057**



**Hero FinCorp Ltd.**

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Email:- [info.hfcl@herofincorp.com](mailto:info.hfcl@herofincorp.com) Website: [www.herofincorp.com](http://www.herofincorp.com) CIN:U74899DL1991PLC048774

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April 29, 2022

**National Stock Exchange of India Limited**  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400051

**Sub: Outcome of Board meeting in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

In Continuation to our letter dated April 23, 2022, we wish to inform you that the Board of Directors in their meeting held today i.e. Friday, April 29, 2022, approved the following:

- The audited Financial Statements (Standalone and Consolidated) of the Company for the quarter and financial year ended March 31, 2022.
- Audit Report issued by M/s B R Maheswari & Co. LLP (Firm Registration Number: 101248W/W-100022) and M/s Price Waterhouse LLP (Firm Registration Number: 301112E/E300264), Joint Statutory Auditors of the Company, on the audited financial results of the Company, for the financial year ended March 31, 2022.

Pursuant to provisions of Regulation 52 (3)(a) of SEBI Listing Regulations, we wish to confirm and declare that the audit report issued by the Joint Statutory Auditors of the Company for the financial year ended March 31, 2022 is with unmodified opinion on the Financial Statements.

- The Board of Directors of the Company in their meeting held today i.e. April 29, 2022 decided not to declare any dividend for the FY 2021-22.
- Proposal for Raising of funds by way of issuance of Non-Convertible Debentures (NCDs).

Further, Please find enclosed the following-

- Initial and Annual Disclosures pursuant to Chapter XII of Operational Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 w.r.t Fund raising by issuance of Debt Securities by Large Corporate, for the financial year ended March 31, 2022, as the Company falls under the definition of "Large Corporates".
- Pursuant to Regulation 52(7) of Listing Regulations, we hereby confirm that issue proceeds of Non-Convertible securities issued by the Company have been utilised for the purpose for which these proceeds were raised. We enclose herewith a Nil statement indicating Deviation or Variation in the use of proceeds of issue of listed non-convertible debt securities in the format as prescribed under SEBI Notification No. SEBI/HO/DDHS/08/2020 dated January 17, 2020 in this regard.



**Hero FinCorp Ltd.**

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Hero FinCorp.

The results will also be made available on website of the Company.


The Board meeting commenced at **5:30p.m.** and concluded at **7:30p.m.**

Request you to kindly take the same on your records.

Thanking you,

Yours truly,

For **Hero FinCorp Limited**

  
**Shivendra Suman**  
Head - Compliance & Company Secretary  
Membership No. - ACS18339

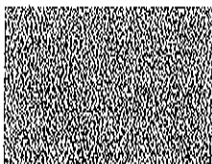


Encl: a/a

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Price Waterhouse LLP  
Chartered Accountants  
252, Veer Savarkar Marg,  
Shivaji Park, Dadar (West),  
Mumbai - 400 028

B R Maheswari & Co LLP  
Chartered Accountant  
M-118, Block M,  
Connaught Place, New Delhi  
Delhi - 110 001

## **INDEPENDENT AUDITORS' REPORT**

To  
The Board of Directors  
Hero FinCorp Limited  
34, Community Centre, Basant Lok,  
Vasant Vihar, New Delhi - 110 057

### **Report on the Audit of Standalone Financial Results**

#### **Opinion**

1. We have audited the accompanying standalone financial results of Hero FinCorp Limited (hereinafter referred to as the 'Company') for the year ended March 31, 2022, attached herewith, the standalone balance sheet as at that date and the standalone statement of cash flows for the year ended on that date (the "Standalone Financial Results") which are included in the accompanying Unaudited/Audited Standalone Financial Results for the quarter and year ended March 31, 2022 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results:
  - i) are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
  - ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act"), the Reserve Bank of India (RBI) guidelines and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2022, and also the standalone balance sheet as at March 31, 2022 and the standalone statement of cash flows for the year ended on that date.

#### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Results' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

4. We draw your attention to Note 11 to the Statement, which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

#### **Board of Directors' Responsibilities for the Financial Results**

5. These Standalone Financial Results have been compiled from the standalone financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these Standalone Financial Results that give a true and fair view of the net loss and other comprehensive income and other financial information, the standalone balance sheet and the standalone statement of cash flows in accordance

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Delhi – 110 001

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of Hero FinCorp Limited

Report on the Standalone Financial Results

Page 2 of 3

with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder, the relevant provisions of the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the NBFC and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the Standalone Financial Results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

**Auditors' Responsibilities for the Audit of the Financial Results**

8. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our

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Delhi – 110 001

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of Hero FinCorp Limited  
Report on the Standalone Financial Results  
Page 3 of 3

- opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Other Matters**

12. The Standalone Financial Results include the results for the quarter ended March 31, 2022 and quarter ended March 31, 2021, which are neither subject to limited review nor audited by us. These figures have been furnished by the Management of the Company.
13. The standalone financial statements of the Company for the year ended March 31, 2021, were audited by another firm of chartered accountants under the Act who, vide their report dated April 29, 2021, expressed an unmodified opinion on those financial statements.
14. The Standalone Annual Financial Results dealt with by this report have been prepared for the express purpose of filing with the National Stock exchange of India Limited. These results are based on and should be read with the audited standalone financial statements of the Company for the year ended March 31, 2022 on which we issued an unmodified audit opinion vide our report dated April 29, 2022.

Our opinion on the Standalone Financial Results is not modified in respect of above matters.

For Price Waterhouse LLP  
Chartered Accountants  
Firm Registration Number: 301112E/F300264

SHARAD  
MAGANLAL  
VASANT

Digitally signed by SHARAD  
MAGANLAL VASANT  
Date: 2022.04.29 19:09:28  
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Sharad Vasant  
Partner  
Membership Number: 101119

UDIN: 22101119AIBGH1A6038

Place: New Delhi  
Date: April 29, 2022

For B R Maheswari & Co. LLP  
Chartered Accountants  
Firm Registration Number: 001036N/N500050

SUDHIR  
MAHESHWARI

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SUDHIR MAHESHWARI  
Date: 2022.04.29  
19:00:14 +05'30'

Sudhir Maheshwari  
Partner  
Membership Number: 081075

UDIN: 22081075AIBXES3017

Place: New Delhi  
Date: April 29, 2022

**Hero FinCorp Limited**

Registered office: 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi - 110057

Corporate office: 9, Community Centre, Basant Lok, Vasant Vihar, New Delhi - 110057

Fax: 011-26153913, Tel. No: 011-46044100, Website: www.herofincorp.com

CIN: U74899DL1991PLC0046774

**Unaudited/ Audited Standalone Financial Results for the quarter and year ended March 31, 2022**

₹ in Crore

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>Income</b>					
<b>i Revenue from operations</b>					
Interest income	1,075.31	1,010.65	935.18	3,969.85	3,653.43
Dividend income	0.19	0.18	0.19	0.74	0.74
Profit on sale of investments	14.73	5.26	3.28	38.78	19.98
Rental income	0.14	0.30	1.14	1.96	6.48
Net gain / (loss) on fair value changes	(7.20)	9.58	21.39	19.72	21.39
Insurance commission	4.57	4.49	5.11	15.36	13.17
Others charges	121.44	99.58	78.74	394.17	330.74
<b>Total revenue from operations</b>	<b>1,208.78</b>	<b>1,130.04</b>	<b>1,045.03</b>	<b>4,440.58</b>	<b>4,045.93</b>
<b>ii Other income</b>	<b>15.79</b>	<b>21.49</b>	<b>16.05</b>	<b>50.00</b>	<b>45.71</b>
<b>iii Total income (i + ii)</b>	<b>1,224.57</b>	<b>1,151.53</b>	<b>1,061.08</b>	<b>4,490.58</b>	<b>4,091.64</b>
<b>iv Expenses</b>					
Finance costs	390.54	379.94	373.40	1,508.88	1,550.49
Impairment on financial instruments	380.95	206.40	175.91	1,834.54	1,399.04
Employee benefits expenses	75.43	77.35	61.46	280.72	236.89
Depreciation and amortization	6.73	6.91	7.17	27.66	30.67
Other expenses	294.58	305.50	255.44	1,094.91	784.48
<b>Total expenses</b>	<b>1,148.23</b>	<b>971.10</b>	<b>873.38</b>	<b>4,746.71</b>	<b>4,001.57</b>
<b>v Profit/ (loss) before tax (iii - iv)</b>	<b>76.34</b>	<b>180.43</b>	<b>187.70</b>	<b>(256.13)</b>	<b>90.07</b>
<b>vi Tax expense</b>					
Current tax	(20.80)	17.64	105.33	27.03	105.98
Deferred tax (credit) (net)	41.45	29.40	(61.90)	(89.16)	(86.53)
<b>Total tax expense</b>	<b>20.65</b>	<b>47.04</b>	<b>43.43</b>	<b>(62.13)</b>	<b>19.45</b>
<b>vii Net profit/ (loss) after tax (v - vi)</b>	<b>55.69</b>	<b>133.39</b>	<b>144.27</b>	<b>(194.00)</b>	<b>70.62</b>
<b>viii Other comprehensive income/ (loss)</b>					
a) Items that will not be reclassified to profit or loss:-					
Remeasurement of gains / (losses) on defined benefit plans	(0.11)	(0.07)	(0.22)	(0.16)	0.15
Income tax relating to items that will not be reclassified to profit or loss	0.03	0.02	0.05	0.04	(0.04)
<b>Sub-total (a)</b>	<b>(0.08)</b>	<b>(0.05)</b>	<b>(0.17)</b>	<b>(0.12)</b>	<b>0.11</b>
b) Items that may be reclassified to profit or loss:-					
Cash flow hedge reserve	(1.12)	-	-	(1.12)	-
Income tax relating to items that may be reclassified to profit or loss	0.28	-	-	0.28	-
<b>Sub-total (b)</b>	<b>(0.84)</b>	<b>0.00</b>	<b>-</b>	<b>(0.84)</b>	<b>-</b>
<b>ix Other comprehensive income/ (loss) for the period, net of tax (a+b)</b>	<b>(0.92)</b>	<b>(0.05)</b>	<b>(0.17)</b>	<b>(0.96)</b>	<b>0.11</b>
<b>x Total comprehensive income/ (loss) for the period, net of tax</b>	<b>54.77</b>	<b>133.34</b>	<b>144.10</b>	<b>(194.96)</b>	<b>70.73</b>
<b>xi Earnings per equity share :</b>					
(a) Basic (in ₹)	4.37	10.48	11.62	(15.24)	5.78
(b) Diluted (in ₹)	4.37	10.47	11.60	(15.24)	5.77

**Hero FinCorp Limited**  
**Unaudited/ Audited Standalone Financial Results for the quarter and year ended March 31, 2022**

Notes:

1) Disclosure of assets and liabilities as per Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as at March 31, 2022:

**Standalone Balance Sheet as at March 31, 2022**

Particulars	₹ in Crore	
	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
<b>Assets</b>		
<b>Financial Assets</b>		
Cash and cash equivalents	774.03	880.34
Bank balance other than cash and cash equivalents	144.52	116.13
Derivative financial instruments	1.92	-
Trade receivable	2.12	7.98
Loans	28,651.69	23,856.85
Investments	1,476.82	2,211.35
Other financial assets	90.66	110.71
<b>Non-Financial Assets</b>		
Current tax assets (net)	114.25	41.89
Deferred tax assets (net)	433.46	340.82
Property, plant and equipment	42.42	47.64
Right of use assets	38.64	36.50
Intangible assets	14.23	16.60
Other non-financial assets	53.60	32.36
<b>Total Assets</b>	<b>31,838.36</b>	<b>27,699.17</b>
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
<b>Financial Liabilities</b>		
Trade payable:		
(i) Total outstanding dues of micro enterprises and small enterprises, and	-	0.12
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	289.37	248.76
Debt securities	5,471.49	4,080.85
Borrowing (other than debt securities)	20,000.22	17,142.27
Subordinated liabilities	593.51	593.31
Lease liabilities	43.60	40.40
Other financial liabilities	507.58	471.99
<b>Non-Financial Liabilities</b>		
Current tax liabilities (net)	-	8.60
Provisions	42.38	37.44
Other non-financial liabilities	52.26	33.89
<b>Total Liabilities</b>	<b>27,000.41</b>	<b>22,657.63</b>
<b>Equity</b>		
Equity share capital	127.31	127.31
Other equity	4,710.64	4,914.23
<b>Total Equity</b>	<b>4,837.95</b>	<b>5,041.54</b>
<b>Total Liabilities and Equity</b>	<b>31,838.36</b>	<b>27,699.17</b>

**Hero FinCorp Limited**

**Unaudited/ Audited Standalone Financial Results for the quarter and year ended March 31, 2022**

Notes		
7) Disclosure of statement of cash flows as per Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2022		
Standalone Statement of Cash Flows for the year ended March 31, 2022		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash flow from operating activities</b>		
Profit/(loss) before tax	(256.13)	90.07
Adjustments for:		
Depreciation and amortization	27.66	30.67
Impairment on financial instruments	1834.54	1399.04
Dividend income from investments	(0.74)	(0.74)
Discount on commercial paper	106.99	147.10
Employee share based payment expense	4.21	4.24
Net loss on sale of property, plant and equipment	1.99	3.67
Interest on fixed deposit and investments	(35.00)	(13.24)
Interest on lease liability	3.58	3.98
Net loss/ (gain) on fair value changes	(19.72)	(21.39)
Profit on sale of investments	(18.78)	(19.96)
<b>Operating profit before working capital changes</b>	<b>1,628.60</b>	<b>1593.42</b>
(Increase)/ decrease in trade receivables	5.86	(0.11)
(Increase)/ decrease in loans	(6,629.38)	(3,773.19)
(Increase)/ decrease in bank balance other than cash and cash equivalents	(28.39)	(115.61)
(Increase)/ decrease in other financial assets	17.99	(80.44)
(Increase) in other non financial assets	(26.20)	(10.40)
Increase/ (decrease) in other financial liabilities	35.60	96.45
Increase in trade payables	40.48	87.35
Increase in other non financial liabilities	18.27	(7.20)
Increase in provisions	3.66	5.45
<b>Net cash flow (used in) from operating activities before income tax</b>	<b>(4,933.41)</b>	<b>(1,199.28)</b>
Income tax paid (net of refund)	(198.90)	(159.15)
<b>Net cash flow (used in) from operating activities (A)</b>	<b>(5,132.31)</b>	<b>(1,358.43)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and other intangible assets	(15.93)	(12.35)
Proceeds from sale of property, plant and equipment	5.04	5.30
Dividend received	0.74	0.74
Interest on fixed deposit and investments	35.00	43.94
Purchase of investments	(16,246.43)	(25,919.56)
Sale of investments	17,039.46	24,301.41
Investment in subsidiary	-	(100.00)
<b>Net cash flow generated / (used in) from investing activities (B)</b>	<b>817.89</b>	<b>(1,681.22)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from shares issue (including securities premium)	-	470.10
Proceeds from debt securities	5,295.65	5,916.77
Repayment of debt securities	(1,012.00)	(7,215.06)
Proceeds from borrowings (other than debt securities)	15,598.93	14,841.79
Repayment of borrowings (other than debt securities)	(12,740.97)	(12,309.64)
Proceeds from subordinated liabilities	0.20	44.96
Repayment of lease liability	(11.87)	(11.23)
Dividend paid	(12.73)	(30.99)
<b>Net cash flow generated from financing activities (C)</b>	<b>4,117.21</b>	<b>1,706.76</b>
<b>D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(106.31)</b>	<b>(1,332.89)</b>
Cash and cash equivalents at the beginning of the period	880.34	2,213.23
<b>Cash and cash equivalents at the end of the period<sup>a</sup></b>	<b>774.03</b>	<b>880.34</b>
<b>*Components of cash and cash equivalents</b>		
Balances with banks (current accounts)	63.29	55.14
Deposit with banks (original maturity less than three months)	710.74	825.20
	<b>774.03</b>	<b>880.34</b>

**Hera FinCorp Limited**  
**Unaudited/ Audited Standalone Financial Results for the quarter and year ended March 31, 2022**

**Notes:**

- 3) The Company is a Non-Banking Finance Company registered with the Reserve Bank of India (the RBI)
- 4) The financial results for the quarter and year ended March 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on April 29, 2022. These financial results for the year ended March 31, 2022 have been subjected to audit by joint statutory auditors in compliance with Regulation 52 of the Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 5) The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, prescribed under Section 133 of the Companies Act, 2013 (the Act) read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Any application guidance/ clarifications/ directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/ applicable.
- 6) The secured non-convertible debentures issued by the Company are fully secured by pari passu charge on loan receivables of the Company, to the extent as stated in the respective information / placement memorandum. Further, the Company has maintained asset cover as stated in the information/ placement memorandum which is sufficient to discharge the principal amount and interest accrued but not due at all times for the secured non-convertible debt securities issued.
- 7) Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 is attached as Annexure 1.
- 8) Pursuant to SEBI Circular No. SFB/FO/DOIS/DDIS/CR/1/2019/115 dated October 22, 2019, as amended, the Company has listed Commercial Papers on National Stock Exchange (NSE).
- 9) Earning per equity share for the quarter ended March 31, 2022, December 31, 2021 and March 31, 2021 have not been annualised.
- 10) The Company has implemented the requirements pertaining to day-end processing and allied matters vide RBI circular dated November 17, 2021. The Company did not opt for the relaxation offered to it in RBI circular/notifications dated February 15, 2022 in relation to upgradation of non performing assets.
- 11) The Company has assessed the potential impact of COVID-19 on the carrying value of its assets based on relevant internal and external factors/ information available, upto the date of approval of these financial results. Given the dynamic and evolving nature of COVID-19, the impact assessment of COVID-19 is a continuing process and uncertainties associated with its nature and duration. The Company will continue to monitor any material changes of future economic conditions.
- 12) Disclosure pursuant to Reserve Bank of India notification RM/2020/21/16 DOR No RP/BC/3/21 04 048/2020-21 dated August 06, 2020 pertaining to Resolution Framework for COVID-19 related stress:

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at September 30, 2021	Of (A), aggregate debt that slipped into NPA during the half-year ended March 31, 2022	Of (A) amount written off during the half year ended March 31, 2022	Of (A) amount paid by the borrowers during the half-year ended March 31, 2022	Exposure to accounts classified as Standard consequent to implementation of resolution plan Position as at March 31, 2022
Personal Loans	279.60	97.35	0.85	62.21	119.66
Corporate persons*	525.46	27.05	-	1.55	485.23
Of which MSMEs	373.84	37.08	-	7.28	179.48
Others	152.11	-	-	(1.73)	154.85
Total	805.56	124.46	0.85	65.86	604.99

\* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

† The amount represents the Funded Interest Term Loan (FITL) facility granted by the Company

- 13) Disclosure pursuant to Reserve Bank of India Notification RM/DOR/2021-22/86 DOR STN REC, 51/21.04.018/2021-22 dated September 24, 2021

- a) Details of stressed loans transferred during the year ended March 31, 2022

Particulars	To Asset Reconstruction Companies	
	NPA	
Number of accounts	55	
Aggregate principal outstanding of loans transferred (₹ in ₹ Crore)	129.13	
Weighted average residual term of the loans transferred (in years)	4.79	
Net book value of loans transferred (at the time of transfer) (₹ in Crore)	93.86	
Aggregate consideration (₹ in Crore)	29.25	
Additional consideration realized in respect of accounts transferred in earlier years (₹ in Crore)		

In addition to above the Company has transferred 46 additional loans which have been written off, having an amount outstanding of ₹. 129.08 crores for a sale consideration of ₹. 29.19 crores.

- b) Details in respect of loans not in default acquired through assignment during year ended March 31, 2022

Particulars	Value
Count of loan accounts acquired	4,154
Amount of loan accounts acquired (₹ in Crore)	96.77
Retention of beneficial economic interest (MRR %)	10%
Weighted average maturity (residual maturity in years)	3.07
Weighted average holding period (in years)	1.83
Coverage of tangible security coverage	15%
Rating-wise distribution of rated loans	Not applicable

- c) The company has not transferred any Special Mention Account (SMA) and loan not in default.

- d) The Company has not acquired any stressed loan during the year.



**Hero FinCorp Limited**  
**Unaudited/ Audited Standalone Financial Results for the quarter and year ended March 31, 2022**

- 14) The Company is engaged primarily in the business of financing and accordingly, there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment. The Company operates in a single geographical segment i.e. domestic.
- 15) The figures for the quarter ended March 31, 2022 and March 31, 2021 are the following figures between audited figures in respect of full financial year and year to date figures upto the end of the third quarter of the respective financial years. The figures upto the end of the third quarter ended December 31, 2021 were subjected to Limited Review.
- 16) Previous period/ year figures have been regrouped/ reclassified, wherever found necessary, to conform to current period/ year classification.

*For and on behalf of the Board of Directors of*  
**Hero FinCorp Limited**

**RENU** *Managing Director*  
**MUNJAL** *Managing Director*

**Renu Munjal**  
Managing Director  
(DIN No. : 00012870)

Place: London  
Date: April 29, 2022

We have signed this statement for identification purposes only and this statement should be read in conjunction with our report dated April 29, 2022

**For Pankaj Wadhawan: LLP**  
Chartered Accountants  
Firm Registration Number: 301112R/RS/00264

**For D K Maheshwari & Co LLP**  
Chartered Accountants  
Firm Registration Number: 001035N/N500050

**SHARAD** *Digitally signed by*  
**MAHESHWARI** *SHARAD MAHESHWARI AS*  
**VASANT** *VASANT*  
*Date: 2022.04.29*  
*19:27:20 +05'30'*

**SUDHIR** *Digitally signed by*  
**MAHESHWARI** *SUDHIR*  
**RI** *MAHESHWARI*  
*Date: 2022.04.29*  
*19:03:30 +05'30'*

**Shrawal Vasant**  
Partner  
Membership Number: 101119  
Place: New Delhi  
Date: April 29, 2022

**Sudhir Maheshwari**  
Partner  
Membership Number: 081075  
Place: New Delhi  
Date: April 29, 2022

Hero FinCorp Limited

Unaudited/ Audited Standalone Financial Results for the quarter and year ended March 31, 2022

Annexure 1

Disclosures in compliance with Regulations 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2022

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
a) Debt equity ratio (no. of times)	5.39	4.70	4.33	5.39	4.33
b) Debt service coverage ratio	N.A.	N.A.	N.A.	N.A.	N.A.
c) Interest service coverage ratio	N.A.	N.A.	N.A.	N.A.	N.A.
d) Outstanding redeemable preference shares (nos.)	-	-	-	-	-
e) Outstanding redeemable preference shares (values)	-	-	-	-	-
f) Capital redemption reserve / debenture redemption reserve	-	-	-	-	-
g) Net worth (₹ in Crore)	4,837.95	4,782.45	5,041.54	4,837.95	5,041.54
h) Current ratio	N.A.	N.A.	N.A.	N.A.	N.A.
i) Long term debt to working capital	N.A.	N.A.	N.A.	N.A.	N.A.
j) Current liability ratio	N.A.	N.A.	N.A.	N.A.	N.A.
k) Total debts to total assets (%)	81.87	80.19	78.76	81.87	78.76
l) Debtors turnover	N.A.	N.A.	N.A.	N.A.	N.A.
m) Inventory turnover	N.A.	N.A.	N.A.	N.A.	N.A.
n) Operating margin (%)	N.A.	N.A.	N.A.	N.A.	N.A.
o) Net profit margin (%)*	4.55	11.58	13.60	(4.32)	1.73
p) Bad debts to account receivable ratio	N.A.	N.A.	N.A.	N.A.	N.A.
q) Gross non performing assets (%)	7.94	11.29	7.44	7.94	7.44
r) Net non performing assets (%)	4.63	6.71	4.61	4.63	4.61
s) Provision coverage ratio (%)	43.76	43.52	39.93	43.76	39.93

\*not annualised for the quarter ended

Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

(i) Debt equity ratio	: (Debt securities + borrowings (other than debt securities) + subordinated debts) / (Equity share capital + other equity)
(ii) Net worth	: Equity share capital + other equity
(iii) Total debts to total assets (%)	: (Debt securities + borrowings (other than debt securities) + subordinated debts) / Total assets
(iv) Net profit margin (%)	: Profit after tax / Total income
(v) Gross non performing assets (%)	: Gross stage 3 loans / Gross loans
(vi) Net non performing assets (%)	: (Gross stage 3 loans - impairment loss allowance for stage 3 loans) / (Gross loans - impairment loss allowance for stage 3 loans)
(vii) Provision coverage ratio (%)	: Impairment loss allowance for stage 3 loans / Gross stage 3 loans

Price Waterhouse LLP  
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Shivaji Park, Dadar (West),  
Mumbai – 400 028

B R Maheswari & Co LLP  
Chartered Accountant  
M-118, Block M,  
Connaught Place, New Delhi  
Delhi – 110 001

## **INDEPENDENT AUDITORS' REPORT**

To  
The Board of Directors  
Hero FinCorp Limited  
34, Community Centre, Basant Lok,  
Vasant Vihar, New Delhi - 110 057

### **Report on the Audit of the Consolidated Financial Results**

#### **Opinion**

1. We have audited the accompanying consolidated financial results of Hero FinCorp Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") (Refer note 3 to the Statement) for the year ended March 31, 2022, the consolidated balance sheet as at that date and the consolidated statement of cash flows for the year ended on that date (the "Consolidated Financial Results") which are included in the accompanying Unaudited/Audited Consolidated Financial Results for the quarter and year ended March 31, 2022 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on financial result of a subsidiary company, the Statement :
  - a. includes the financial results of the Holding Company and its subsidiary company namely Hero Housing Finance Limited
  - b. is presented in accordance with the requirements of Regulation 52 of the Listing Regulations and
  - c. gives a true and fair view, in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013, the Reserve Bank of India (RBI) guidelines and other accounting principles generally accepted in India, of the consolidated net loss and other comprehensive income and other financial information of the Group for the year ended March 31, 2022 and also the consolidated balance sheet as at March 31, 2022 and the consolidated statement of cash flows for the year ended on that date.

#### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in sub-paragraph 13 of the "Other Matter" section below, is sufficient and appropriate to provide a basis for our opinion.

Price Waterhouse LLP  
Chartered Accountants  
252, Veer Savarkar Marg,  
Shivaji Park, Dadar (West),  
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B R Maheswari & Co LLP  
Chartered Accountant  
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Connaught Place, New Delhi  
Delhi – 110 001

INDEPENDENT AUDITOR'S REPORT  
To the Board of Directors of Hero FinCorp Limited  
Report on the Consolidated Financial Results  
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#### **Emphasis of Matter**

4. We draw your attention to Note 6 to the Statement, which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

#### **Board of Directors' Responsibilities for the Consolidated Financial Results**

5. These Consolidated Financial Results have been compiled from the annual consolidated financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Results that give a true and fair view of the net loss and other comprehensive income and other financial information, the Consolidated Balance Sheet and the Consolidated Statement of Cash Flows of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind ASs) prescribed under Section 133 of the Act read with relevant rules issued thereunder, the relevant provisions of the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Results by the Board of Directors of the Holding Company, as aforesaid.
6. In preparing the Consolidated Financial Results, the respective Board of Directors of the entities included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors of the entities included in the Group are also responsible for overseeing the financial reporting process the Group.

#### **Auditors' Responsibilities for the Audit of the Consolidated Financial Results**

8. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole are free from material misstatement, whether due to fraud or error, and issue an auditors' report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Results.

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of Hero FinCorp Limited

Report on the Consolidated Financial Results

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9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143 (3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as going concern.
  - Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the Consolidated Financial Results of the entities within the Group to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance of the Holding Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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INDEPENDENT AUDITOR'S REPORT  
To the Board of Directors of Hero FinCorp Limited  
Report on the Consolidated Financial Results  
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#### Other Matters

12. The consolidated financial statements of the Group for the year ended March 31, 2021, were audited by another firm of chartered accountants under the Act who, vide their report dated April 29, 2021, expressed an unmodified opinion on those financial statements.
13. We did not audit the financial result of a subsidiary company included in the consolidated financial results, whose financial results reflect total assets of Rs. 3,060.69 crore and net assets of Rs. 432.03 crore as at March 31, 2022, total revenues of Rs. 311.67 crore, total net profit after tax of Rs. 2.09 crore, and total comprehensive profit of Rs. 1.36 crore for the year ended March 31, 2022, and cash outflows (net) of Rs. 126.06 crore for the period from April 01, 2021 to March 31, 2022, as considered in the consolidated financial results. These financial results have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the reports of the other auditors who issued their unmodified opinion vide their report dated April 26, 2022 and the procedures performed by us as stated in paragraph 3 above.
14. The Financial Results include the results for the quarter ended March 31, 2022 and quarter ended March 31, 2021, which are neither subject to limited review nor audited by us. These figures have been furnished by the Management of the Holding Company.

Our opinion on the Statement is not modified in respect of the above matters.

15. The Consolidated Annual Financial Results dealt with by this report have been prepared for the express purpose of filing with the National Stock Exchange of India Limited (NSE). These results are based on and should be read with the audited consolidated financial statements of the group for the year ended March 31, 2022 on which we have issued an unmodified audit opinion vide our report dated April 29, 2022.

For Price Waterhouse LLP  
Chartered Accountants  
Firm Registration Number: 301112E/E300264

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Sharad Vasant  
Partner  
Membership Number: 101119

UDIN: 22101119AIBZEB1498

Place: New Delhi  
Date: April 29, 2022

For B R Maheswari & Co. LLP  
Chartered Accountants  
Firm Registration Number: 001035N/N500050

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Sudhir Maheshwari  
Partner  
Membership Number: 081075

UDIN: 22081075AIBXKS3502

Place: New Delhi  
Date: April 29, 2022

**Hera FinCorp Limited**

Registered office: 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi - 110057  
 Corporate office: 9, Community Centre, Basant Lok, Vasant Vihar, New Delhi - 110057  
 Fax: 011-26153913, Tel. No. 011-66044100, Website: www.herafinlinecorp.com  
 CIN: U74899DL3991910036774

**Unaudited/ Audited Consolidated Financial Results for the quarter and year ended March 31, 2022**

₹ in Crore

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>Income</b>					
<b>i Revenue from operations</b>					
Interest income	1,145.66	1,079.78	995.70	4,241.87	3,877.79
Dividend income	0.19	0.18	0.19	0.74	0.74
Profit on sale of investments	16.37	5.95	4.57	43.44	23.94
Rental income	0.14	0.29	1.03	1.73	5.84
Gain on derecognition of financial instruments under amortised cost category	15.84	-	-	15.84	-
Net gain/(loss) on fair value changes	(8.01)	11.06	22.66	21.05	22.66
Insurance commission	4.57	4.49	5.11	15.36	13.17
Others charges	123.31	100.86	79.42	398.63	333.94
<b>Total Revenue from operations</b>	<b>1,298.07</b>	<b>1,202.61</b>	<b>1,108.68</b>	<b>4,738.66</b>	<b>4,278.08</b>
<b>ii Other income</b>	<b>17.50</b>	<b>21.93</b>	<b>20.22</b>	<b>59.00</b>	<b>55.44</b>
<b>iii Total income (i + ii)</b>	<b>1,315.57</b>	<b>1,224.54</b>	<b>1,128.90</b>	<b>4,797.66</b>	<b>4,333.52</b>
<b>iv Expenses</b>					
Finance costs	432.64	422.87	415.57	1,678.53	1,710.31
Impairment on financial instruments	380.29	206.69	173.87	1,840.81	1,417.74
Employee benefits expenses	97.07	92.00	74.76	356.45	285.61
Depreciation and amortization	8.30	8.39	8.41	33.19	35.21
Other expenses	308.20	316.74	265.43	1,142.71	813.58
<b>Total expenses</b>	<b>1,226.50</b>	<b>1,046.69</b>	<b>938.04</b>	<b>5,051.69</b>	<b>4,262.45</b>
<b>v Profit/(loss) before tax (iii - iv)</b>	<b>89.07</b>	<b>177.85</b>	<b>190.86</b>	<b>(254.03)</b>	<b>71.07</b>
<b>vi Tax expense</b>					
Current tax	(20.80)	17.64	105.33	27.03	(105.98)
Deferred tax (credit) (net)	41.45	29.40	(61.90)	(89.16)	(86.53)
<b>Total tax expense</b>	<b>20.65</b>	<b>47.04</b>	<b>43.43</b>	<b>(62.13)</b>	<b>19.45</b>
<b>vii Net profit/(loss) after tax (v - vi)</b>	<b>68.42</b>	<b>130.81</b>	<b>147.43</b>	<b>(191.90)</b>	<b>51.62</b>
<b>viii Other comprehensive income/(loss)</b>					
a) Items that will not be reclassified to profit or loss:					
Remeasurement of gains / (losses) on defined benefit plans	(0.27)	0.21	(0.52)	0.01	(0.17)
Income tax relating to items that will not be reclassified to profit or loss	0.03	0.07	0.06	0.04	(0.04)
Sub-total (a)	<b>(0.24)</b>	<b>0.23</b>	<b>(0.46)</b>	<b>0.05</b>	<b>(0.16)</b>
b) Items that may be reclassified to profit or loss:					
Cash flow hedge reserve	(2.02)	-	-	(2.02)	-
Income tax relating to items that may be reclassified to profit or loss	0.28	-	-	0.28	-
Sub-total (b)	<b>(1.74)</b>	<b>-</b>	<b>-</b>	<b>(1.74)</b>	<b>-</b>
<b>Other comprehensive income/(loss) for the period, net of tax (a) + (b)</b>	<b>(1.98)</b>	<b>0.23</b>	<b>(0.46)</b>	<b>(1.69)</b>	<b>(0.16)</b>
<b>ix Total comprehensive income/(loss) for the period, net of tax</b>	<b>66.44</b>	<b>131.04</b>	<b>146.97</b>	<b>(193.59)</b>	<b>51.46</b>
<b>x Profit/(loss) for the year attributable to</b>					
Owners of the Company	68.41	130.81	147.43	(191.91)	51.62
Non-controlling interest	0.01	-	-	0.01	-
<b>xi Other comprehensive income/(loss) for the year, net of tax, attributable to</b>					
Owners of the Company	(1.97)	0.23	(0.46)	(1.68)	(0.16)
Non-controlling interest	(0.01)	-	-	(0.01)	-
<b>xii Total comprehensive income/(loss) for the year, net of tax, attributable to</b>					
Owners of the Company	66.43	131.04	146.97	(193.60)	51.46
Non-controlling interest	0.01	-	-	0.01	-
<b>xiii Earnings per equity share:</b>					
(a) Basic (in ₹)	5.37	10.28	11.87	(15.07)	4.23
(b) Diluted (in ₹)	5.37	10.26	11.86	(15.06)	4.22

**Hero FinCorp Limited**  
**Unaudited/ Audited Consolidated Financial Results for the quarter and year ended March 31, 2022**

Notes:

1) Disclosure of assets and liabilities as per Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as at March 31, 2022:

**Consolidated Balance Sheet as at March 31, 2022**

₹ in Crore

Particulars	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
<b>Assets</b>		
<b>Financial Assets</b>		
Cash and cash equivalents	874.49	1,106.87
Bank balance other than cash and cash equivalents	164.52	116.13
Derivative financial instruments	2.14	-
Trade receivable	2.12	7.98
Loans	31,341.04	26,194.69
Investments	1,172.98	1,917.24
Other financial assets	109.87	113.11
<b>Non-Financial Assets</b>		
Current tax assets (net)	116.65	42.43
Deferred tax assets (net)	433.68	341.04
Property, plant and equipment	49.52	53.05
Right-of-use assets	43.07	40.15
Intangible assets	21.41	22.54
Intangible assets under development	0.79	0.62
Other non-financial assets	66.77	40.18
<b>Total Assets</b>	<b>34,399.05</b>	<b>29,996.03</b>
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
<b>Financial Liabilities</b>		
Trade payable:		
(i) Total outstanding dues of micro enterprises and small enterprises; and	2.84	0.88
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	301.97	256.79
Debt securities	5,867.31	4,735.94
Borrowing (other than debt securities)	22,008.69	19,156.51
Subordinated liabilities	643.16	642.91
Lease liabilities	48.48	44.37
Other financial liabilities	643.21	595.58
<b>Non-Financial Liabilities</b>		
Current tax liabilities (net)	-	8.60
Provisions	48.06	41.69
Other non-financial liabilities	65.35	45.00
<b>Total Liabilities</b>	<b>29,629.07</b>	<b>25,028.27</b>
<b>Equity</b>		
Equity share capital	127.31	127.31
Other equity	4,640.21	4,840.45
Non-controlling interests	2.46	-
<b>Total Equity</b>	<b>4,769.98</b>	<b>4,967.76</b>
<b>Total Liabilities and Equity</b>	<b>34,399.05</b>	<b>29,996.03</b>



Hera FinCorp Limited

Unaudited/ Audited Consolidated Financial Results for the quarter and year ended March 31, 2022

Notes:

2) Disclosure of statement of cashflow as per Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2022:

Consolidated Statement of Cash Flows for the year ended March 31, 2022

₹ in Crore

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash flow from operating activities</b>		
Profit/ (loss) before tax	(254.03)	71.07
Adjustments for:		
Depreciation and amortization	33.19	35.21
Impairment on financial instruments	1,840.81	1,417.74
Dividend income from investments	(0.74)	(0.74)
Discount on commercial paper	110.09	147.19
Employee share based payment expense	6.21	5.86
Net loss on sale of property, plant and equipment	2.15	3.52
Interest on fixed deposit and investments	(39.58)	(47.80)
Interest on lease liability	3.98	4.51
Derivative instrument premium amortisation	(15.84)	-
Net loss (gain) on fair value changes	(21.05)	(37.66)
Profit on sale of investments	(53.44)	(33.94)
Operating profit before working capital changes	1,621.75	1,589.96
(Increase)/ decrease in trade receivables	5.86	(0.11)
(Increase)/ decrease in loans	(6,987.16)	(3,349.34)
(Increase)/ decrease in bank balances other than cash and cash equivalents	(48.39)	(115.61)
(Increase)/ decrease in other financial assets	16.98	(80.30)
(Increase) in other non financial assets	(31.54)	(15.50)
Increase/ (decrease) in other financial liabilities	48.05	191.03
Increase in trade payables	47.13	89.02
Increase in other non financial liabilities	20.46	2.72
Increase in provisions	5.27	7.25
Net cash flow (used in) from operating activities before income tax	(5,301.69)	(1,680.88)
Income tax paid (net of refund)	(109.86)	(159.12)
Net cash flow (used in) from operating activities (A)	(5,411.55)	(1,840.00)
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and other intangible assets	(23.95)	(15.87)
Proceeds from sale of property, plant and equipment	5.27	5.30
Dividend received	0.74	0.74
Interest on fixed deposit and investments	39.58	47.79
Purchase of investments	(18,773.49)	(27,527.13)
Sale of investments	19,582.21	26,735.35
Net cash flow generated from/ (used in) investing activities (B)	830.41	(1,783.77)
<b>C. Cash flow from financing activities</b>		
Proceeds from shares issue (including securities premium)	2.46	470.10
Proceeds from debt securities	3,234.29	6,049.80
Repayment of debt securities	(4,012.00)	(7,215.00)
Proceeds from borrowings (other than debt securities)	15,598.93	15,335.38
Repayment of borrowings (other than debt securities)	(12,747.88)	(12,309.62)
Proceeds from subordinated liabilities	0.25	69.85
Repayment of lease liability	(13.56)	(12.82)
Dividend paid	(12.73)	(30.99)
Net cash flow generated from financing activities (C)	4,318.76	2,356.70
<b>D. Net increase / (decrease) in cash and cash equivalents (A + B + C)</b>	(232.38)	(1,237.07)
Cash and cash equivalents at the beginning of the period	1,106.87	2,343.94
Cash and cash equivalents at the end of the period*	874.49	1,106.87
*Components of cash and cash equivalents		
Balances with banks (current accounts)	63.49	61.92
Deposit with banks (original maturity less than three months)	811.00	1,044.95
	874.49	1,106.87

**Hero FinCorp Limited**  
**Unaudited/ Audited Consolidated Financial Results for the quarter and year ended March 31, 2022**

**Notes:**

- 3) The consolidated financial results include results of the following:

Name of the company	% shareholding and voting power of Hero FinCorp Limited	Consolidated as
Hero Housing Finance Limited	99.47% (w.e.f. February 09, 2022 earlier it was 100%)	Subsidiary

- 4) The financial results for the quarter and year ended March 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on April 29, 2022. These financial results for the year ended March 31, 2022 have been subjected to audit by joint statutory auditors in compliance with Regulation 52 of the Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 5) The consolidated financial results for the year ended March 31, 2022 have been prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. The consolidated financial statements, used to prepare the consolidated financial results, are based on the notified Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies that are required to comply with Ind AS.
- 6) The Group has assessed the potential impact of COVID-19 on the carrying value of its assets based on relevant internal and external factors/ information available, upto the date of approval of these financial results. Given the dynamic and evolving nature of COVID 19, the impact assessment of COVID 19 is a continuing process and uncertainties associated with its nature and duration. The Group will continue to monitor any material changes of future economic conditions.
- 7) The secured non-convertible debentures issued by the Group are fully secured by pari-passu charge on loan receivables of the Group, to the extent as stated in the respective information/ placement memorandum. Further, the Group has maintained asset cover as stated in the information/ placement memorandum which is sufficient to discharge the principal amount and interest accrued but not due at all times for the secured non-convertible debt securities issued.
- 8) Pursuant to SEBI Circular No. SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated October 22, 2019, as amended, the Group has listed Commercial Papers on National Stock Exchange (NSE).
- 9) Earning per equity share for the quarter ended March 31, 2022, December 31, 2021 and March 31, 2021 have not been summarised.
- 10) The Group has implemented the requirements pertaining to day-end-processing and allied matters vide RBI circular dated November 12, 2021. The Group did not opt for the relaxation offered to it in RBI circular/clarifications dated February 15, 2022 in relation to upgradation of non performing assets.
- 11) The Group is engaged primarily in the business of financing, and accordingly, there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment. The Group operates in a single geographical segment i.e. domestic.
- 12) The figures for the quarter ended March 31, 2022 and March 31, 2021 are the balancing figures between audited figures in respect of full financial year and year to date figures upto the end of the third quarter of the respective financial years.
- 13) Previous period/ year figures have been regrouped/ reclassified, wherever found necessary, to conform to current period/ year classification.

For and on behalf of the Board of  
**Hero FinCorp Limited**

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**Renu Munjal**  
Managing Director  
(DIN No. : 00012870)

Place: London  
Date: April 29, 2022

We have signed this statement for identification purposes only and this statement should be read in conjunction with our report dated April 29, 2022.

For Price Waterhouse LLP  
Chartered Accountants  
Firm Registration Number: 301412/01/300264

For B R Maheshwari & Co LLP  
Chartered Accountants  
Firm Registration Number: 001035N/03500050

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**Sharad Vasant**  
Partner  
Membership Number: 101119  
Place: New Delhi  
Date: April 29, 2022

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Date: 2022.04.29 19:04:40 +05'30'

**Sudhir Maheshwari**  
Partner  
Membership Number: 081075  
Place: New Delhi  
Date: April 29, 2022

**Hero FinCorp Limited**  
Related Party Transactions for the year ended March 31, 2022

<b>(a) Transactions with subsidiary</b>		<b>₹ In Crore</b>	
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
<b>Hero Housing Finance Limited</b>			
Investment in equity shares	-	100.00	
FISOP cross charge received	0.29	0.53	
FISOP cross charge paid	0.02	0.15	
Rental income	0.23	0.64	
Other Income	4.38	-	
Sale of property, plant and equipment	0.09	0.16	
Purchase of property, plant and equipment	0.06	-	

<b>(b) Transactions with parties in respect of which the Company is an Associate</b>		<b>₹ In Crore</b>	
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
<b>Hero MotoCorp Limited</b>			
Dividend received	0.01	0.01	
Dividend paid	5.24	12.76	
Lease rental received	1.73	5.90	
Recovery of Insurance expense	-	0.40	
Proceeds against share issued (including share premium)	-	194.38	
Subvention income	8.74	5.72	
Reimbursement for sale of operating lease vehicles	0.75	3.85	
<b>Bahadur Chand Investment Pvt. Ltd.</b>			
Dividend paid	2.59	6.30	
Proceeds against share issued (including share premium)	-	96.59	

**(c) Enterprises over which key management personnel and their relatives are able to exercise significant influence**

		<b>₹ In Crores</b>	
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
<b>Hero Future Energies Private Limited</b>			
Loan given	-	55.00	
Loan repaid	-	55.00	
Interest received/ accrued	-	3.38	
Processing fees received	-	0.41	
<b>Cosmic Kitchen Private Limited</b>			
Staff welfare expense and others	0.22	0.15	
<b>BrijMohan Lal Om Prakash (Partnership firm)</b>			
Loan given	-	232.50	
Loan repaid	-	232.50	
Interest received/accrued	-	4.94	
Processing fees received	-	6.75	
Dividend Paid	1.21	3.09	
<b>Hero Investcorp Private Limited</b>			
Proceeds against share issued (including share premium)	-	5.27	
Dividend paid	0.34	0.86	
<b>Munjal Acme Packaging Systems Private Limited</b>			
Dividend paid	0.19	0.49	

**Hero FinCorp Limited**  
**Related Party Transactions for the year ended March 31, 2022**

Particulars	₹ in Crores	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Atter Energy Private Limited</b>		
Loan given	130.00	5.27
Loan repaid	44.47	20.30
Processing fees received	2.60	0.75
Interest received/ accrued	24.97	16.73
Other charges received/ accrued	0.02	-
<b>Hero Solar Energy Private Limited</b>		
Loan given	250.00	-
Loan repaid	25.00	-
Processing fees received	2.50	-
Interest received/ accrued	16.38	-
<b>Motherson Lease Solution Limited</b>		
Loan given (including interest capitalisation)	42.50	-
Interest received/ accrued	0.03	-
<b>Tessolve Semiconductor Private Limited</b>		
Loan given	-	-
Loan repaid	-	15.00
Processing fees received	-	0.15
Interest received/ accrued	-	0.44
<b>Hero Wind Energy Private Limited</b>		
Loan given	-	350.00
Loan repaid	250.77	100.58
Processing fees received	"	1.47
Interest received/ accrued	30.20	23.44
<b>Clean Wind Power (Anantapur) Private Limited</b>		
Loan repaid	-	150.00
Interest received/ accrued	-	7.27
<b>Clean Wind Power (Bhavunagar) Private Limited</b>		
Loan repaid	-	50.00
Interest received/ accrued	-	3.20
<b>Motherson Auto Limited</b>		
Loan repaid	71.65	7.92
Interest received/ accrued	-	5.56
<b>Hero Mind Mine Institute Private limited</b>		
Employee's training expense	0.48	0.21
<b>SR Dinodia &amp; Co. LLP</b>		
Professional fees	0.07	-
<b>BML Munjal University</b>		
Employee's training expense	0.27	-

**(d) Transactions with key management personnel and their relatives:**

Particulars	₹ in Crore	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Short term employee benefits*	22.38	32.93
Post-employment benefits*	-	-
Other long-term benefits*	-	-
Dividend paid	0.30	0.92
Director sitting fee/commission	0.34	0.62

\* Does not include gratuity and compensated absences as these are provided based on the Company as a whole.

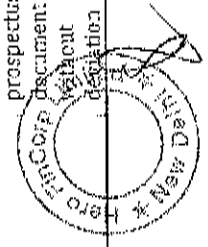
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o=Hero FinCorp

**Statement of Deviation or Variation**

Name of listed entity	Hero FinCorp Limited
Mode of Fund Raising	Private Placement
Type of instrument	Non-Convertible Debentures
Date of Raising funds	28-Feb-2022
Amount Raised (INR Crores)	150.00
Report filed for quarter ended	March 31, 2022
Is there a Deviation / Variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	N.A.
If yes, details of the approval so required?	N.A.
Date of approval	N.A.
Explanation for the Deviation / Variation	N.A.
Comments of the audit committee after review	
Comments of the auditors, if any	

Original Object	Modified Object, if any	Original Allocation (in INR Crores)	Modified allocation, if any	Funds Utilized (in INR Crores)	Amount of Deviation/Variation for the half year according to applicable object (INR Crores and in %)	Remarks, if any
"To augment long term resources of the company. The proceeds from the issue will be utilized for general business purpose including for various financing activities, to repay the existing loans, investment for liquidity & statutory requirements, capital expenditure and working capital needs."	N.A.	150	-	150	Nil	Proceeds from issuance of NCDs have been fully utilized against the object of the issue stated in the prospectus/offer document without any deviation



Deviation could mean:

- (a) Deviation in the objects or purposes for which the funds have been raised
- (b) Deviation in the amount of funds actually utilized as against what was originally disclosed.

For and on behalf of  
Hero FinCorp Limited



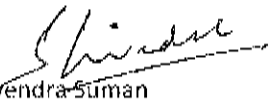
Shivendra Suman  
Head - Compliance & Company Secretary

**Initial Disclosure to be made by entity identified as a Large Corporate**
**(To be submitted to the Stock Exchange(s) within 30 days from the beginning of the FY)**

Sr. No.	Particulars	Details
1	Name of the company	HERO FINCORP LIMITED
2	CIN	U74899DL1991PLC046774
3	Outstanding borrowing of company as on 31 <sup>st</sup> March 2022 (Rs. In Crore)*	26,065.23
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	<b>Long Term:</b> AA+/Stable by CRISIL and ICRA
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	National Stock Exchange of India (NSE)

\* O/s borrowing is based on IND-AS.

We confirm that we are a 'Large Corporate' as per the applicability criteria given under the Chapter XII of SEBI Operational circular dated August 10, 2021.

Signature: 

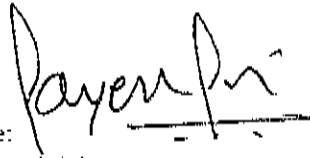
Name: Shivendra Suman

Designation: Head Compliance & Company Secretary

Contact Details: 011 - 49487150

Date: April 29, 2022



Signature: 

Name: Jayesh Jain

Designation: Chief Financial Officer

Contact Details: 011 - 49487150

Date: April 29, 2022

**Hero FinCorp Ltd.**

Registered Office : 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi, 110057 - INDIA

Corporate Office: 09, Basant Lok, Vasant Vihar, New Delhi - 110057 INDIA

Phones: +91-11-49487150; Fax: +91-11- 49487197 + 91-11- 49487198

Email:- info.hfcl@herofincorp.com Website: www.herofincorp.com CIN:U74899DL1991PLC046774

HFCL 160520

**Annual Disclosure to be made by an entity identified  
as a Large Corporate\***

Name of the Company: HERO FINCORP LIMITED  
 CIN: U74899DL1991PLC046774  
 Report filed for FY: FY 2021 - 2022  
 Details of the borrowings (all figures in Rs. crore):

S.No.	Particulars	Details
1.	2 year block period	FY 2021-22 and FY 2022-23
2.	Incremental Borrowing done in FY 2021-22 (a)- Long Term	7,290.00
3.	Mandatory borrowing through debt securities in FY 2021-22 = 25% of (b)	1,822.50
4.	Actual borrowings done through debt securities in FY 2021-22 (c)	1,040.00
5.	Shortfall in the borrowing through debt securities, if any, for FY 2020-21 carried forward to FY 2021-22 (d)	Not applicable
6.	Quantum of (d), which has been met from (c) (e)	Not applicable
7.	Shortfall, if any, in the mandatory borrowing through debt securities for FY 2021-22 (f)=(b) [(c) - (e)]	782.5

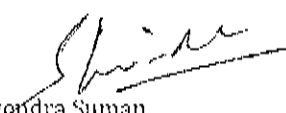
Details of penalty to be paid, if any, in respect to previous block (all figures in Rs. Crore):

S. No.	Particulars	Details
1.	2-Year block period	FY 2020-21 and FY 2021-22
2.	Amount of fine to be paid for the block, if applicable Fine = 0.2% of {(d)-(c)}#	Nil

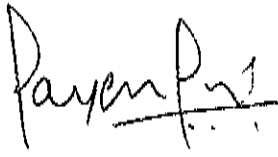
Note: Shortfall of FY22 to be met by the end of FY23.

\*In cases, where an entity is not categorised as LC for FY (T), however was LC for FY (T-1), and there was a shortfall in the mandatory bond borrowing for FY (T-1), which was carried forward to FY (T), the disclosures as prescribed in this annexure shall be made by the entity for FY (T).

#(d) and (e) are the same as mentioned at sl. nos. 5 and 6 in the table given at point no. 4 of this annexure.

Signature:   
 Name: Shivendra Suman  
 Designation: Head Compliance & Company Secretary  
 Contact Details: 011 - 49487150  
 Date: April 29, 2022



Signature:   
 Name: Jayesh Jain  
 Designation: Chief Financial Officer  
 Contact Details: 011 - 49487150  
 Date: April 29, 2022

**Hero FinCorp Ltd.**

Registered Office : 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi, 110057 - INDIA  
 Corporate Office: 09, Basant Lok, Vasant Vihar, New Delhi - 110057 INDIA  
 Phones: +91-11-49487150; Fax: +91-11- 49487197 + 91-11- 49487198  
 Email:- info.hfdl@herofincorp.com Website: www.herofincorp.com CIN:U74899DL1991PLC046774



**Exhibit 6**

**1. Classification of loans/advances given to according to:**

**a) Type of Loans**

S. No.	Type of Loans	Rs. in Crore (As on 31.03.2022)
1.	Secured	19,548.42
2.	Unsecured	10,680.04
	<b>Total assets under management (AUM) *</b>	<b>30,228.46</b>

**b) Sectoral Exposures**

S. No.	Segment-wise break-up of AUM	Percentage of AUM*
<b>1.</b>	<b>Retail</b>	
a.	Two-Wheeler Individual Loans	26.71%
b.	Personal Loans	24.13%
c.	Used Car Loans	5.87%
d.	Inventory Funding	4.24%
<b>2.</b>	<b>Retail SME Loans</b>	<b>16.05%</b>
<b>3.</b>	<b>Corporate Loans</b>	<b>22.01%</b>
<b>4.</b>	<b>Others (Treps Borrowing)</b>	<b>0.99%</b>

\*As on 31.03.2022

**c) Denomination of loans outstanding by ticket size\***

S. No	Ticket size	Percentage of AUM*
1	Upto Rs. 2 lakh	42.4%
2	Rs. 2-5 lakh	6.2%
3	Rs. 5-10 lakh	6.9%
4.	Rs. 10-25 lakh	3.5%
5	Rs. 25-50 lakh	1.2%
6.	Rs. 50 lakh-1 crore	2.1%
7	Rs. 1-5 crore	12.0%
8	Rs. 5-25 crore	3.7%
9	Rs. 25-100 crore	9.9%
10	>Rs. 100 crore	12.0%
	<b>Total</b>	<b>100%</b>

\*As on 31.03.2022

**d) Denomination of loans outstanding by LTV\*:**

S.No.	Segment	% TOS	Weighted Avg. LTV*
<b>1</b>	<b>Retail</b>		
a.	Two-Wheeler Individual Loans	26.7%	78%
b.	Personal Loans (Unsecured)	24.1%	NA
c.	Used Car Loans	5.9%	69%

d.	Inventory Funding	4.2%	NA
2	Retail SME Loans		
-	LAP		
	(i) Secured	8.2%	60%
	(ii) Unsecured	0.0%	NA
-	SME		
	(i) Secured	3.4%	62%
	(ii) Unsecured	4.5%	NA
3	Corporate Loans		
	(i) Secured	19.6%	19%
	(ii) Unsecured	2.4%	NA
4	Others (Treprs - Secured)	1.0%	100%
		100.0%	

\* As on 31.03.2022

e) Geographical classification of borrowers

S.No	Top 5 States	Percentage of AUM*
1	MAHARASHTRA	19.3%
2	DELHI	15.3%
3	UTTAR PRADESH	10.8%
4	BIHAR	6.3%
5	RAJASTHAN	6.3%

\*As on 31.03.2022

f) Details of loans overdue and classified as non-performing in accordance with the RBI's guidelines

Movement of NPAs (Gross)*	Rs. in Crore (As on 31.03.2022)
(a) Opening balance	1,867.90
(b) Additions during the year	2,181.15
(c) Reductions during the year	1,648.02
(d) Closing balance	2,401.03

\*Based on 90+ DPD and in accordance with new IRAC norms

Movement of provisions for NPAs (excluding provisions on standard assets )	Rs. in Crore (As on 31.03.2022)
(a) Opening balance	745.79
(b) Provisions made during the year	928.24
(c) Write-off / write-back of excess provisions	623.41
(d) Closing balance	1,050.62

**g) Segment-wise gross NPA**

Sector	Percentage (As on 31.03.2022)
(i) Agriculture & allied activities	-
(ii) MSME	-
(iii) Corporate borrowers	5.75%
(iv) Services	-
(v) Unsecured personal loans	7.41%
(vi) Auto loans	11.43%
(vii) Other personal loans	-

**2. Residual maturity profile of assets and liabilities (in line with the RBI format): As on March 31, 2022**

	1 to 7 days	8 to 14 days	15 days to 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
<b>Liabilities</b>											
Borrowing from banks (excluding book overdrafts)*	12.71	11.87	335.95	117.18	1,176.83	1,494.67	5,811.21	8,743.81	1,403.05	-	19,107.28
Market borrowings*^	-	-	284.74	11.16	569.35	1,031.13	1,716.05	1,548.38	408.56	618.31	6,187.68
Foreign Currency liabilities*	-	-	-	-	0.17	52.92	-	859.43	-	-	912.82
<b>Assets</b>											
Advances	507.42	627.42	176.50	1,648.59	1,507.04	3,863.91	6,012.98	9,630.86	3,080.65	1,596.32	28,651.69
Investments	798.39	105.04	-	-	0.22	49.64	0.87	1.26	-	521.40	1,476.82

\*Includes interest accrued but not due of ₹ 142.55 crore

# For roll over facility, impact of future cash flows is given based on contractual maturity only since every roll over is subject to fresh credit appraisal.

^ Includes non convertible debentures, commercial papers and subordinated liabilities.

**3. Others**

**a. Lending policy: Should contain overview of origination, risk management, monitoring and collections**

The various divisions of the Company formulates and revises internal policies and procedures for their respective lending activities. The Company's credit approval process involves multiple levels of loan approval authority, depending on the loan amount and other factors such as the nature of the credit and

the conditions of the transaction. The Company follows stringent credit policies to ensure the asset quality of the Company's loans and the security provided for such loans.

The Company's credit policies include the following:

#### **Two-wheeler loans**

The borrower firstly fills out an application form with the Company's sales staff with know your customer details (the "KYC details"). This information is used to run a de-duplication check on the borrower. If the check is successful, the Company then records the details of the loan sought (including the borrower's income and vehicle model) in the sales memo, after which the borrower undergoes identity/address, credit and fraud checks verified through the relevant Government databases.

The borrower is then subject to a scorecard and credit underwriting process where they are scored based on its loan proposal. The Company's central credit team then approves (with conditions, if applicable) or rejects the loan. Once the loan is approved, all loan documents provided are verified for compliance, a disbursement request form is raised and the loan agreement with the borrower is then executed. The Company's sales staff then, on a case by case basis, collects from the borrower the National Automated Clearing House ("NACH") mandate form and the post-dated cheques for two instalments due on the loan which are used if there is a delay in activating the NACH mandate.

Finally, the Company's disbursement team generates the payment instrument (net of one equated monthly instalment and file charges) in favour of the dealer, which is then authorized by the Company's authorized personnel and forwarded to the dealer's relevant bank for clearance. Post-disbursement, the vehicle is registered in the name of the borrower and the hypothecation in favour of the Company is noted on the registration certified book.

#### **Pre-owned cars**

The Company's sales staff firstly inputs the borrower's KYC details and runs a de-duplication check based on those details. Once the check is complete, the Company then records the details of the loan sought (including the vehicle model, vehicle vintage, the borrower's income) and the borrower undergoes credit and fraud checks verified through the relevant Government databases.

The Company then assigns staff to carry out field investigations which include visits to the borrower's household and workplace. The field investigation staff then completes and submits a report for review by the dealer branch manager. An external agency will also perform a valuation of the vehicle which forms the basis for determining the loan amount, while obtaining a photograph of the vehicle and the borrower. The Company's operations team then re-verifies all mandatory loan documents provided to ensure compliance. Subsequently, the Company's fraud control unit ("FCU") completes a further verification process on the borrower's credit reports, the borrower's income, the field investigations report and the valuation report. The Company's credit team and FCU will seek clarification from the branch manager if any discrepancies are identified. The Company's credit team then approves (with conditions, if applicable) or rejects the loan in the Company's system with the FCU providing the final approval.

Once approved, the Company's disbursement team prepares the payment instrument (net of one equated monthly instalment and file charges) in favour of the relevant lending institution / borrower (refinance loans) or seller (used vehicle loans). The instrument is then signed by the Company's head of operations and the amount is credited to the borrowers account electronic funds transfer, with an identification number generated once the loan is disbursed.

### **Inventory Funding**

Upon receiving a funding request, the zonal and cluster managers will visit the dealer and collect documents such as financial and bank statements, tax, sales and GST returns and open credit lines to assess the dealer's credit strength and forward the request to the relevant corporate team. The corporate team will prepare a CAM to be approved by the regional credit manager / zonal credit manager / credit.

The retail operations team will then prepare the pre-disbursement documentation to verify the facility document signed by the borrowing dealer. Once this is verified, the dealer will be assigned a limit and a tranche will be disbursed to Hero MotoCorp. Additional tranches can be subsequently disbursed on indents received by the dealer – fresh tranches cannot be disbursed until an overdue (if any) is regularized. If the Company has sanctioned any retail loans, these would be adjusted against the drawdown amount on the facility.

Interest on the loan is calculated on a daily reducing balance and applied to the complete tranche and no new tranche will be disbursed if interest is overdue. The facility's limit is appraised on an annual basis. If there is a revision of the dealer's limit post-verification of all relevant post-sanction documents, a tranche would be disbursed to Hero MotoCorp.

A stock audit will also be carried out on a case by case basis at the discretion of the inventory funding credit team.

### **SME and LAP**

SME and LAP loans are originated through either the direct sales team, customer references or DSAs (for LAP). A loan application (including supporting documentation relevant to the borrower's industry profile and loan product, such as the KYC details, property documents, financial and bank statements, tax returns, details on the borrower's relevant debt or co-borrower (if any)) is collected and verified by the Company's sales staff. These are then forwarded to and cross-verified by the Company's Credit Processing Assistant ("CPA").

The loan application is then subject to a credit appraisal process where the following checks are performed: du-duplication check, desktop check based on publicly available information as well as tele/contact point verification, physical visits to the property that would be mortgaged by the borrower, verification of financial statements / the borrower's income for authenticity and consistency, compliance with the Company's credit policy and fraud checks.

Once complete, the loan applications will be subject to a further credit evaluation process. For LAP, the credit manager will prepare a credit appraisal memorandum ("CAM") which records details of the loan such as its nature, end use, amount, tenure and compliance. For SME, the credit manager prepares a CAM which records the details on the machinery loan (including its nature, end use, amount and compliance), factors relevant to bill discounting (including profile of the borrower's customer, authenticity of the bill discounted and other relevant details such as 12-month cash flows, tenure, the borrower's industry and coverage of the borrower by a branch. For both LAP and SME, future projections for the credit evaluation is performed based on historical financial statements, with key financial ratios being re-computed. If historical financial statements are not available, the borrower's income will be assessed using a multiplier grid of existing loan obligations.

Following credit evaluation, depending on its individual geography, the property under the loan applications will undergo technical valuation by external local / national agencies. A valuation from two independent third-party agencies will be obtained. Valuation is determined through various factors including location, end use restrictions, sanctioned plan and if it is a developer property, its floor area ratio and if it is a construction property, its construction progress.

Legal verification of the property's title and enforceability is carried out by an empaneled legal agency based on the property type. The legal agency will then prepare a legal report specifying documents required at the time of loan disbursement in order to enforce the security. Once this step is completed, the loan application undergoes a holistic appraisal from all of the Company's relevant departments (legal, technical, field investigative team, fraud control) and received a final approval. A sanction letter is then generated, constituting the agreed terms of the loan with the borrower.

Subject to the Company's receipt of original documents relevant to the loan application, the loan is then disbursed to the borrower. Post-disbursement, in the case of machinery loan, the Company also continues to monitor the borrower by deploying the credit manager to visit the borrower's business premises to verify the machinery and ensure appropriate insurance cover has been obtained. For all other loans in this category, the credit manager will verify the borrower's business performance at half yearly or yearly intervals.

### **Emerging Corporate Loans**

The Company also provides emerging corporate loans. These are large ticket loans (greater than Rs. 200 million) targeted at medium- to large-sized corporates and promoter entities of reputed promoter groups. These loans are sourced directly through dedicated sales and relationship teams of the Company. The relevant relationship manager will firstly prepare a brief synopsis of the borrower (a "RM Note") setting out the transaction structure and details regarding the borrower, its promoter group, the relevant security, the indicative pricing and key financials. The RM Note is then reviewed by the national managers and team leaders of the Company's relevant credit, sales and business teams for a preliminary assessment and clearance of the borrower and the deal. This review will determine whether the prospective borrower's request is progressed or rejected. This is to ensure the Company maintains a high quality secured credit portfolio that is diversified in terms of borrowers, industries and products while sustaining an acceptable risk-adjusted yield.

Once the borrower's request is progressed, a loan application with the appropriate KYC details and supporting documents is collected and analyzed by the relationship manager or credit analyst. The loan application is subject to a credit appraisal process where de-duplication checks, verification checks, fraud checks and field visits to the relevant property to be mortgaged are done. The relationship manager (together with the credit analyst) then prepares a CAM setting out details of the loan such as its nature, tenure, end use, security structure, historical and projected financials, working capital requirements and other compliance details. The CAM also includes a detailed risk profile of the industry the borrower operates in and an in-depth analysis of the borrower's business, financial and management profile. This is to allow for an objective assessment of the borrower's ability to repay the loan.

If the borrower's security structure involves a mortgage over property, a technical valuation by an external agency will also be initiated. Legal verification of the property's title and its enforceability is then carried out by an empaneled legal agency and a legal report specifying documents required for the enforcement of the security (upon disbursement of the loan) is prepared.

The CAM is then submitted for the credit manager's review and input, which is subsequently forwarded on to the relevant national managers and team leaders of the Company's credit and sales teams. The final CAM is also submitted to the Company's credit committee for review and a decision-making process involving deliberations together with the credit and sales teams will take place.

Once the loan application is approved by the Company's credit committee and subject to the receipt of original documents relevant to the loan application and execution of the relevant loan and security documents, the loan is then disbursed. Post-disbursal, the Company's operations team will monitor the relevant post-disbursal documents which are collected by the relationship manager and submitted to the operations team for file completion. The Company's credit team also monitors the borrower through its financial covenants and review of the borrower's quarterly or half-yearly financials.

### **Risk Management**

Hero FinCorp promotes a strong risk culture throughout the organization designed to help reinforce Hero FinCorp's resilience by encouraging a holistic approach to manage risk & return and provide Management with a greater insight into risks and their impact. Hero FinCorp operates with an effective Risk Management Framework to actively manage all the material risks faced, in a manner consistent with our risk appetite. Financial services industry in India and across the globe witnessed unprecedented financial crisis during FY-21 owing to COVID-19 pandemic. It reemphasized the importance of robust risk management practices amongst Banks & NBFCs. While the Senior Management team at Hero FinCorp ably managed the Risk Management function in the organization so far, the Risk Management Department (RMD) was formally set-up in the organization in the beginning of FY 21 with the on-boarding of the Chief Risk Officer, Ms. Srishti Sethi. The RMD has been created and placed in the organization structure on the 'Three lines of Defence' model. The model distinguishes amongst the three groups (or lines) involved in effective risk management:

- Functions that own and manage risks (frontline teams/ operational managers who own and manage risks and are responsible for implementing corrective actions to address process and control deficiencies)
- Functions that oversee risks (RMD & Compliance)

- Functions that provide independent assurance (Internal Audit)

Risk Management team at Hero FinCorp identifies, measures and mitigate risks faced by the Company. We have a differentiated approach to managing risks across our platforms with robust governance mechanisms in place, that not only manage risks at each of the segment levels but also at the Company level.

Risk Management team is guided by the Company's Risk Management Committee which oversees development and implementation of Risk Assurance practices. Under the overall ambit of Corporate Governance, the Company has in place a Risk Management policy along with other risk related policies.

Our approach to risk management assists us in identifying risks early and addressing them in ways that manage uncertainties, minimize potential hazards, and maximize opportunities for the good of all our stakeholders including shareholders, customers, lenders, regulators and employees.

Hero FinCorp has to manage various risks associated with the lending business. These risks include credit risk, operational risk, liquidity risk and interest rate risk amongst others. Hero FinCorp Limited manages credit risk through stringent credit norms. Company measures, Classification of loans/advances given to associates, entities/person relating to the board, senior management, promoters, others, etc.: As is being disclosed currently monitors and manages credit risk at an individual borrower level and at the group exposure level for corporate borrowers. The credit risk for individual borrowers is being managed at portfolio level for Loans. Company has a structured and standardized credit approval process, which includes a well-established procedure of comprehensive credit appraisal. Operational Risk comprises of risk of loss due to losses arising from failure of internal systems, process and personnel or external events. Hero FinCorp has identified various risks under this category and has put in place appropriate controls and disaster recovery plans to mitigate or minimize the risk. In order to mitigate the interest rate risk and liquidity risk, we have developed innovative resource mobilization techniques and prudent fund management practices, among others. COVID19 brought in its wake an environment of not only heightened risk, but of prolonged uncertainty. The still -unfolding crisis has blurred the lines between business-as-usual risk management, crisis management and resilience. The response to COVID19 by the Government and the Regulator was a multitude of measures that were a 'first' for the industry– Loan Moratorium, Ex-Gratia Payment, One-Time-Restructuring, Atmanirbhar Bharat Loans, etc. Hero Fincorp has been very agile in terms of response to COVID-19 and took proactive steps to combat portfolio stress e.g. Risk Appetite Framework, Reserve Adequacy Assessment, Portfolio Stress Testing, Credit Policy changes, Moratorium extension to impacted borrowers, Emergency Credit Line Guarantee Scheme (ECLGS) lending, One-time Restructuring of Loans & Advances, Risk conscious approach on incremental lending. Risk Management Department at Hero Fincorp has been performing the dual tasks of setting up the basic Risk Management process of identifying, measuring, monitoring and reporting risks in the Company; and, at the same time, upgrading and repositioning risk management – basically, a 'Risk Reboot' – as the pandemic unfolded.

- a. Classification of loans/advances given to associates, entities/person relating to the board, senior management, promoters, others, etc.: As is being disclosed currently

Particulars	O/s as on 31.03.2022	% of Total AUM
Ather Energy Private Limited	196.82	0.65%
Hero Solar Energy Pvt Limited	225.75	0.75%



Motherson Lease Solution Limited	42.53	0.14%
----------------------------------	-------	-------

#### 4. Other Details:

##### a) Details of top 20 borrowers with respect to concentration of advances/exposure as on March 31, 2022:

###### Concentration of Advances/Exposure:

Particulars	As at March 31, 2022
(i) Total advances to twenty largest borrowers/ customers	4,164.56
(ii) Percentage of advances to twenty largest borrowers/ customers to total advances	13.78%

###### Concentration of exposure (including off-balance sheet exposure)\*:

Particulars	As at March 31, 2022
(i) Total exposure to twenty largest borrowers/ customers	4,169.56
(ii) Percentage of exposure to twenty largest borrowers/ customers to total exposure	13.55%

\* Represents outstanding amount as per contract with borrowers.

##### b) Borrowing Profile:

Sector	Amount in Rs. Crore* (As on 31.03.2022)
Bank	20,400.06
Mutual Fund	2,152.86
Insurance	594.88
FI	1,636.21
Pension Fund	545.93
NBFC	0.10
Others	735.19
<b>Grand Total</b>	<b>26,065.23</b>

\*Based on IND-AS nos.

##### c) Secured and Unsecured

Particulars	Amount in Rs. Crore*	%
Secured	21,874.48	83.92%
Unsecured	4,190.74	16.08%
<b>Total</b>	<b>26,065.22</b>	<b>100.00%</b>

\*Based on IND-AS nos.

##### d) Any change in promoter's holdings in NBFCs during the last financial year beyond a particular threshold.

At present, RBI has prescribed such a threshold level at 26% - Nil

To,

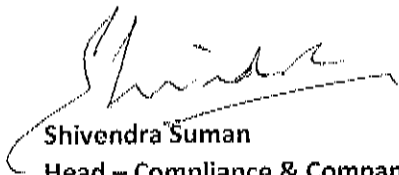
**National Stock Exchange of India Limited,**  
Exchange Plaza,  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400051,

Sub: Undertaking for Listing of Commercial Paper

Dear Sir/Madam,

We, Hero FinCorp Limited, do and hereby confirm that “The Disclosure Document contains all the disclosures as prescribed under Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021, as amended from time to time”.

For **Hero FinCorp Limited**



**Shivendra Suman**  
Head – Compliance & Company Secretary  
Membership No. – ACS 18339



Date: 19.05.2022

Place: New Delhi

**Hero FinCorp Ltd.**

Registered Office : 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi, 110057 - INDIA  
Corporate Office: 09, Basant Lok, Vasant Vihar, New Delhi - 110057 INDIA  
Phones: +91-11-49487150; Fax: +91-11-49487197 + 91-11- 49487198  
Email:- info.hfcl@herofincorp.com Website: www.herofincorp.com CIN:U74899DL1991PLC046774

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