

January 29, 2025

National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400001

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

Dear Sir/Madam,

In Continuation to our earlier intimation dated January 23, 2025 and pursuant to the provisions of Regulations 51(2), 52 and 54 read with Part B of Schedule III of the SEBI Listing Regulations, we wish to inform you that the Board of Directors of Hero FinCorp Limited ("the Company") in their meeting held today i.e. January 29, 2025, have inter alia, considered and approve the following:

- Unaudited Financial Results of the Company for the third quarter and nine months ended on December 31, 2024 along with Limited Review Report of Joint Statutory Auditors, as reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company under Regulation 52 of SEBI Listing Regulations.
- Statement of disclosures pursuant to Regulation 52(4) of the SEBI Listing Regulations.
- Declaration w.r.t. Statement of Material Deviations under Regulation 52(7) and 52(7A) of SEBI Listing Regulations.
- Security Cover details of Non-Convertible Debt Securities as on December 31, 2024 under Regulation 54 of SEBI Listing Regulations.

Further in accordance with Regulation 52(8) of the listing regulations the unaudited financial results as on December 31, 2024 will also be published in the newspaper.

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

The Board meeting commenced at 5:00 P.M. and concluded at 7:30 P.M.

Request you to kindly take the same on your records.

Thanking you,
Yours truly,
For **Hero FinCorp Limited**

Shivendra Kumar Suman
Company Secretary & Compliance Officer
Membership No. – ACS18339

Encl: a/a

**Deloitte
Haskins & Sells LLP**
Chartered Accountants
7th Floor, Building 10, Tower B
DLF Cyber City Complex,
DLF City Phase - II,
Gurugram – 122 002
Haryana, India

Tel: +91 124 679 2000
Fax: +91 124 679 2012

M M Nissim & Co LLP
Chartered Accountants
C-2, First Floor,
Sector 2,
Noida - 201301
Uttar Pradesh, India

Phone: +91 120 417 7293

INDEPENDENT AUDITORS' REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF HERO FINCORP LIMITED

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Hero FinCorp Limited** (the "Company"), for the quarter and nine months ended December 31, 2024 (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. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India ("ICAI"). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The standalone financial results of the Company for the quarter and nine months ended December 31, 2023 and for the year ended March 31, 2024 included in the Statement, were reviewed/ audited by the predecessor auditor who expressed an unmodified,



**Deloitte
Haskins & Sells LLP**

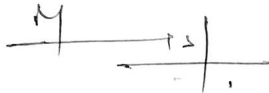
M M Nissim & Co LLP

conclusion/opinion on those statements on February 5, 2024 and May 3, 2024 respectively.

Our conclusion on the Statement is not modified in respect of this matter.

For Deloitte Haskins & Sells LLP

Chartered Accountants
(Firm's Registration No.
117366W/W-100018)



Mukesh Jain

Partner

Membership No. 108262

UDIN: 25108262BMNTEI3660

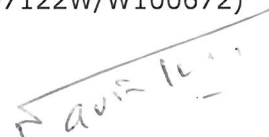
Place: Gurugram

Date: January 29, 2025



M M Nissim & Co LLP

Chartered Accountants
(Firm's Registration No.
107122W/W100672)



Navin Kumar Jain

Partner

Membership No. 090847

UDIN: 25090847BBIJEG7597

Place: Gurugram

Date: January 29, 2025



<p style="text-align: center;">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: 011-49487197, Tel. No: 011-49487150, Website: www.herofincorp.com CIN: U74899DL1991PLC046774</p>						
Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2024						
Particulars	Quarter ended			Nine months ended		₹ in Crore
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023	Year ended March 31, 2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Income						
i Revenue from operations						
Interest income	2,016.94	1,955.22	1,774.56	5,922.46	5,087.94	6,977.30
Dividend income	-	0.01	-	0.01	0.00	0.71
Profit on sale of investments (net)	9.48	6.08	21.44	16.35	38.28	61.32
Insurance commission	52.13	49.06	33.66	144.30	67.70	113.99
Gain on derecognition of financial instruments under amortised cost category	9.13	29.66	-	58.77	-	-
Others charges	202.52	225.14	155.72	664.02	435.48	601.92
Total revenue from operations	2,290.20	2,265.17	1,985.38	6,805.91	5,629.40	7,755.24
ii Other income	16.21	2.72	12.79	30.07	47.31	49.45
iii Total income (i + ii)	2,306.41	2,267.89	1,998.17	6,835.98	5,676.71	7,804.69
iv Expenses						
Finance costs	886.71	828.00	738.38	2,524.63	2,021.40	2,795.31
Net loss on fair value changes	80.32	68.35	57.98	236.47	220.34	346.46
Impairment on financial instruments	751.27	726.26	463.10	2,180.91	1,214.71	1,708.14
Employee benefits expenses	149.93	159.93	141.47	444.70	423.29	579.23
Depreciation and amortization	18.78	17.73	12.83	53.69	35.49	51.87
Other expenses	431.28	404.97	298.61	1,255.99	1,049.01	1,398.48
Total expenses	2,318.29	2,205.24	1,712.37	6,696.39	4,964.24	6,879.49
v Profit/ (loss) before tax (iii - iv)	(11.88)	62.65	285.80	139.59	712.47	925.20
vi Tax expense						
Current tax	76.31	49.03	75.59	191.15	215.48	307.46
Deferred tax / (credit) (net)	(55.76)	(12.90)	9.78	(85.17)	23.94	15.82
Total tax expense	20.55	36.13	85.37	105.98	239.42	323.28
vii Net profit/ (loss) after tax (v - vi)	(32.43)	26.52	200.43	33.61	473.05	601.92
viii Other comprehensive income/ (loss)						
a) Items that will not be reclassified to profit or loss:-						
Remeasurement of gains / (losses) on defined benefit plans	0.04	(1.14)	(0.59)	6.40	(1.42)	(1.76)
Income tax relating to items that will not be reclassified to profit or loss	(0.01)	0.29	0.15	(1.61)	0.36	0.44
Sub-total (a)	0.03	(0.85)	(0.44)	4.79	(1.06)	(1.32)
b) Items that may be reclassified to profit or loss:-						
Cash flow hedge reserve	21.65	(2.44)	(22.20)	(6.99)	(35.98)	(33.61)
Income tax relating to items that may be reclassified to profit or loss	(5.45)	0.62	5.59	1.76	9.06	8.46
Sub-total (b)	16.20	(1.82)	(16.61)	(5.23)	(26.92)	(25.15)
ix Other comprehensive income/ (loss) for the period/year, net of tax (a+b)	16.23	(2.67)	(17.05)	(0.44)	(27.98)	(26.47)
x Total comprehensive income/ (loss) for the period/year, net of tax	(16.20)	23.85	183.38	33.17	445.07	575.45
xi Earnings per equity share (refer note 6):						
(a) Basic (in ₹)	(2.55)	2.09	15.74	2.64	37.16	47.28
(b) Diluted (in ₹)	(2.55)	2.08	15.45	2.63	37.09	47.19
Face value per share (in ₹)	10.00	10.00	10.00	10.00	10.00	10.00



Hero FinCorp Limited
Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2024

Notes:

- 1) Hero FinCorp Limited ('the Company') is a Non-Banking Financial Company registered with the Reserve Bank of India ('the RBI').
- 2) The standalone financial results for the quarter and nine months ended December 31, 2024 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 29, 2025. These results have been subjected to limited review by joint statutory auditors in compliance with Regulation 52 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. These financial results are available on the website of the Company viz. www.herofincorp.com and on the website of National Stock Exchange of India Limited (www.nseindia.com).
- 3) The above 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 as 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 and in compliance with Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Any application guidance/ clarifications/ directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/ applicable.
- 4) The secured non-convertible debentures issued by the Company are fully secured by pari-passu charge by way of hypothecation of 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.
- 5) Pursuant to SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021, as amended, the Company has listed Commercial Papers on National Stock Exchange (NSE).
- 6) Earnings per equity share for the quarters ended December 31, 2024, September 30, 2024, December 31, 2023 and nine months ended December 31, 2024, and December 31, 2023 have not been annualised.
- 7) During the quarter ended December 31, 2024, the Company has issued and allotted 1,06,085 equity shares with the face of Rs. 10 each pursuant to the exercise of options under the Employee Stock Option Scheme.
- 8) Disclosure pursuant to Reserve Bank of India Notification RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021

- a) Details in respect of loans not in default acquired through assignment during the nine months ended December 31, 2024

Particulars	During the nine months ended December 31, 2024
Count of loan accounts acquired	5,611
Amount of loan accounts acquired (₹ in crore)	111.65
Retention of beneficial economic interest (MRR %)	10.00%
Weighted average maturity (residual maturity in years)	2.55
Weighted average holding period (in years)	1.01
Coverage of tangible security coverage (%)	129.76%
Rating-wise distribution of rated loans	NA

- b) Details in respect of loans not in default transferred through assignment during the nine months ended December 31, 2024

Particulars	During the nine months ended December 31, 2024
Count of loan accounts transferred	883
Amount of loan accounts transferred (₹ in Crore)	930.66
Retention of beneficial economic interest (MRR %)	15.37%
Weighted average maturity (residual maturity in years)	12.90
Weighted average holding period (in years)	1.36
Coverage of tangible security coverage (%)	172.80%
Rating-wise distribution of rated loans	NA

- c) The company has not acquired or transferred any stressed loans classified as Special Mention Account (SMA) or NPA during the nine months ended December 31, 2024. Further the company has transferred 2,95,212 loans which were written off, having an amount outstanding of Rs. 1,874.73 crore, for a sale consideration of Rs. 49.85 crore.



Hero FinCorp Limited
Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2024

- 9) Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015 as amended is attached as Annexure 1.
- 10) During the year ended March 31, 2023, the Company had allotted 3,63,63,636 Compulsorily Convertible Preference Shares (CCPS) (comprising of 1,70,36,363 Class A CCPS and 1,93,27,273 Class B CCPS) of face value of ₹ 550 each aggregating to ₹ 2,000 crore. As per Section 43 of the Companies Act, 2013, the preference shares are classified as part of Share Capital. However, as per Ind AS 32 'Financial Instruments: Presentation' and terms and conditions of such preference shares, they are required to be classified as a financial liability.
In accordance with Ind AS 32 'Financial Instruments: Presentation', the Company had classified these CCPS as a financial liability and presented it in accordance with Schedule III division III of the Companies Act, 2013 (disclosed under the head of Subordinated liabilities). These CCPS are subsequently measured at fair value through profit or loss as per Ind-AS 109 requirements.
If these CCPS were classified in accordance with section 43 of the Companies Act, 2013 i.e., as equity, profit after tax for the nine months ended December 31, 2024 would be higher by ₹ 265.47 crore and total equity would be higher by ₹ 2,816.70 crore and subordinated liabilities would be lower by ₹ 2,816.70 crore as at December 31, 2024.
- 11) The Board of Directors of the Company and its Shareholders have approved a resolution towards listing of equity shares through an Initial Public Offer ("IPO") and accordingly have filed the Draft Red Herring Prospectus dated July 31, 2024 with the Securities and Exchange Board of India ("SEBI").
- 12) 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.
- 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 Directors of
Hero FinCorp Limited


Abhimanyu Munjal
Managing Director & CEO
(DIN No. : 02822641)

Place: Gurugram
Date: January 29, 2025



Hero FinCorp Limited
Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2024

Annexure 1

Disclosures in compliance with Regulations 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for the quarter and nine months ended December 31, 2024

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023	March 31, 2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
a) Debt equity ratio (no. of times)	8.01	7.81	6.95	8.01	6.95	7.22
b) Debt service coverage ratio	N.A.	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.	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)	5,709.09	5,714.76	5,638.95	5,709.09	5,638.95	5,775.55
h) Current ratio	N.A.	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.	N.A.
j) Current liability ratio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
k) Total debts to total assets (%)	86.82	86.64	84.49	86.82	84.49	85.86
l) Debtors turnover	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
m) Inventory turnover	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
n) Operating margin (%)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
o) Net profit margin (%)*	(1.41)	1.17	10.03	0.49	8.33	7.71
p) Bad debts to account receivable ratio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
q) Gross non performing assets (%)	5.36	4.63	4.74	5.36	4.74	4.26
r) Net non performing assets (%)	2.49	2.22	2.30	2.49	2.30	2.07
s) Provision coverage ratio (%)	55.02	53.27	52.62	55.02	52.62	52.42
t) Capital to risk weighted assets ratio (%) (Calculated as per RBI guidelines)	16.56	16.67	16.72	16.56	16.72	16.28
u) Liquidity Coverage Ratio (%) (Calculated as per RBI guidelines)	261.98	138.97	178.84	261.98	178.84	138.16

*not annualised for the quarter and nine months ended

Annexure 1.1

If the CCPS were classified in accordance with section 43 of the Companies Act, 2013 i.e., as equity, (refer note 10 of the unaudited standalone financial results for the quarter and nine months ended December 31, 2024), key ratios would have been as below:

Particulars	Quarter ended		Nine months ended		Year ended
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	March 31, 2024
a) Debt equity ratio (no. of times)	5.03	4.51	5.03	4.51	4.66
b) Net worth (₹ in Crore)	8,525.79	8,134.93	8,525.79	8,134.93	8,386.79
c) Total debts to total assets (%)	81.48	79.11	81.48	79.11	80.49
d) Net profit margin (%)*	2.52	12.71	4.36	12.42	12.18

*not annualised for the quarter and nine months ended

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

Formulae for computation of ratios are as follows:

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



M M NISSIM & CO LLP
CHARTERED ACCOUNTANTS

C-2, 1st Floor,
Sector 2, Noida - 201301
Tel: (0120) 4177293
Website: www.mmnisim.com
E-Mail: capital@mmnisim.com
LLPIN: AAT-7548

To,
VISTRA ITCL (India) Limited
The IL&FS Financial center,
Plot No. C-22, G Block 6th, 7th Floor
Bandra Kurla Complex Bandra (East),
Mumbai-400 051

The Board of Directors
Hero FinCorp Limited
34, Community Center
Basant Lok, Vasant Vihar
Delhi 110057

Independent Statutory Auditor's Certificate with respect to maintenance of security cover pursuant to Regulation 54 read with Regulation 56(1)(d) of the Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) as at December 31, 2024.

1. This certificate is being issued at the request of Hero FinCorp Limited (the "Company"). The Company has requested to certify the accompanying Statement showing 'Security Cover' for the listed non-convertible debt securities as at December 31, 2024 (the "Statement") pursuant to the requirements of the Regulation 54 read with Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the "SEBI Regulations"). Accordingly, the Company has prepared the details of security cover available for debt securities in accordance with the financial statements as at December 31, 2024 and other relevant records/ documents maintained by the Company as per attached Annexure I. We have stamped the same for identification purposes.
2. We understand that this certificate is required by the Company for the purpose of submission with National Stock Exchange of India Limited and VISTRA ITCL (India) Limited ("Debt Security Trustee") with respect to maintenance of security cover in respect of listed non-convertible debt securities of the Company as per Regulation 54 of Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulation, 2015 ("Regulations") in the format notified by SEBI vide circular no. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P /2022/67 dated May 19, 2022.

Management's Responsibility

3. The preparation of the Statement and unaudited standalone financial statement for the period ended December 31, 2024 is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.



4. The Management of the Company is also responsible for ensuring that the Company complies with the requirements of the regulations and the Debenture Trust Deed ('DTD') for all listed NCDs issued and for providing all relevant information to the Debenture Trustee, including amongst others, maintaining Asset Coverage Ratio and for preparation and maintenance of covenants list and compliance with such covenants on a continuous basis as per the debenture trust deed and all the relevant requirements of the SEBI circular, SEBI Regulations, Companies Act, 2013 and other applicable laws and regulations, as applicable.

Auditor's Responsibility

5. Pursuant to the request from management and is required by the Company's Debenture Trustee, it is our responsibility to examine the books and other records of the Company as on December 31, 2024, and provide limited assurance on whether the Company has maintained the required asset cover and complied with the covenants (as set out in the Statement) as per the requirements of DTDs for all outstanding listed NCDs and nothing has come to our attention that causes us to believe that the Statement and calculation thereof is not arithmetically accurate.
6. Pursuant to requirement of the SEBI Regulations, it is our responsibility to provide limited assurance with respect to security cover maintained by the Company with respect of listed non-convertible debt securities outstanding as on December 31, 2024 as per the debt securities trust deeds.
7. These books of accounts are unaudited and subject to limited review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by Independent Auditor of the Entity' issued by Institute of Chartered Accountants of India ('ICAI'). We M/s M M Nissim & Co LLP jointly with M/s Deloitte Haskins & Sells LLP, Chartered Accountants, have reviewed the financial statements prepared by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and issued an unmodified conclusion dated January 29, 2025.
8. We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by the ICAI.

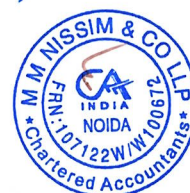


10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned above. The procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:

- a. Obtain the list of listed secured debt securities outstanding as at December 31, 2024.
- b. Obtained and read the Debenture Trust Deed and the Information Memorandum in respect of all the Debt securities and noted the asset cover percentage required to be maintained by the Company in respect of such Debt securities, as indicated in Annexure I of the Statement.
- c. Traced and agreed the book value of the Debt securities outstanding as at December 31, 2024 to the unaudited financial statement and books of account maintained by the Company as at December 31, 2024;
- d. For the period ended December 31, 2024, we have verified Company's compliance with the debt covenants mentioned in Information Memorandums; and
- e. Traced the value of assets indicated in Annexure I of the Statement to the unaudited financial statements of the Company and books of account maintained by the Company as at December 31, 2024.
- f. Obtained the list of security cover maintained by the Company. Traced the value of charge created against assets to the security cover.
- g. Examined and verified the arithmetical accuracy of the computation of asset cover indicated in Annexure I of the Statement.

Conclusion

11. Based on the procedures performed by us, as referred to in paragraph 10 above and according to the information and explanations received and Management representations obtained, nothing has come to our attention that causes us to believe that the details included in Annexure I, regarding maintenance of hundred percent security cover or higher security cover as stated in Debt securities trust deed in respect of listed secured Debt securities of the Company outstanding as at December 31, 2024, is not in agreement, in all material respects, with the unaudited standalone financial statements of the Company, underlying books of account and other relevant records and documents maintained by the Company for the period ended December 31, 2024.



Restriction on Use

12. Our work was performed solely to assist the Company in meeting its responsibilities in relation to the compliance with the requirements of the SEBI Regulations. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as statutory auditors of the Company or otherwise. Nothing in this report nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
13. This certificate is being issued to the Company pursuant to the requirements of Regulation 54 read with Regulation 56(1)(d) of the Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). Our certificate should not be used for any other purpose or by any person other than the addressees of this certificate. Accordingly, we do not accept or assume any liability or duty of care to any other person to whom this certificate is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For M M Nissim & Co LLP
Chartered Accountants
FRN: 107122W / W100672

Navin Kumar Jain

Navin Kumar Jain
Partner

M. No. 090847

Certificate No: MMN/DL/C/24-25/Jan/019

ICAI UDIN: 25090847BMIJEI1450



Place: Gurugram

Date: January 29, 2025

Annexure - I

Rs in Crs

Column A	Column B	Column C ¹	Column C ²	Column C ³	Column C ⁴	Column C ⁵	Column C ⁶	Column C ⁷	Column C ⁸	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusion Charge	Other Secured Debt	Debt for which this certificate is being issued	Debt for which this certificate is being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt)	Other assets on which there is pari passu charge (excluding items covered)	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Market Value for Assets charged on Exclusive basis	Carrying / Book value for exclusive charge assets where market value is not ascertainable or applicable. Eg. Bank Deposits, DSRs, market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable. Eg. Bank Deposits, DSRs, market value is not applicable)	Total Value=(K+L+N)
ASSETS		Book Value	Book Value	Yes/ No	Book Value	with pari-passu charge)	in column F)	Book Value							
Property, Plant and Equipment								-	141.34	141.34					-
Capital Work-in-Progress								-	0.77	0.77					-
Right of Use Assets								-	93.19	93.19					-
Goodwill								-	-	-					-
Intangible Assets								-	36.18	36.18					-
Intangible Assets under Development								-	23.89	23.89					-
Investments								-	3,014.84	3,014.84					-
Loans	Retail SME & Corporate Loans				47,544.56			-	-	47,544.56		-		47,544.56	47,544.56
Inventories								-	-	-					-
Trade Receivables								-	33.01	33.01					-
Cash and Cash Equivalents								-	459.46	459.46					-
Bank Balances other than Cash and Cash Equivalents								-	46.53	46.53					-
Others								-	1,276.64	1,276.64					-
Total		-			47,544.56			-	5,125.83	52,670.40				47,544.56	47,544.56
LIABILITIES															



Debt securities to which this certificate pertains	Secured Non-Convertible Debentures + Interest accrued thereon		Yes	2,288.09	-	-	2,288.09	-	2,288.09				
Other debt sharing pari-passu charge with above debt	Secured Bank Borrowing + Interest accrued thereon		No	34,799.12	-	-	34,799.12	-	34,799.12				
Other Debt			No		-	2,816.70	2,816.70		2,816.70				
Subordinated debt		not to be filled	No		-	1,902.22	1,902.22		1,902.22				
Borrowings			No		-	-	-		-				
Bank			No		-	200.00	200.00		200.00				
Debt			No		-	3,724.54	3,724.54		3,724.54				
Securities			No		-	-	-		-				
Others			No		-	-	-		-				
Trade payables			No		-	611.07	611.07		611.07				
Lease			No		-	100.38	100.38		100.38				
Liabilities			No		-	60.16	60.16		60.16				
Provisions			No		-	459.02	459.02		459.02				
Others			No		-	-	-		-				
Total			-	37,087.22	-	9,874.10	-	46,961.31	-	-			
Cover on Book Value			-	40,894.95									
Cover on Market Value ^{iv}													
		Exclusive Security Cover Ratio	-			1.28							

ⁱ This column shall include book value of assets having exclusive charge and outstanding book value of debt for which this certificate is issued.

ⁱⁱ This column shall include book value of assets having exclusive charge and outstanding book value of all corresponding debt other than column C.

ⁱⁱⁱ This column shall include debt for which this certificate is issued having any pari passu charge - Mention Yes, else No.

^{iv} This column shall include a) book value of assets having pari-passu charge b) outstanding book value of debt for which this certificate is issued and c). other debt sharing pari-passu charge along with debt for which certificate is issued.

^v This column shall include book value of all other assets having pari passu charge and outstanding book value of corresponding debt.

^{vi} This column shall include all those assets which are not charged and shall include all unsecured borrowings including subordinated debt and shall include only those assets which are paid for.

^{vii} In order to match the liability amount with financials, it is necessary to eliminate the debt which has been counted more than once (included under exclusive charge column as also under pari passu). On the assets side, there shall not be elimination as there is no overlap.

^{viii} Assets which are considered at Market Value like Land, Building, Residential/ Commercial Real Estate to be stated at Market Value. Other assets having charge to be stated at book value/carrying Value.

^{ix} The market value shall be calculated as per the total value of assets mentioned in Column D.



List of Debt Securities as on December 31, 2024

ISIN	Private Placement/ Public Issue	Secured/ Unsecured	Issued Amount (Rs. In crores)
INE957N07500	Private Placement	Secured	25.00
INE957N07542	Private Placement	Secured	100.00
INE957N07567	Private Placement	Secured	25.00
INE957N07591	Private Placement	Secured	25.00
INE957N07617	Private Placement	Secured	50.00
INE957N07674	Private Placement	Secured	300.00
INE957N07682	Private Placement	Secured	400.00
INE957N07732	Private Placement	Secured	250.00
INE957N07757	Private Placement	Secured	50.00
INE957N07773	Private Placement	Secured	25.00
INE957N07781	Private Placement	Secured	225.00
INE957N07799	Private Placement	Secured	352.00
INE957N07807	Private Placement	Secured	310.00
INE957N07815	Private Placement	Secured	65.00
INE957N08011	Private Placement	Unsecured	100.00
INE957N08029	Private Placement	Unsecured	100.00
INE957N08037	Private Placement	Unsecured	100.00
INE957N08045	Private Placement	Unsecured	125.00
INE957N08052	Private Placement	Unsecured	100.00
INE957N08060	Private Placement	Unsecured	25.00
INE957N08078	Private Placement	Unsecured	45.00
INE957N08086	Private Placement	Unsecured	100.00
INE957N08094	Private Placement	Unsecured	55.00
INE957N08102	Private Placement	Unsecured	100.00
INE957N08110	Private Placement	Unsecured	55.00
INE957N08151	Private Placement	Unsecured	200.00
INE957N08185	Private Placement	Unsecured	50.00
INE957N08128	Private Placement	Unsecured	150.00
INE957N08136	Private Placement	Unsecured	75.00
INE957N08144	Private Placement	Unsecured	85.00
INE957N08169	Private Placement	Unsecured	55.00
INE957N08177	Private Placement	Unsecured	50.00
Total			3,772.00



A. Statement of utilization of issue proceeds:

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of instrument	Date of raising funds	Amount Raised (in INR Crores)	Funds utilized (in INR Crores)	Any deviation (Yes/ No)	If 8 is Yes, then specify the purpose for which the funds were utilized	Remarks, if any
1	2	3	4	5	6	7	8	9	10
Hero FinCorp Limited	INE957N08169	Private Placement	Non-Convertible Debentures	15-10-2024	55	55	NO	NA	Proceeds from Issuance of NCDs have been utilized fully against the object of the Issue stated in the Prospectus/ Offer document without any deviation.
Hero FinCorp Limited	INE957N08177	Private Placement	Non-Convertible Debentures	25-11-2024	50	50	NO	NA	Proceeds from Issuance of NCDs have been utilized fully against the object of the Issue stated in the Prospectus/ Offer document without any deviation.
Hero FinCorp Limited	INE957N07807	Private Placement	Non-Convertible Debentures	31-12-2024	310	0	NO	NA	Proceeds from Issuance of NCDs couldn't be utilized.
Hero FinCorp Limited	INE957N07815	Private Placement	Non-Convertible Debentures	31-12-2024	65	0	NO	NA	Proceeds from Issuance of NCDs couldn't be utilized.
Hero FinCorp Limited	INE957N08185	Private Placement	Non-Convertible Debentures	31-12-2024	50	0	NO	NA	Proceeds from Issuance of NCDs couldn't be utilized.

B. Statement of deviation/ variation in use of Issue proceeds:

Particulars	Remarks
Name of listed entity	As per Annexure-1
Mode of fund raising	
Type of instrument	
Date of raising funds	
Amount raised (In Rs. Crores)	
Report filed for quarter ended	
Is there a deviation/ variation in use of funds raised?	
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	
If yes, details of the approval so required?	
Date of approval	
Explanation for the deviation/ variation	
Comments of the audit committee after review	N.A.
Comments of the auditors, if any	N.A.
Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:	

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of deviation/ variation for the quarter according to applicable object (in Rs. crore and in %)	Remarks, if any	
N.A.							
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 Kumar Suman Company Secretary & Compliance Officer Date: January 29, 2025							

Annexure - 1

	Particulars	Particulars	Particulars	Particulars	Particulars
Name of listed entity	Hero FinCorp Limited	Hero FinCorp Limited	Hero FinCorp Limited	Hero FinCorp Limited	Hero FinCorp Limited
Mode of fund raising	Private Placement	Private Placement	Private Placement	Private Placement	Private Placement
Type of instrument	Non-Convertible Debentures	Non-Convertible Debentures	Non-Convertible Debentures	Non-Convertible Debentures	Non-Convertible Debentures
Date of raising funds	15-10-2024	25-11-2024	31-12-2024	31-12-2024	31-12-2024
Amount raised (INR Crores)	55	50	310	65	50
Report filed for quarter ended	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024
Is there a deviation/ variation in use of funds raised?	No	No	No	No	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	NA	NA	NA	NA	NA
If yes, details of the approval so required?	NA	NA	NA	NA	NA
Date of approval	NA	NA	NA	NA	NA
Explanation for the deviation/ variation	NA	NA	NA	NA	NA