

“Hero Fincorp
34th Annual General Meeting”
July 28, 2025

Management:

Dr. Pawan Munjal	-	Chairman
Mr. Abhimanyu Munjal	-	Managing Director and CEO
Mrs. Renu Munjal	-	Whole Time Executive Director
Mr. Pradeep Dinodia	-	Non-Executive Director
Mr. Sanjay Kukreja	-	Non-Executive Director
Mr. Amar Raj Singh Bindra	-	Non-Executive Independent Director
Mr. Paramdeep Singh	-	Non-Executive Independent Director
Ms. Anuranjita Kumar	-	Non-Executive Independent Director
Ms. Aparna Popat Ved	-	Non-Executive Independent Director
Mr. Kaushik Dutta	-	Non-Executive Independent Director and Chairman of Audit Committee
Mr. Sajin Mangalathu	-	CFO, Chief Information Officer & Head Operation
Mr. Shivendra Suman	-	Company Secretary and Compliance Officer

Moderator:

Dear Shareholders, good afternoon. Welcome to the 34th Annual General Meeting of Hero FinCorp Ltd. For smooth conduct of the meeting, members have been placed on mute mode. Audio and video will be switched on only when invited to speak at the AGM as per pre-registration. Please note, that as per requirement the transcript of the AGM will be available on the website of the company. I now hand over the proceedings to Dr. Pawan Munjal, Chairman of Hero FinCorp Ltd. Over to you, Sir.

Dr. Pawan Munjal:

Dear Shareholders, my namaskar and a very good afternoon to all of you. It is my pleasure to extend a very warm welcome to you all at the 34th Annual General Meeting of our company. This Annual General Meeting is being organized through video conferencing, which is in compliance with the guidelines issued by the Ministry of Corporate Affairs, Government of India and the Securities and Exchange Board of India. The company has made all necessary arrangements to ensure your seamless participation and to facilitate electronic voting. As per regulatory provisions, the proceedings of this meeting shall be deemed to be taking place at the company's registered office. It is my pleasure now to introduce you to the Board members and other senior officials who are present here with me at the meeting today. Starting from my left-

Mr. Abhimanyu Munjal. Abhimanyu, our Managing Director & CEO. Over the past 12 years Abhimanyu has led the company's growth journey, scaling our assets under management to Rs. 57,720 crores. Under his leadership, our company has emerged as one of India's leading NBFCs and has even been recognized as the brand of the decade by BARC Asia. Abhimanyu also serves on the Confederation of Indian Industries National Council and chairs its committee on NBFCs and HFCs. Over the years, his leadership has been widely acknowledged. He has been named among Asia's Top 25 financial technology CEOs, featured in the Economic Times' Most Promising Business Leaders Under 40. He was also honored as one of India's best leaders in times of crisis.

Mr. Pradeep Dinodia, Non-Executive Director. Pradeep ji, who has been on our Board since '2016, a fellow member of the Institute of Chartered Accountants of India with over 47 years of experience. He is the Chairman and Managing Partner of SR Dinodia and Company, LLP. He also chairs Shriram Pistons & Rings Ltd. and serves on the Boards of Hero MotoCorp and DCM Shriram Limited bringing unmatched expertise in finance and governance.

Smt. Renu Munjal, our whole-time Executive Director. With her vast industry experience, she plays a key role in driving the company's growth. Beyond her corporate contributions, she is passionately committed to social responsibility, actively leading a variety of philanthropic initiatives for Hero FinCorp, particularly focusing on community development and social welfare.

Mr. Sanjay Kukreja is a Non-Executive Director of the company. He is the Partner and Chief Investment Officer at ChrysCapital. He manages their \$6 billion investment portfolio. He serves on the boards of Hero FinCorp and Intas Pharmaceuticals and has a strong track record with leading companies such as KPIT and Shriram Transport Finance. An alumnus of IIM-Bangalore and Shriram College of Commerce, he is also a founder and trustee of Ashoka and Plaksha Universities.

Mr. Sajin Mangalathu is the Chief Financial Officer, Chief Information Officer and Head of Operations of the company. Sajin has over 29 years of experience in banking and financial services.

Now moving onto my right:

Mr. Kaushik Dutta is a Non-Executive Independent Director and Chairman of the Audit Committee. He is the co-founder of Thought Arbitrage Research Institute and brings deep expertise in corporate governance and forensic investigations. A former senior partner at PwC, he has also worked closely with the Indian Institute of Corporate Affairs and the Serious Fraud Investigation Office.

Mr. Amar Raj Singh Bindra is a Non-Executive Independent Director of the company. A career banker with over 42 years of experience, he has worked across developed and emerging markets specializing in credit risk management and client strategies. He has successfully navigated multiple global financial crises and currently also serves as an Independent Director at CRISIL Limited among other organizations.

Ms. Aparna Popat Ved, Non-Executive Independent Director is a former Indian badminton player and Arjuna awardee. She represented India internationally winning Commonwealth Game medals and becoming the first Indian to win a medal at the World Junior Championships. She has served as Executive Director of the Olympians Association of India and co-founded All is Well by Meboki Technologies where she was the Chief Operating Officer.

Ms. Anuranjita Kumar is a Non-Executive Independent Director of the company. A seasoned human resource professional with over 31 years of global experience, she is the Founder and CEO of WeAce. Her career spans leadership roles at Citibank across India, Singapore and the United Kingdom.

Mr. Shivendra Suman is the Company Secretary and Compliance Officer of the company.

Mr. Paramdeep Singh is joining us virtually from New York, United States of America. Param is a Non-Executive Independent Director of the company. A serial entrepreneur and angel investor, he is widely recognized as the co-founder of JioSaavn and holds Board positions across several institutionally backed consumer technology ventures in media, sports, education and healthcare.

The representatives of the Joint Statutory Auditors, Mr. Rajesh Agarwal and Mr. Vineet Rastogi, from M/s Deloitte, Haskins & Sells, LLP, Mr. Naveen Kumar Jain from M/s M M Nissim & Co LLP, LLP, and the Secretarial Auditor, Mr. D.P. Gupta from M/s SGS Associates, LLP are present at the meeting.

Shivendra, can you please confirm the quorum for this meeting?

Mr. Shivendra Suman:

At present we have 68 members participating through video conferencing. The requisite quorum is therefore present and the meeting is duly constituted. Over to you, Sir.

Dr. Pawan Munjal:

Dear Members, as the requisite quorum is present through video conferencing, I hereby call the meeting to order and commence the proceedings. The Statutory Registers are available for electronic inspection on the eVoting platform as well as on the company's website and will remain accessible until the conclusion of this meeting. As the notice of the 34th Annual General Meeting is already with you all, I therefore take the same as read. There are no adverse qualifications, observations or comments in the auditor's report. Accordingly, the report is not required to be read at this meeting. Copies of the auditor's report are available for inspection by any member on the eVoting platform and on the company's website. Similarly, there are no adverse qualifications, observations or comments in the Secretarial auditor's report. A copy of the same is also available for inspection by any member of the company. It is my privilege to now address you all and share the journey, progress and vision of Hero FinCorp as we continue to move forward with the purpose and confidence. But before I commence my address, I would like you all to watch an audio-visual.

(AV plays 40.19-41.55)

Moderator: Over to you, Dr. Munjal.

Dr. Pawan Munjal:

Dear Shareholders, once again my namaskar and a very good afternoon to all of you. On behalf of the Board of Directors and all my colleagues at Hero FinCorp, I welcome

you all to the 34th Annual General Meeting of our company. I trust you and all your families are in good health and in high spirits. As we reflect on another defining year in Hero FinCorp's journey, I am energized by the clarity of our purpose and the momentum we continue to aim to build. The trust you have placed in us remains one of our most valued assets inspiring us to transform Hero FinCorp into a leading institution serving India's rapidly growing and underpenetrated retail and MSME segments.

The year tested the resilience of our industry with subdued growth, inflationary pressures and evolving customer expectations. At Hero FinCorp, we stayed the course guided by disciplined execution, digital innovation and customer centricity. By diversifying our borrowing profile, optimizing costs through Artificial Intelligence and technology and addressing significant credit gaps, we turned uncertainty into opportunity.

This resilience is reflected in our performance. As of March 31st, 2025, our assets under management stood at Rs. 57,720 crores. Driven by prudent risk management, customer focus and robust execution we maintained a favorable asset-liability position while pursuing sustainable, quality-led growth. Our distribution network of over 4,200 touchpoints across India underscores our commitment to financial inclusion enabling aspirations across both urban and rural segments.

We see ourselves as partners in India's growth focused on building access and unlocking opportunities. Our culture anchored in customer-first thinking, strong risk practices, advanced analytics and a solid collections infrastructure continues to be our foundation. These strengths equip us to navigate complexity with confidence while upholding trust and integrity.

Technology, particularly Artificial Intelligence, is central to our transformation. This year, we enhanced our AI, digital and analytics capabilities enabling sharper decision-making, seamless onboarding and more personalized customer experiences. As we innovate, we remain committed to keeping people and their aspirations at the core of everything we do.

As the company stabilized in the latter half of the year, we were well positioned to capture opportunities across key lending segments while maintaining strong asset quality. This reaffirmed our conviction that resilience comes not from circumstance but from preparation and principle.

Looking ahead to fiscal year 2025-2026, we remain focused on strengthening our core, accelerating digital innovation and creating lasting value for all stakeholders, building a high-performing, future-ready institution anchored in trust and purpose.

To our customers, employees, all our partners and shareholders, thank you. Your trust and support are the foundation of Hero FinCorp's journey and fuel our ambition to

create lasting impact. With purpose, clarity and confidence we are fully prepared for the journey ahead. Thank you. Jai Hind.

Let me once again invite you all to watch an audio-visual before I put forth the resolutions.

(AV plays 47.01-48.36)

We've come a long way to get to where we are today.

Moderator: Over to you Dr. Munjal.

Dr. Pawan Munjal:

I would now like to brief you all about the resolutions which are required to be passed today. There are 3 resolutions in the notice to be approved by the members at this Annual General Meeting.

The first resolution is related to the consideration and adoption of the audited financial statements for the FY24-25 as recommended by the Audit Committee and approved by the Board. The copies of the financial statements have been sent to you all and are also available on the company's website. The adoption of these statements requires shareholder's approval and is now placed before you for consideration.

The second resolution is regarding the declaration of final dividend. The Board, at its meeting held in April this year, recommended a final dividend of 11% amounting to Rs. 1.10 per equity share for the FY24-25 for shareholder's approval. The dividend will be paid to eligible shareholders within the stipulated time.

This resolution is now placed before you for consideration and approval.

I now request the Chair of the Audit Committee, Mr. Kaushik Dutta, to read out the third resolution for your approval.

Mr. Kaushik Dutta:

Thank you, Mr. Chairman. Good afternoon, shareholders.

The third resolution is regarding the reappointment of Dr. Pawan Munjal, who retires by rotation and is eligible for reappointment. The Board has approved his reappointment basis the recommendation from the Nomination and Remuneration Committee, the NRC, which now requires the shareholders' approval.

The resolution is placed before you for your consideration and approval. Now I hand over the proceedings back to the Chairman.

Dr. Pawan Munjal:

Thank you, Kaushik. We are now moving into the session with the shareholders who have registered as speakers to raise their queries or share their views on any item of the AGM notice or on the financial statements for the FY24-25.

Shareholders who have not registered as speakers may submit their comments or questions through the communication tab on their screens.

Before we begin, I invite, Shivendra Suman, Company Secretary and Compliance Officer, to outline the guidelines for the question and answer session.

Mr. Shivendra Suman:

Good afternoon all the shareholders who have registered for this AGM as speaker shareholders. Thank you for your registration.

For a smooth session, I will quickly share certain norms that we will have to adhere to.

1. The Q&A session will be anchored by the operator and he will also call the pre-registered speakers to come up one by one.
2. Members are requested to unmute their microphone before speaking and also enable their webcam if they wish to appear on the video.
3. Members are requested to mention their name, folio number or DPID and client ID and location.
4. Kindly restrict your comments to not more than 3 minutes so that all speakers may get an opportunity to share their views.
5. Answers to the queries raised by the shareholders will be provided once all the speaker shareholders have spoken.

I now request the operator to invite the speaker shareholders. Thank you.

Q&A Session

Moderator:

Thank you, sir. Our first shareholder to speak is Ms. Parul Jagga. Ma'am, you've been placed in the meeting, could you kindly unmute your microphone and speak?

Ms. Parul Jagga:

Namaskar, Chairman Sir and all the Directors, Abhimanyu ji and Shivendra Suman ji. My name is Parul Jagga and I'm participating in this meeting from Rohtak. My DPID, client ID is IN30160412404879. I hope you all are doing well. I would like to bring up a point regarding the recent fund raise through pre-IPO round. We heard and read through various sources about company raising fund approximately Rs. 420 crore. While this is a positive development, I would like to ask you a question regarding its impact on the upcoming IPO and I also request you to elaborate how much company has raised in pre-IPO round and how this pre-IPO funding will affect the pricing, structure and overall valuation of the IPO and will it have any effect on the timing or strategy behind the IPO launch? Thank you.

Moderator:

Thank you, Ma'am. I now invite shareholder number 2, Mr. Praveen Kumar, to share his thoughts with us. Mr. Praveen Kumar, you've been placed in the meeting, could you kindly unmute your microphone, switch your camera on if you so desire and speak?

Mr. Praveen Kumar:

A very, very good afternoon to my respected Chairperson, esteemed Board of Directors, my fellow shareholder. Myself, Praveen Kumar, joining this meeting from New Delhi. I have a few observations which I'd love to share with the entire house. But before that, in this financial year this is our first interaction with the management, so I wish the entire management team, each and every dedicated employee of our company, a happy, healthy and prosperous future.

Coming down to my observations, Sir. I'm with the company for years now and as you truly mentioned in your opening remarks to the shareholder; very, very informative for a retail investor like me. This is the year of truly, truly milestone as far as the journey that started more than a decade with a single step and a great vision to build India, to grow India in a very, very healthy and happy way, to lend loan to the people who have aspiration in Tier-II and Tier-III cities, to make their livelihood, create jobs by the side. It's a great initiative at that point of time when nobody thinks about it.

Dr. Munjal, I have the deepest respect for you because you created the history to take Hero Moto to where we are standing now with greater technology, greater employment and the future, everybody knows, is very, very bright. And this is the baby of Abhimanyu Sir. And I have the deepest respect for him. Along with the professional team, he creates sustainable value creation. If you see, we are coming out with an IPO and in the market it creates lots and lots of pride for us. Every analyst recommended it to subscribe this issue.

So, my question to the management, my question especially, Dr. Munjal, is to Abhimanyu Sir.

- A. When we are taking this IPO forward, when we meet broker in broker community, in the roadshow in Mumbai, Delhi and Kolkata and Bangalore, so on and so forth, I requested him on this platform he will pen down his journey and it will be come out as a booklet that will be distributed to brokers. And it will be a remarkable booklet for them, which is personally signed by him and, Dr. Munjal, by you. I mean, that's something which will keep that fraternity for a long, long time to come.
- B. Second, when we will hit the market, and my request to you, we are holding this share for years now and I requested on this platform that please allow us some quota so that we will be participating in the growth journey of our company to invest more in the company at the time of IPO. So at least we will get the firm allotment on this ARTBET. One more thing which is very very important for an unlisted company of ours is respected Renu Munjal Madam or her contribution to the community at large. Thank you very much mam for creating India, to build India in a very very constructive way. You are the lucky charm of our company and it is not about your mother-son relationship, it is the entire dedicated team which will be a force to reckon with under your *aashirwad*, under your blessings. And at the end sir, I just pray to the God that he will bless you with all the positivity so that you will keep the continue creating a job for Make in India to respect our PM, respected PM Mr. Narendra Modi ji, creating wealth for a retail investor like me and taking CSR activities to the next level.

Dr. Pawan Munjal:

Thank you very much for your very kind words and your very valuable suggestion. Thank you.

Moderator:

Thank you Mr. Praveen Kumar. Speaker shareholder number three is Mr. Gagan Kumar. So you've been in the meeting, we can see you. Please go ahead.

Mr. Gagan Kumar:

Good afternoon Mr. Chairman, Board of Directors and fellow shareholders, myself Gagan Kumar, my DPID is 30020611044542. I'm joining this meeting from Delhi. First of all, I would like to mention that I had requested for a hard copy of annual report which I received well in time. I would like to thank Chairman Sir for the leadership, guidance and support. As we all know that Hero MotoCorp and Hero FinCorp are performing well. So I'm very happy to see all the good deeds that Hero Group have done during this year as well. Sir, after going through the annual report, I have one

question regarding CSR. We all know that our CSR function of the company is headed by our great leader Mrs. Renu Munjal, who had very inspirational and providing guidance towards various CSR initiative taken by our company. In this regard, we noticed through the annual report that the amount of CSR is spent by the company is higher than what the company was required to spend during the financial year 25. So I would like to ask that, what was the statutory obligation for the year and what was the amount spent and also brief us on the reason for excess spending? Also throw some light on CSR plan for the current year. This is my question for today AGM. And I would like to tell that under the leadership of Abhimanyu ji, we are disbursing a loan in every 10 seconds. So I'm very much optimistic about this, that time will come when we disbursement 100 of loans in per second. So we are eagerly waiting for our IPO, for us, our company is, in NBFC, our company is rewarded by number one but for us, you are the brand, sir. There you are standing, all the investors are there with our full support and eagerly waiting for the IPO to become. It would be unfair on my part without mentioning higher corporate governance under the leadership of our CFO, CS and entire secretarial team. Hope to see a healthy growth in the business and as well as in the size of the company. Thank you so much for this opportunity.

Moderator:

Thank you, Mr. Gagan Kumar. I now invite speaker shareholder number four, Manjit Singh to share his thoughts with us.

Mr. Manjit Singh:

Sir, am I audible?

Moderator:

Yes sir, loud and clear.

Mr. Manjit Singh:

Namaskar Chairman Sir, namaskar to all the Board Members and also namaskar to my shareholder brothers. My name is Manjit Singh. I am joining you from Delhi and my DPID is 30020610, client ID is 10907641. I am a very old shareholder of the company and I want to know only this from you, the way the company is progressing under your leadership, although this year has been very hard for us, this year has been difficult for other sectors and for NBFC companies but our Hero Group has been fighting with all the difficulties and coming out victorious and what is the plan of our company for the upcoming quarters in future? If you could share your future strategies with the shareholders as to how you plan to improve productivity, then we will come to know about the company and we hope that you will perform better in future and you will tell us about your growth plans. You have already told us actually. It was also being mentioned here as to how fast we are providing services. Rest, it will

be an incomplete speech if I don't mention the secretarial department as it is because of their hard work that we have been able to join you today. The way they have connected us with the moderator and helped us join you, thanks a lot to them for that. Regarding CS Sir, I would like to say that as compared to the 180 period as mentioned by the Government, they have conducted this AGM within 120 days, so you please appreciate the secretarial team for this on my behalf. Thank you for the management team. Thank you for the secretarial team. I pray to God that the company progresses in future and hope the same from you too. Thank you for the management team.

Moderator:

Thank you, Mr. Manjit Singh. We move on to speaker shareholder number five, Chetan Chadha. Mr. Chadha, we can see you. Could you kindly unmute your microphone?

Mr. Chetan Chadha – Shareholder:

Sir, please confirm that you can hear me?

Moderator:

We can hear and see you, sir.

Mr. Chetan Chadha:

Thank you, Sir. Thank you so much to give me the chance to speak with you. I'm really happy to see you again. Good afternoon Chairman Sir, Board of Directors and my co-fellow shareholders, those joining this AGM from VC mode. First of all, myself Chetan Chadha and I'm joining this AGM from New Delhi at my home. My DPID is 826627. First of all, Chairman Sir, I would like to request to you and to the board that, as we are able to meet you through the VC mode, if everything goes on fine till the next year and we are able to get the IPO also, then we must get this meeting in the physical mode, then it will be very convenient for us to meet you all. sir, I have a small question for you all. I have noticed in the recent disclosure on the SEBI and the media about the company propose Euro medium term note, EMTN program. What is the total amount company intend to raise under this program? And sir, what is the impact this fundraising have, which impact on the company upcoming IPO prices? Do tell us about this a bit. and the roadmap that we have made for the next year, do tell us about it. Manjit Singh ji has also asked about it and I also want to know as this has been a difficult year for NBFCs but we hope that the coming year will be great. So what programs you have prepared for that? Please tell us about it in detail. Thank you, sir. Thank you so much to give me the chance to speak with you.

Moderator:

Thank you very much, Mr. Chetan Chadha. I now invite Mr. Surender Kumar Arora, speaker number six, to share his thoughts with us.

Mr. Surender Kumar Arora:

Good afternoon Chairman Sir and Board of Directors. My name is Surender Kumar Arora, attending this meeting from Noida. Sir, my DPID number is 12101600000000352. Sir, I have a question. In current market situation, many financial companies are expanding their footprints by acquiring smaller firms or startups. Sir, could you please share our company strategy on this issue? Secondly sir, are there any plans for acquisition as part of the growth and expansion of our company? Please let me know. Sir, I am a very old shareholder and I wish you good health. Thank you.

Moderator:

Thank you, Mr. Arora. We move on to speaker shareholder number seven, Krishan Lal Chadha. Mr. Chadha, we can see you. Could you kindly unmute your microphone and speak?

Mr. Krishan Lal Chadha:

Sir, can you hear me?

Moderator:

Yes, sir we can hear you.

Mr. Krishan Lal Chadha:

I want to thank everyone of you, the entire Board, Respected Chairman Sir because you have given me a chance to join this meeting. Sir, my name is Krishan Lal Chadha and my DPID No. is INE30236511411008. Sir, I want to thank the CS department as they have given me a chance to join you. Sir, I want to say that the challenging period that we have had, you have done something good inspite of that, so the Board and you all are worth being appreciated for it. Sir, we have one subsidiary company Hero Housing Finance. Sir, do tell me about its current position. I have another question connected to this. Sir, how are we contributing to the PM Awas Yojana? IF we are contributing, then do tell me about it. With this, many many thanks to you. Sir, I want to add one more thing, today I have personally this a lot that you are very happy. I pray to God that you are very happy. This is my wish from my heart. Thank you Sir.

Moderator:

Thank you, Mr. Chadha. We move on to speaker shareholder number eight, Sarvjeet Singh. Mr. Singh, you've been placed in the meeting. Kindly unmute your microphone and speak.

Mr. Sarvjeet Singh:

Hello Chairman Sir, can you hear my voice?

Moderator:

Yes Sir, we can hear you.

Mr. Sarvjeet Singh:

Chairman Sir, first of all, good afternoon to you, all the Board of Directors, all the staff of Hero Fincorp Ltd. and my co-fellow shareholder. Chairman Sir, my name is Sarvjeet Singh and my DPID client ID is IN30020610997625. Chairman Sir, firstly I am very grateful to your secretarial team for letting me speak at this AGM. Honorable Chairman, respected members of Board and my co-fellow shareholders. Chairman Sir, a very good afternoon to all. I would like to begin by acknowledging the effects of the management in steering the company through a highly regulated and competitive financial environment. Sir, as we all are aware with both RBI and SEBI have significantly tightened regulations for NBFCs in recent years to enhance transparency, risk management and governance. Sir, in this context, I request you to please share the current compliance status of the company and with respect to this regulatory framework. Chairman Sir, please tell me about this, the way SEBI and RBI have tightened the rules. Rest Chairman Sir, the way it is being said about the company getting its IPO, Sir, when our company's IPO will come, I request you Sir to give allotment to the old shareholders for sure. Why? Because Hero Group is a kind of group that whichever investor has invested in it, the way you have given us a return on it, it is worth being appreciated for. Chairman Sir, I would like to thank the Secretarial team and the moderator as they gave me a chance to speak in front of you. Thank you Sir, thank you so much.

Moderator:

Thank you, Mr. Singh. We move on to Speaker Shareholder No. 9, Mr. Shripal. Mr. Shripal, we can see you. Could you kindly unmute your microphone and speak? Mr. Shripal, please unmute your microphone, sir.

Mr. Shripal:

Can you hear me Sir?

Moderator:

Yes Sir.

Mr. Shripal:

I am Shripal Singh Manohar speaking from Gurugram, Haryana. My folio number is IN30070810012312. My pranams and namaskar to all of you. Respected Chairman Sir, I convey my best wishes to you and to your entire Board on this 34th AGM. I support all the resolutions for today. Chairman Sir, I want to know, in the current situation, how is the company fulfilling its responsibilities to go ahead. How is the young generation contributing in this matter? Other than 2-wheeler, do we give loan to 4-wheeler also? What percentage of the loan disbursed is recovered? Please tell me in detail. You and your entire board is busy with the IPO. By when we are going to list it in the Indian market? In the coming years, you will be able to connect many shares with the buyers. In the current situation, the company's AGM is happening through VC mode. I want to ask you, in future, is there any possibility of conducting physical mode AGMs instead of VC mode? Chairman Sir, your Company Secretary and others have given me the balance sheet and notice on time. I would like to thank the Company Secretary and his team as they have helped me a lot. Chairman Sir, I would request you that post Diwali, please make such circumstances so that all the shareholders can meet you. thank you. Jai Hind!

Moderator:

Thank you very much Mr. Shripal. With that, all shareholders who registered to speak at this AGM and did login have been given an opportunity to express themselves and I hand the proceedings back to our Chairman, Dr. Pawan Munjal. Over to you sir.

Dr. Pawan Munjal:

After hearing all queries, questions and the very kind words from our shareholders, we will now address the questions raised by the registered speakers and those submitted through the online communications tab. I now request Abhimanyu to respond to the shareholders' queries.

Mr. Abhimanyu Munjal:

Namaskar and thank you for all the good wishes and the queries. I will answer these queries in buckets. There are about 9 to 10 queries that we have received. The first

query on pre-IPO, the company has in the DRHP had an enabling clause to raise up to 20% of its primary in the form of pre-IPO and we have raised 310 crores of pre-IPO, which has enabled us to boost our equity and I think it is very good timing for the company as the balance sheet has now become more robust and it will help us to have capital till we do an IPO in the coming quarters.

The CSR spend, we have spent Rs. 12 lakh more than our CSR budget. Our CSR budget for the year was Rs. 12.38 crores and we have committed Rs. 12.50 crores. The reason for this is, as a group we are socially responsible and there are programs that we have been running for few years which we want to continue in the coming years. Some of the namely, the programs are Dhan Charcha, it's a program on financial literacy and some of the other programs required a little more commitments. For this year, our CSR budget is around Rs. 17 crores and we have a CSR committee which will decide the continuity of all the programs that we have.

The question on EMTN program, the Euro program, the program is a tool to diversify our liabilities and our liquidity. It helps the company to tap different market of liquidity which is available globally. We have got an approval of upto 1 billion US dollars and that program is valid for a year. So far, we do not have any sight of drawing the money. We will draw a little bit of it over the next few quarters but till now, it is just a program approval that enables us to hit the US dollar bond market as and when we feel the market is right and the requirement of the company comes in.

There was a question on Hero Housing Finance, HHFL expansion, I would like to reiterate our strategy in Hero Housing Finance. In Hero Housing Finance, our strategy is to focus on mid-income, low-income housing finance business. Our Hero FinCorp Group's strategy and the vision is to enable every Indian's dream of upward mobility and within this strategy, Hero Housing Finance is also playing. Within the low-income, mid-income housing, we cater to PMAY which is the Pradhan Mantri Awaz Yojana, which is a scheme which is available to us to give affordable housing finance loans at lower pricing and we are always looking at ways that we can provide this benefit to our affordable and low-income customers. The strategy and expansion plan in Hero Housing is that we already are alive with 100-odd branches across India and we will focus on the same segments that I spoke about and come out with new technologies to cater to this segment in a more robust and transparent way.

Compliance, yes, there are compliance requirements by SEBI, RBI and all regulators have become more stringent but what we feel as a company is, the Reserve Bank of India's stringiness is good for us, is good for our industry because it keeps us more robust and makes sure that we don't fall where we don't have any blind spots. From a compliance update, Hero FinCorp is sitting in the mid-layer NBFC as you are all aware that NBFCs have layer-wise compliance which is upper layer, mid-layer and base layer. As of now, Hero FinCorp sits in the mid-layer NBFC and we are completely compliant when it comes to any reporting, any discussion with any of our regulator.

I would ask Sajin to put some light on IPO and the strengths of the company, the volatile times that we have gone through and what are we doing to improve that.

Mr. Sajin Mangalathu:

Thank you, Abhimanyu. From an IPO timeline perspective, we have all the approvals at hand and we are working diligently towards listing our shares at an appropriate time depending upon the market conditions. From the performance of the company for the past financial year, you would have noticed that we continue to leverage the strengths of Hero Group, our access to our customer base remains strong, our ability to raise liabilities at very competitive costs of funding remains extremely strong and last year we have strengthened our ability to cross sell products to the customers whom we acquire. There have been some challenges in the macroeconomic environment that we faced at the beginning of the financial year FY25, primarily relating to our ability to collect from the customers and some of the delinquencies in the unsecured loans which were widely prevalent in the market.

I am happy to announce that we have structurally addressed the challenges that we faced to ensure that we emerge stronger as we move forward. Going forward, our strategy will continue to remain expanding our products, leveraging the Hero brand name in distribution capabilities that you have across the length and breadth of the country as well as an unparalleled access to the liabilities at very competitive costs of funding. We will continue to expand our cross sell, selling profitable products to credit worthy customers amongst our installed customer base. This will also position our company to successfully tap the IPO based on very strong financial performance and the set of capabilities that we have. Thank you.

Mr. Abhimanyu Munjal:

Two questions which are left, one was on the inorganic growth. As a company, we always look at different ways of acquiring and as and when an opportunity comes, whether it is a loan book or any other inorganic, we will look at.

Last question, many shareholders asked us on shareholder quota, I would like to update that, you must have seen in DRHP that we have an enabling clause of shareholder quota in our IPO. As and when the IPO discussions happen, the IPO committee and the Board will take care of this quota and ensure that there is value creation for all shareholders. Thank you.

Moderator:

Thank you and over to you Dr. Munjal.

Dr. Pawan Munjal:

Thank you, Abhimanyu and Sajin for that. We will now move on to the e-voting process. The company provided remote e-voting for members from 9am on 25th July 2025 to 5pm on 27th July 2025 in proportion to their shareholding as of the cut-off date, 21st July 2025. For shareholders who have not cast their votes through remote e-voting, the e-voting facility is now open and will remain available for 30 minutes.

Mr. Devesh Kumar Vasisht, partner at M/s. DPV and Associates LLP, practicing company secretaries, has been appointed as the scrutinizer for this process. His decision will be final regarding the validity and results of both remote and live e-voting. Upon receipt of the final report from the scrutinizer, the results of the voting, including remote e-voting, will be announced within two working days of the conclusion of this meeting. The results will be displayed at the company's registered office and published on the company's website once declared. As all items of business in the AGM notice have been addressed, I now declare the proceedings of the 34th Annual General Meeting closed. Thank you for joining us today. Stay safe and stay healthy. Namaskar! Jai Hind!

Moderator:

Dear members, e-voting is now open. All members participating in the AGM and who have not yet cast their vote are requested to cast their vote now. Thank you.