

HERO FINCORP LIMITED

Public Disclosure on Liquidity Risk

Public Disclosure on Liquidity Risk as on 31st March, 2025

Pursuant to RBI Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

(i) Funding Concentration based on significant counterparty (both deposits and borrowings):

Sr No.	Number of Significant Counterparties	Amount (Rs. crore)*	% of Total deposits	% of Total Liabilities [#]
1	17	35,079.92	Not Applicable	72.46%

Note:

- Total Liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equity and Reserves/Surplus.
- Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4th November, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.
- * Amount owed to significant counterparties are IGAAP Values.
- [#] It includes compulsorily convertible preference shares (CCPS) of INR 2000 Crore (*non-cash and non-payable*) issued during the quarter ended June 30, 2022 (currently valued at ₹ 2,884.36 cr as on March 31, 2025) and were earlier considered as a part of the Share Capital as per Section 43 of the Companies Act, 2013. Same was reassessed and classified as a financial liability as per INDAS 32 'Financial Instruments Presentation' during the quarter ended March'23. However, it continues to be a Tier-I Capital for the company as per RBI Regulations.

(ii) Top 20 large deposits (amount in Rs. crore and % of total deposits):

Amount in Rs. Crore	Not Applicable
% of total deposits	Not Applicable

(iii) Top 10 borrowings (amount in Rs. crore and % of total borrowings):

Amount in Rs. Crore*	28,496.68
% of total borrowings	60.34%

Note:

- Top 10 borrowing counterparty has been considered.
- *Amount of Top 10 Borrowings are as per IGAAP Values.

(iv) Funding Concentration based on significant instrument/product

S. No.	Name of the instrument/product	Amount (Rs. crore)	% of Total Liabilities
1	Rupee loans from Banks/ FIs	28,089.97	58.02%
2	Secured NCDs	2,331.95	4.82%
3	Subordinate Debt*	2,036.35	4.21%
4	Compulsorily Convertible Preference Shares (CCPS)	2,884.36	5.96%
5	Commercial Paper	3,954.97	8.17%
6	Foreign Currency Loans	7,928.43	16.38%
	Total	47,226.03	97.56%

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Note:

- * Subordinate debt consists of Tier I & Tier II Bonds/TLs
- Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4th November, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.
- # Company issued CCPS of INR 2000 Crore (*non-cash and non-payable*) during the quarter ended June 30, 2022 and were considered as a part of the Share Capital as per Section 43 of the Companies Act, 2013. Same was reassessed and classified as a financial liability as per INDAS 32 'Financial Instruments Presentation' during the quarter ended March'23. However, it continues to be a Tier-I Capital for the company.

(v) Stock Ratio

S. No.	Particulars	Total Public Funds	Total Liabilities	Total Assets
A	Commercial papers as a % of	8.92%	8.17%	7.31%
B	Non-convertible debentures (original maturity of less than one year) as a % of	0.00%	0.00%	0.00%
C	Other short-term liabilities as a % of	43.27%	39.63%	35.45%

Note:

- Other Short-term Liabilities is computed as the sum of - (i) current maturities of long-term and short-term borrowings (including outstanding CC/WCDL) and (ii) other short-term liabilities. However, it excludes the Commercial papers and Non-convertible debentures (original maturity of less than one year).
- Public funds are as defined in Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

(vi) Institutional set-up for liquidity risk management:

The Board through the Asset-Liability Management Committee (ALCO) shall have the overall responsibility for management of liquidity risk. The ALCO shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided from time to time.

The ALCO committee is responsible for framing, implementing and monitoring the Liquidity Risk Management Framework including the ALM framework. It is also responsible for ensuring adherence to the various limits set by the regulator, Board and Board Sub Committee.

General Note:

- All the nos. are based as per audited IND-AS Balance Sheet except mentioned otherwise.

HERO FINCORP LIMITED**Public Disclosure on Liquidity Risk**

Public Disclosure on Liquidity Coverage Ratio (LCR) for the quarter ended March 31, 2025 pursuant to RBI Master direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

(INR Crore)

Particulars		For the quarter ending March 31, 2025	
		Total unweighted* value (average)	Total weighted# value (average)
High Quality Liquid Assets (HQLA)			
1	Total High-Quality Liquid Assets (HQLA)	1,830.54	1,830.54
Cash Outflows			
2	Deposits (for deposit taking companies)	-	-
3	Unsecured wholesale funding	793.56	912.59
4	Secured wholesale funding	1,072.35	1,233.21
5	Additional requirements, of which		
(i)	Outflows related to derivative exposures and other collateral requirements	-	-
(ii)	Outflows related to loss of funding on debt products	-	-
(iii)	Credit and liquidity facilities	-	-
6	Other contractual funding obligations	1,340.80	1,541.92
7	Other contingent funding obligations	1,329.84	1,529.32
Total Cash Outflows		4,536.55	5,217.04
Cash Inflows			
8	Secured lending	-	-
9	Inflows from fully performing exposures	2,389.21	1,791.91
10	Other cash inflows	7,507.02	5,630.27
Total Cash Inflows		9,896.23	7,422.18
			Total Adjusted Value
11	Total HQLA	1,830.54	1,830.54
12	Total Net Cash Outflows		1,304.26
13	Liquidity Coverage Ratio^ (%)		140.35

Note:

*Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows)

#Weighted values calculated after the application of respective stress factors on inflow and outflow.

^Average LCR maintained during Q4FY25