

### 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 Housing Finance Limited**  
**09, Community Centre,**  
**Basant Lok, Vasant Vihar, New Delhi 110057**

CIN: **U65192DL2016PLC301481**

PAN: **AADCH9153R**

(ii) Line of business: **Housing Finance Business**

(iii) Chief Executive (Managing Director / President/ CEO / CFO):

**Mr. Abhimanyu Munjal – Managing Director and**  
**Mr. Apul Nayyar – Director (whole Time Director – Executive) & Chief Executive Officer**  
**Mr. Dhoop Mittal – Chief Financial Officer**

(iv) Group affiliation (if any). – **Hero FinCorp Limited & its Group Companies**

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

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

S. No.	Name and Designation and DIN	Age (Yrs.)	Address	Director since	List of other Directorships
1.	Renu Munjal, Chairperson & Director (00012870)	68	B-109, Greater Kailash - I, New Delhi – 110048	16/06/2016	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 FinCorp Limited 6. Bahadur Chand Investments Private Limited 7. Hero Investcorp Private Limited 8. RKMFT Private Limited
2.	Abhimanyu Munjal, Managing Director (02822641)	39	B-109, Greater Kailash - I, New Delhi - 110048	16/06/2016	1. Foodcraft India Private Limited 2. Hero FinCorp Limited 3. Advantedge Technology Partners Private Limited

					4. RKMFT Private Limited 5. AMFT Private Limited 6. Advantedge Investment Advisors LLP* * Individual Partner
3.	Rahul Munjal, Director (00118339)	47	B-109, Greater Kailash - I, New Delhi – 110048	16/06/2016	1. Rockman Industries Limited 2. BM Munjal Energies Private Limited 3. RMFT Private Limited 4. RKMFT Private Limited 5. PM Infosoft Private Limited
4.	Mr. Nagesh Dinkar Pinge, Independent Director (00062900)	64	B-403, Rajkamal CHG, Subhash Road, Vileparle East, Mumbai 400057	09/06/2020	1. Goa Carbon Limited 2. Arvind Fashions Limited 3. Inventia Healthcare Limited 4. Multi Commodity Exchange Clearing Corporation Limited 5. Utkarsh Small Finance Bank Limited 6. Aditya Birla Sun Life Insurance Company Limited 7. Automobile Corporation of Goa Limited 8. Whiteoak Capital Trustee Limited
5.	Mr. Apul Nayyar, Director (Whole Time Director – Executive & CEO) (01738973)	50	D2301, Tower 4, Raheja Vivarea, Plot 1903/ (P.T.) 1904, Sane Guruji Marg, Mahalaxmi, Saatraasta, Jacob Circle, Mumbai - 400011	09/06/2020	NIL
6.	Mrs. Geeta Mathur, Independent Director (02139552)	56	B-1/8, Vasant Vihar, Delhi - 110057	07/03/2023	1. Healthcare Global Enterprises Limited 2. Motherson Sumi Wiring India Limited 3. Onmobile Global Limited 4. IIFL Finance Limited 5. 360 One Wam Limited 6. Info Edge (India) Limited 7. NIIT Limited 8. Ummeed Housing Finance Private Limited 9. Canara HSBC Life Insurance Company Limited

					10. IPE Global Centre for Knowledge and Development
					11. Sentiss Pharma Private Limited
					12. Tata Communications Transformation Services Limited

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

**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 (viz. reasons for change etc.)
1.	Mr. Apul Nayyar, Director (Whole Time Director – Executive) & CEO 01738973	09/06/2020	-	-
2.	Mr. Nagesh Dinkar Pinge, Independent Director 00062900	09/06/2020	-	-
3.	Mrs. Geeta Mathur, Independent Director 02139552	07/03/2023	-	-

### 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	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 FinCorp Limited	Promoter	62,49,99,939	62,49,99,939	99.33
2.	Abhimanyu Munjal*	Promoter	10	10	0.00
3.	Rahul Munjal*	Promoter	10	10	0.00
4.	Shyam Lal*	Promoter	10	10	0.00
5.	Priya Kashyap*	Promoter	10	10	0.00
6.	Dhoop Mittal*	Promoter	10	10	0.00
7.	Sajin Mangalathu *	Promoter	10	10	0.00
8.	Rakesh Bansal	Public	12,00,000	12,00,000	0.19
9.	Ashish Bhutani	Public	8,00,000	8,00,000	0.13
10.	Dhoop Mittal	Public	3,50,000	3,50,000	0.06

\* 60 shares held by nominees on behalf of Hero FinCorp Limited (Holding Company)

### 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>GSA Associates &amp; LLP</b> Chartered Accountants (ICAI Firm Registration No. 000257N/N500339)  16 DDA Flat, Ground Floor, Panchsheel Park, Shivalik Mor, Near Malviya Nagar, New Delhi – 110017.	Appointment w.e.f. August 26, 2022	RBI Circular no. 2021-22/25 dated 27 <sup>th</sup> April 2021 for the appointment of SCAs/ SAs

### 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**

Name, address	Date of Appointment / Resignation	Date of Cessation (in case of resignation)	Remarks (viz. reasons for change etc.)
<b>GSA Associates &amp; LLP,</b> Chartered Accountants (ICAI Firm Registration No. 000257N/N500339)  16 DDA Flat, Ground Floor, Panchsheel Park, Shivalik Mor, Near Malviya Nagar, New Delhi – 110017.	<b>Date of Appointment</b> w.e.f. December 29, 2021	NIL	RBI Circular no. 2021-22/25 dated 27 <sup>th</sup> April 2021 for the appointment of SCAs/ SAs
<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 – 2 Gurugram 122002, Haryana	<b>Date of Appointment</b> w.e.f. 21 <sup>st</sup> September, 2018	<b>Date of Vacation:</b> w.e.f. December 29, 2021	RBI Circular no. 2021-22/25 dated 27 <sup>th</sup> April 2021 for the appointment of SCAs/ SAs

### 1.7 List of top 10 debt securities holders as on December 31, 2022

**Table 6: List of top 10 NCD holders as on 31.12.2022**

Sr. No.	Name of holder	Category	Face value	Holding of debt securities as a percentage of total debt securities outstanding of the issuer
			(Rs in Crores)	
1	HDFC TRUSTEE COMPANY LTD A/C HDFC CREDIT RISK DEBT FUND	Mutual Fund	150.00	38%
2	INDIAN BANK	Bank	50.00	13%

3	UNION BANK OF INDIA	Bank	50.00	13%
4	SATISH WAMAN WAGH	Individual	25.00	6%
5	DERIVUM TRADITION SECURITIES (INDIA) PVT. LTD.	Corporate	21.00	5%
6	BOCHASANWASI SHRI AKSHAR PURUSHOTTAM SWAMINARAYAN SANSTHA	Trust	15.00	4%
7	BANK OF BARODA PROVIDENT FUND TRUST	Provident fund	15.00	4%
8	HINDUJA LEYLAND FINANCE LIMITED	Corporate	14.00	4%
9	BANK OF BARODA (EMPLOYEES) PENSION FUND	Pension Fund	10.00	3%
10	HVPNL EMPLOYEES PENSION FUND TRUST	Corporate	8.00	2%

**Table 7: List of top 10 CP holders as on 31.12.2022**

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	HDFC Asset Management Company Limited	Mutual Fund	100	100%

## 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: December 31, 2022

3.1. Details of debt securities and CPs: Please refer attached Annexure 1

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 last quarter end i.e. 31.12.2022:

**Table 9: Details of loan facilities, bank fund based facilities, other borrowings, etc. – Updated as on 31.12.2022**

Bank / Institution	Facility	Secured / Unsecured	Amount Sanctioned	Principal Outstanding	Repayment Date	Credit rating	Asset Classification
Axis Bank	Term Loan	Secured	400.00	320.00	31-10-2028	CRISIL	Standard
Bank of Baroda	Term Loan	Secured	550.00	382.14	10-11-2029	CRISIL	Standard

Canara Bank	Term Loan	Secured	150.00	92.31	01-01-2027	ICRA	Standard
Catholic Syrian Bank	Term Loan	Secured	50.00	40.00	26-02-2026	CRISIL	Standard
Central Bank of India	Term Loan	Secured	150.00	100.00	15-07-2026	ICRA	Standard
Federal Bank	Term Loan	Secured	125.00	48.96	30-09-2027	ICRA	Standard
HDFC Bank	Term Loan	Secured	150.00	106.25	12-11-2026	CRISIL	Standard
HDFC Bank	CC	Secured	20.00	0.00	On Demand	CRISIL	Standard
HSBC Bank	Term Loan	Secured	250.00	20.00	12-01-2023	CRISIL	Standard
ICICI Bank	CC	Secured	20.00	0.00	On Demand	CRISIL	Standard
Indian Bank	Term Loan	Secured	550.00	421.61	20-09-2031	ICRA & CRISIL	Standard
Karnataka Bank	Term Loan	Secured	200.00	160.00	30-09-2026	CRISIL	Standard
Oriental Bank of Commerce	Term Loan	Secured	50.00	50.00	16-03-2025	CRISIL	Standard
State Bank of India	Term Loan	Secured	300.00	289.29	28-07-2029	CRISIL	Standard
The South Indian Bank	FCL	Secured	50.00	50.00	16-01-2026	CRISIL	Standard
The South Indian Bank	Term Loan	Secured	25.00	25.00	09-03-2025	CRISIL	Standard
Union Bank of India	Term Loan	Secured	250.00	207.14	09-05-2023	ICRA	Standard
PNB (e-United)	Term Loan	Secured	100.00	100.00	28-03-2024	ICRA	Standard
<b>Total</b>			<b>3390.00</b>	<b>2412.70</b>			

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. –

Contingent liability as on December 31, 2022 is Rs. 3.74 Crore

#### 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 (in Rs.)	Issue Date	Maturity Date	Current Credit Rating	Date of Rating	Name CRA	Validity Period of Rating	IPA
INE800X14127	250,000,000.00	17-03-2023	15-03-2024	CRISIL A1+	14-03-2023	CRISIL	Till the maturity of the CP	YES BANK
				ICRA A1+	03-03-2023	ICRA	Till the maturity of the CP	

“We confirm that the Credit rating of A1+ vide CRISIL letter dated March 14, 2023 and ICRA letter dated March 03, 2023 for the company’s Commercial Paper programme of Rs. 150 crore 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.

**Resolutions passed in the meeting of Board of Directors and Committee of Directors held on October 17, 2022 and February 15, 2023, respectively. (Please refer attached Annexure 2)**

**WITHIN THE OVERALL BORROWING LIMIT OF THE COMPANY (PRESENTLY UPTO Rs. 4,500 CRORES)**

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

Facility	ISIN	Tenor in Days	Amount	Coupon	Date of Availment	Date of redemption	Credit Rating	Nature	Security	IPA Details
Commercial Paper	INE800X14119	304	100,00,00,000	7.2500%	22-08-2022	22-06-2023	CRISIL & ICRA A1+	Unsecured	NIL	Yes Bank, Worli, Mumbai
<b>Total</b>			<b>100,00,00,000</b>							

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 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.herohousingfinance.com/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 Annexure 3)**

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 **Annexure 4**

Signed By:

Name and Designation	Signature
Shivendra Suman (Chief Compliance Officer)	
Suruchi Jassi (Company Secretary)	

**Date: 20.03.2023**

**Place: New Delhi**



### Annexure-1

Details of NCD outstanding as on 31.12.2022

Bank/Institution	Type of Institution	Facility	limit availed
BSA Swaminarayan Sanstha	Charitable Trust	Tier II NCD	25,00,00,000
Union Bank of India	PSU Bank	NCD	50,00,00,000
Indian Bank	PSU Bank	NCD	50,00,00,000
BANK OF BARODA EMPLOYEES PENSION FUND TRUST	Pension Fund	Tier II NCD	15,00,00,000
Bank of Baroda Provident Fund Trust	PF	Tier II NCD	10,00,00,000
India Shelter Finance Corporation Ltd	NBFC	NCD	40,00,00,000
Satya Microcapital Limited	NBFC	NCD	25,00,00,000
Mas Financial Services Limited	NBFC	NCD	10,00,00,000
HDFC TRUSTEE COMPANY LTD	Mutual Fund	NCD	1,50,00,00,000
JULIS BAER CAPITAL (INDIA) PRIVATE LIMITED	Corporate	Tier II NCD	25,00,00,000
<b>Total</b>			<b>4,00,00,00,000</b>



**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE 40<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS ("BOARD") OF HERO HOUSING FINANCE LIMITED ("THE COMPANY") HELD ON MONDAY, OCTOBER 17, 2022 AT ITS REGISTERED OFFICE AT 34, COMMUNITY CENTRE, BASANT LOK VASANT VIHAR, NEW DELHI - 110057**

**APPROVAL FOR ISSUANCE OF COMMERCIAL PAPER**

**"RESOLVED THAT** in furtherance of earlier resolutions passed in the meeting of Board of Directors dated April 26, 2021 and in the meeting of Committee of Directors dated June 16, 2022 and pursuant to the applicable provisions of the Companies Act, 2013 and Rules framed there under, directions/guidelines framed/issued by Reserve Bank of India (RBI)/National Housing Bank (NHB) & FIMMDA, the Company do borrow funds by way of issue of Commercial Papers (CPs) on the following terms:

Purpose	Working Capital
Total Issue Amount	Within overall borrowing limits of Rs. 4,500 Crores, subject to maximum permissible regulatory threshold as prescribed under the relevant Act/Regulation/Directions issued for Housing Finance Companies, pursuant to Section 180(1)(c) of the Companies Act, 2013.
Nature of Instrument	Unsecured in the nature of issuance of Promissory Note
Credit Rating	CRISIL and/or ICRA
Tenor	7 days to 1 year
Redemption	On maturity

or such terms and conditions as may be deemed fit and appropriate in the interest of the Company from time to time.

**RESOLVED FURTHER THAT** any two of the following persons from Group A or Group B, including atleast any one person from Group A, be and are hereby jointly authorised on behalf of the Company to take all actions, deeds and things as may be necessary for the issuance of the CP, appointment of Registrars, appointment of Issue & Paying Agency [IPA], Admission of Commercial Paper [CP] 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.

Group - A	Group - B
Mr. Apul Nayyar Mr. Dhoop Mittal Mr. Amit Arora Mr. Rakesh Bansal Mr. Gautam Munjal Mr. Peeyush Jindal Mr. Vivek Madan Mr. Shyam Lal Mr. Shivendra Suman Mr. Jayesh Jain Mr. Sajin Mangalathu Ms. Priya Kashyap	Mr. Vaibhav Mr. Vikash Kumar Khatana Mr. Shashi Shekhar

**RESOLVED FURTHER THAT** the Committee of Directors be and is hereby authorised to appoint any scheduled commercial bank and other body corporate/entity as the IPA for the issuance of Commercial Papers, from time to time, subject to their confirmation to act as IPA to the Issue.



**Hero Housing Finance Ltd.**

**Registered Address:** 09, Community Centre, Basant Lok, Vasant Vihar, New Delhi - 110057

**Toll Free No.:** 1800 212 8800, **Email:** customer.care@herohfl.com

**Website:** www.herohousingfinance.com | **CIN:** U65192DL2016PLC301481

**RESOLVED FURTHER THAT** any two of the aforesaid persons from Group A or Group B, including atleast any one person from Group A, be and are hereby jointly authorized 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 two of the aforesaid persons from Group A or Group B, including atleast any one person from Group A, be and hereby jointly 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 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 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 persons from Group A or Group B, including atleast any one person from Group A, 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 Housing Finance 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.

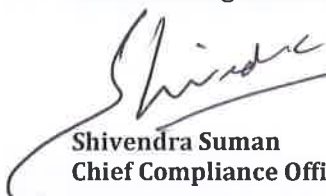
**RESOLVED FURTHER THAT** the aforesaid IPA be and is hereby authorised to open and operate the Demat account(s) with a Depository Participant in regard to the operation and monitoring of the CP held in electronic form and any other account as may be required in this regard.

**RESOLVED FURTHER THAT** the Committee of Directors be and is hereby authorized henceforth to take all such steps and actions as mentioned above including revision of the list of authorized officials, change of IPA, opening of bank account etc. and give such directions as the Committee may, in its absolute discretion, deem necessary, proper, expedient, desirable, appropriate for carrying 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 (NSE) and/or BSE Limited in order to ensure the smooth functioning of the business of the Company from time to time and to settle any question that may arise in this regard.

**RESOLVED FURTHER THAT** any Director or Chief Executive Officer or Chief Financial Officer or Company Secretary of the Company be and is hereby severally authorized to issue certified true copy of the resolution wherever required."

**Certified True Copy**

**For and on behalf of  
Hero Housing Finance Limited**

  
**Shivendra Suman**  
**Chief Compliance Officer**



**Hero Housing Finance Ltd.**

**Registered Address:** 09, Community Centre, Basant Lok, Vasant Vihar, New Delhi - 110057

**Toll Free No.:** 1800 212 8800, **Email:** customer.care@herohfi.com

**Website:** www.herohousingfinance.com | **CIN:** U65192DL2016PLC301481

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE 49<sup>TH</sup> MEETING OF COMMITTEE OF DIRECTORS ("COMMITTEE") OF HERO HOUSING FINANCE LIMITED ("THE COMPANY") HELD ON WEDNESDAY, FEBRUARY 15, 2023 AT 09, COMMUNITY CENTRE, BASANT LOK, VASANT VIHAR, NEW DELHI - 110057**

**APPROVAL FOR REVISION IN DELEGATION OF AUTHORITIES FOR ISSUANCE OF COMMERCIAL PAPERS**

**"RESOLVED THAT** in terms of resolution passed by the Board of Directors at their meeting held on October 17, 2022 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)/National Housing Bank (NHB) & FIMMDA, the Company do borrow funds by way of issue of Commercial Papers (CPs) on the following terms:

Purpose	Working Capital
Total Issue Amount	Within overall borrowing limits of Rs. 4,500 Crores, subject to maximum permissible regulatory threshold as prescribed under the relevant Act/Regulation/Directions issued for Housing Finance Companies, pursuant to Section 180(1)(c) of the Companies Act, 2013.
Nature of Instrument	Unsecured in the nature of issuance of Promissory Note
Credit Rating	CRISIL and/or ICRA
Tenor	7 days to 1 year
Redemption	On maturity

or such terms and conditions as may be deemed fit and appropriate in the interest of the Company from time to time.

**RESOLVED FURTHER THAT** any two of the following persons from Group A or Group B, including atleast any one person from Group A, be and are hereby jointly authorised on behalf of the to take all actions, deeds and things as may be necessary for the issuance of the CP, appointment of Registrars, appointment of Issue & Paying Agency [IPA], Admission of Commercial Paper [CP] 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.

Group A	Group B
Mr. Apul Nayyar Mr. Dhoop Mittal Mr. Shivendra Suman Mr. Prashant Kumar Mr. Rakesh Bansal Mr. Gautam Munjal Mr. Rajneesh Sharma Mr. Peeyush Jindal Mr. Vivek Madan Mr. Shyam Lal	Ms. Suruchi Jassi Mr. Vaibhav Mr. Kumar Vikash Khatana Mr. Shashi Shekhar



**Hero Housing Finance Ltd.**

**Registered Address:** 09, Community Centre, Basant Lok, Vasant Vihar, New Delhi - 110057

**Toll Free No.:** 1800 212 8800, **Email:** customer.care@herohfl.com

**Website:** www.herohousingfinance.com | **CIN:** U65192DL2016PLC301481



**RESOLVED FURTHER THAT** any two of the aforesaid persons from Group A or Group B, including atleast any one person from Group A, be and are authorised to appoint any scheduled commercial bank and other body corporate/entity as the IPA for the issuance of Commercial Papers, from time to time, subject to their confirmation to act as IPA to the Issue.

**RESOLVED FURTHER THAT** any two of the aforesaid persons from Group A or Group B, including atleast any one person from Group A, be and are hereby jointly authorized 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 two of the aforesaid persons from Group A or Group B, including atleast any one person from Group A, be and 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 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 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 persons from Group A or Group B, including atleast any one person from Group A, 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 Housing Finance 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 aforesaid IPA be and is hereby authorised to open and operate the Demat account(s) with a Depository Participant in regard to the operation and monitoring of the CP held in electronic form and any other account as may be required in this regard.

**RESOLVED FURTHER THAT** any two of the aforementioned persons from Group A or Group B, including atleast any one person from Group A, be and are hereby jointly authorized to sign, fax and/or email indemnity with the above IPA/bank.

**RESOLVED FURTHER THAT** the Company do avail the Corporate Internet Banking (CIB)/or such other services over Internet channel with the aforesaid Bank, which would act as IPA, at their various branches and the Company accepts such "Terms of Service" for CIB or such other services laid down by the said bank(s) in this regard from time to time and any two of the aforesaid persons of the Company, at least any one from Group A, be and are hereby jointly authorised to accept, sign, execute, deliver and complete all documentation, agreements, forms, and accept and abide by the modifications and/or variations in any or all the terms and condition from time to time & to nominate, substitute, revoke and vary mandate etc. from time to time and on behalf of the Company, in order to apply for and to avail the above said CIB/ other service facility as per their specification limits as provided by the bank(s) and any two of the above authorized persons from Group A or Group B, including atleast one person from Group A, be and are hereby jointly authorized to operate on behalf of the Company through "Corporate Internet Banking" service and to take such other actions as may be deemed fit in this regard.



**RESOLVED FURTHER THAT** the following officials be and are hereby authorized to have initiator/view rights of the above-mentioned IPA account.

Name	Initiator / View	Email ID
Mr. Sanjaya Kumar Sahoo	Initiator / View	sanjaya.sahoo@herohfl.com
Mr. Chandan Kumar Jha	Initiator / View	chandan.jha@herohfl.com
Mr. Ranjit Singh	Initiator / View	ranjit1.singh@herofincorp.com
Mr. Akash Sharma	Initiator / View	akash.sharma@herofincorp.com
Mr. Mukesh Kumar	Initiator / View	mukesh1.kumar@herofincorp.com
Ms. Aanchal Jain	Initiator / View	aanchal.jain@herofincorp.com
Ms. Ayushi Gandhi	Initiator/View	ayushi.gandhi@herohfl.com
Mr. Prakash Kumar	Initiator/View	Prakash.kumar@herohfl.com
Mr. Gurdeep Singh	Initiator/View	gurdeep.singh@herohfl.com
Mr. Chandan Kumar	Initiator/View	chandan.kumar4@herofincorp.com

**RESOLVED FURTHER THAT** any Director or Chief Financial Officer or Chief Compliance Officer or Company Secretary of the Company be and is hereby severally authorized to issue certified true copy of the resolution wherever required."

**Certified True Copy  
For Hero Housing Finance Limited**




**Shivendra Suman**  
Chief Compliance Officer

**Hero Housing Finance Limited**  
Registered office : 9, Community Centre, Basant Lok, Vasant Vihar, New Delhi - 110057  
CIN : U65192DL2016PLC301481 | Website : www.herohousingfinance.com  
Tel. No : 011-49487150 | Fax : 011-49487197-98 | Email : investors@hero.hfl.com

**Statement of unaudited financial results for the quarter and nine months ended 31 December 2022**  
**(All amount in rupees lakhs unless otherwise stated)**

Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2022 (Unaudited)	30 September 2022 (Unaudited)	31 December 2021 (Unaudited)	31 December 2022 (Unaudited)	31 December 2021 (Unaudited)	31 March 2022 (Audited)
<b>I Revenue from operations</b>						
Interest income	9,587.08	8,476.33	6,913.52	25,535.72	20,166.72	27,201.83
Profit on sale of investments	131.25	170.43	69.08	449.24	261.64	465.71
Net gain / (loss) on fair value changes	123.05	237.82	148.56	416.12	213.05	132.15
Gain on derecognition of financial instruments under amortised cost category	466.38	712.97	-	2,038.08	-	1,584.01
Other charges	233.92	179.29	127.69	616.11	259.43	445.96
<b>Total revenue from operations</b>	<b>10,541.68</b>	<b>9,776.84</b>	<b>7,258.85</b>	<b>29,055.27</b>	<b>20,900.84</b>	<b>29,829.66</b>
<b>II Other income</b>	384.99	300.75	371.90	1,179.28	1,057.64	1,337.70
<b>III Total income (I + II)</b>	<b>10,926.67</b>	<b>10,077.59</b>	<b>7,630.75</b>	<b>30,234.55</b>	<b>21,958.48</b>	<b>31,167.36</b>
<b>IV Expenses</b>						
Finance costs	5,359.86	5,162.05	4,293.78	15,166.65	12,755.88	16,965.62
Impairment allowance on financial instruments	204.02	196.18	29.11	612.51	693.53	627.39
Employee benefits expenses	2,453.91	2,300.00	1,964.11	6,986.37	5,406.50	7,572.26
Depreciation and amortization	206.83	186.55	147.83	560.65	395.92	552.99
Other expenses	1,867.97	2,048.89	1,453.18	5,849.01	3,768.47	5,239.77
<b>Total expenses</b>	<b>10,092.59</b>	<b>9,893.67</b>	<b>7,888.01</b>	<b>29,175.19</b>	<b>23,020.30</b>	<b>30,958.03</b>
<b>V Profit /(loss) before tax (III - IV)</b>	<b>834.08</b>	<b>183.92</b>	<b>(257.26)</b>	<b>1,059.36</b>	<b>(1,061.82)</b>	<b>209.33</b>
<b>VI Total tax expense</b>	-	-	-	-	-	-
<b>VII Profit /(loss) after tax from operations (V - VI)</b>	<b>834.08</b>	<b>183.92</b>	<b>(257.26)</b>	<b>1,059.36</b>	<b>(1,061.82)</b>	<b>209.33</b>
<b>VIII Other comprehensive income gain / (loss)</b>						
a) Items that will not be reclassified to profit or loss:-						
Remeasurement of gains/ (losses) on defined benefit plans	0.75	12.87	27.87	52.01	33.04	17.16
Income tax impact on above	-	-	-	-	-	-
<b>Sub-total (a)</b>	<b>0.75</b>	<b>12.87</b>	<b>27.87</b>	<b>52.01</b>	<b>33.04</b>	<b>17.16</b>
b) Items that may be reclassified to profit or loss:-						
Movement in cash flow hedge reserve	(48.13)	(28.15)	-	(148.94)	-	(89.81)
Income tax impact on above	-	-	-	-	-	-
<b>Sub-total (b)</b>	<b>(48.13)</b>	<b>(28.15)</b>	<b>-</b>	<b>(148.94)</b>	<b>-</b>	<b>(89.81)</b>
<b>IX Other comprehensive income / (loss) for the period / year, net of tax</b>	<b>(47.38)</b>	<b>(15.28)</b>	<b>27.87</b>	<b>(96.93)</b>	<b>33.04</b>	<b>(72.65)</b>
<b>X Total comprehensive income / (loss) for the period / year, net of tax (VII + IX)</b>	<b>786.70</b>	<b>168.64</b>	<b>(229.39)</b>	<b>962.43</b>	<b>(1,028.78)</b>	<b>136.68</b>
<b>XI Earnings per equity share</b>						
(a) Basic (in Rupees)*	0.13	0.03	(0.06)	0.20	(0.23)	0.05
(b) Diluted (in Rupees)*	0.13	0.03	(0.06)	0.20	(0.23)	0.05
* not annualised for the quarter / nine months ended						
<b>XII Debt equity ratio (no. of times)</b>	3.91	3.68	5.52	3.91	5.52	5.68
<b>XIII Debt service coverage ratio</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>XIV Interest service coverage ratio</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>XV Outstanding redeemable preference shares</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>XVI Debenture redemption reserve</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>XVII Net worth</b>	74,454.74	73,471.50	41,737.84	74,454.74	41,737.84	43,203.94
<b>XVIII Current ratio</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>XIX Long term debt to working capital</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>XX Current liability ratio</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>XXI Total debts to total assets (%)</b>	75.74%	75.51%	80.83%	75.74%	80.83%	80.18%
<b>XXII Debtors turnover</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>XXIII Inventory turnover</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>XXIV Operating margin (%)</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>XXV Net profit margin (%)</b>	7.63%	1.83%	-3.37%	3.50%	-4.84%	0.67%
<b>XXVI Bad debts to account receivable ratio</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>XXVII Gross non performing assets (%) ^</b>	2.56%	2.78%	3.19%	2.56%	3.19%	3.11%
<b>XXVIII Net non performing assets (%) ^</b>	1.86%	2.04%	2.17%	1.86%	2.17%	2.31%
<b>XXIX Provision coverage ratio (%) ^</b>	27.99%	26.97%	32.81%	27.99%	32.81%	26.27%



**Hero Housing Finance Limited**

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

CIN : U65192DL2016PLC301481 | Website : www.herohousingfinance.com

Tel. No : 011-49487150 | Fax : 011-49487197-98 | Email : investors@herohfl.com

**Notes:**

- 1) The Company is a Housing Finance Company registered with the National Housing Bank ('the NHB').
- 2) The financial results for the quarter and nine months ended 31 December 2022 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 23 January 2023. These results have been subjected to review by statutory auditors in compliance with Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 3) 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.
- 4) 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.
- 5) Pursuant to SEBI Circular No. SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22 October 2019, the Company has listed Commercial Papers on National Stock Exchange (NSE).
- 6) During the nine months ended 31 December 2022, the Company had issued and allotted 166,666,666 fully paid equity shares having face value of Rs. 10.00 each at a price of Rs. 18.00 per equity share including a premium of Rs. 8.00 per equity share on private placement basis to Hero FinCorp Limited, Holding Company and received full application & allotment money aggregating to Rs. 30,000.00 lakhs.
- 7) 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 memorandum. Further, the Company has maintained 100% asset cover or higher as stated in the information memorandum which is sufficient to discharge the principal amount at all times for the secured non-convertible debt securities issued.
- 8) Disclosures pursuant to RBI Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/ 2021-22 dated 24 September 2021:

a) Details in respect of loans not in default acquired through assignment during the quarter and nine months ended 31 Dec 2022

Particulars	During the quarter ended	During the Nine months ended
	31-Dec-22	
Entity/ Assignor	Non- Banking Financial Companies	Non- Banking Financial Companies and Housing Finance Companies
Count of loan accounts acquired	63	1,230
Amount of loan accounts acquired (Rs. in lakhs)	1,518.75	12,346.27
Retention of beneficial economic interest (MRR %)*	10%	10%
Weighted average maturity (residual maturity in years)	16.40	11.80
Weighted average holding period (in years)	0.98	1.32
Coverage of tangible security coverage	100%	100%
Rating-wise distribution of rated loans	Not Applicable	Not Applicable

\*Retained by the originator

b) Details in respect of loans not in default transferred through assignment during the quarter and nine months ended 31 Dec 2022

Particulars	During the quarter ended	During the Nine months ended
	31-Dec-22	
Entity/ Assignor	Scheduled Commercial Bank	Scheduled Commercial Bank and Housing Finance Companies
Count of loan accounts transferred	334	1,250
Amount of loan accounts transferred (Rs. in lakhs)	5,179.34	18,524.15
Retention of beneficial economic interest (MRR %)	10%	10%
Weighted average maturity (residual maturity in years)	12.97	13.26
Weighted average holding period (in years)	0.62	0.96
Coverage of tangible security coverage	100%	100%
Rating-wise distribution of rated loans	Not Applicable	Not Applicable

- 9) Formulae for computation of ratios as required pursuant to Regulation 52 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as follows:

S. No.	Ratio	Formulae
1	Debt equity ratio (no. of times)	(Debt securities + Borrowings (other than debt securities)+ Subordinated debts) / (Equity Share Capital + Other Equity)
2	Net worth	Equity share capital + Other equity
3	Total debts to total assets (%)	Total debts/ Total assets
4	Net profit margin (%)	Profit/ (loss) after tax / Total income
5	Gross non performing assets (%)	Stage III assets (Gross) / Gross loans
6	Net non performing assets (%)	(Stage III assets (Gross) - impairment allowance for Stage III assets ) / (Gross loans - impairment allowance for Stage III assets )
7	Provision coverage ratio (%)	Impairment allowance for Stage III assets / Stage III assets (Gross)

- 10) 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 Housing Finance Limited**ABHIMANYU Munjal  
U MUNJAL**Abhimanyu Munjal**  
Managing Director  
(DIN No.: 02822641)

Place: Dubai

Date: 23 January 2023

## 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	2,793.35
2.	Unsecured	30.68
	Total Assets under management (AUM)	2,824.03

## b) Sectoral Exposures

S. No.	Segment-wise break-up of AUM	Percentage of AUM*
<b>1.</b>	<b>Retail</b>	
a.	-Mortgage (home loans and loan against property)	98.80%
b.	- Gold loans	0.00%
c.	- Vehicle finance	0.00%
d.	- MFI	0.00%
e.	- M&SME	0.00%
f.	- Capital market funding (loans against shares, margin funding)	0.00%
g.	- Others	1.09%
	<b>Wholesale</b>	
a.	- Infrastructure	0.00%
b.	- Real estate (including builder loans)	0.11%
c.	- Promoter funding	0.00%
d.	- Any other sector (as applicable)	0.00%
e.	- Others	0.00%
	<b>Total</b>	<b>100.00%</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	0.87%
2	Rs. 2-5 lakh	2.72%
3	Rs. 5-10 lakh	12.02%
4.	Rs. 10-25 lakh	45.28%
5	Rs. 25-50 lakh	20.90%
6.	Rs. 50 lakh-1 crore	8.00%
7	Rs. 1-5 crore	7.76%
<b>8</b>	Rs. 5-25 crore	2.44%
9	Rs. 25-100 crore	0.00%
10	>Rs. 100 crore	0.00%
	<b>Total</b>	<b>100.00%</b>

\*As on 31.03.2022

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

S. No.	Segment-wise break-up of AUM	Percentage of AUM*	Weighted Avg. LTV
1.	Housing Loan	69.53%	67.79%
2.	Loan against Property	29.27%	49.50%
3.	Construction Finance	0.11%	33.67%
4.	Other loans including GECL	1.09%	NA (Unsecured)
	<b>Total</b>	<b>100.00%</b>	<b>62.33%</b>

**\* As on 31.03.2022**

**e) Geographical classification of borrowers**

S.No.	Top 5 States	Percentage of AUM*
1	New Delhi	30.86%
2	Maharashtra	26.40%
3	Gujarat	11.93%
4	Rajasthan	11.11%
5	UP	9.65%

**\*As on 31.03.2022**

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

<b>Movement of NPAs (Gross)*</b>	<b>Rs. In Crore (As on 31.03.2022)</b>
(a) Opening balance	46.30
(b) Additions during the year	57.27
(c) Reductions during the year	18.86
(d) Closing balance	84.71

**\*Based on 90+ DPD**

<b>Movement of provisions for NPAs (excluding provisions on standard assets )</b>	<b>Rs. in Crore (As on 31.03.2022)</b>
(a) Opening balance	18.41
(b) Provisions made during the year	14.60
(c) Write-off / write-back of excess provisions	10.76
(d) Closing balance	22.25

**g) Segment-wise gross NPA**

<b>Sector</b>	<b>Percentage (As on 31.03.2022)</b>
<b>(A) Housing Loans:</b>	
(i) Individuals	2.76%
(ii) Builders / Project Loans	-
(iii) Corporates	0.87%
(iv) Others (specify)	-
<b>(B) Non-Housing Loans</b>	
(i) Individuals	3.45%
(ii) Builders / Project Loans	-
(iii) Corporates	5.37%
(iv) Others (specify)	-

**2. Residual maturity profile of assets and liabilities (in line with the RBI format):**

Rs in Crores

<b>Particulars</b>	<b>1 day to 7 days</b>	<b>8 to 14 days</b>	<b>15 days to 30/31 days</b>	<b>Over one-month up to 2 months</b>	<b>over 2 months up to 3 months</b>	<b>over 3 months up to 6 months</b>	<b>over 6 months up to 1 year</b>	<b>over 1 year up to 3 years</b>	<b>over 3 years up to 5 years</b>	<b>Over 5 Years</b>	<b>Total</b>
<b>Liabilities</b>											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks	-	9.52	1.71	23.80	14.68	149.59	213.98	807.64	464.14	272.31	<b>1,957.39</b>
Market borrowings*	-	-	-	22.00	-	49.33	-	324.49	-	49.65	<b>445.47</b>
Foreign currency liabilities	-	-	-	-	-	-	51.07	-	-	-	<b>51.07</b>
<b>Assets</b>											
Advances**#	13.42	14.64	47.96	53.36	51.74	151.31	282.41	867.16	576.10	631.26	<b>2,689.35</b>
Investments***	121.39	-	49.86	24.91	-	-	-	-	-	-	<b>196.16</b>
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

\*Market borrowings include long-term borrowings from parties other than banks.

\*\*Advances include housing and non-housing loans.

\*\*\*Investment includes investment in mutual funds and commercial papers.

# Bucketing of loan accounts classified as stage 1 and stage 2 are based on the expected collections. ECL provision recognized on such loans are disclosed in bucket "Over 5 years".

**3. Others**

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

**Lending cum Credit Policy:**

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company splits its exposure into smaller homogeneous portfolios, based on shared credit risk characteristics, as described below in the following order:

- Nature of loan i.e. based on the nature of loan
- Nature of Borrower i.e. Salaried/ Self Employed

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each Customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan by the Company on terms that the Company would not consider otherwise;
- or
- it is becoming probable that the borrower will enter bankruptcy or other financial re-organization;

The risk management committee has established a credit policy under which each new customer is analyzed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, background verification, financial statements, income tax returns, credit agency information, industry information, etc. Portfolio review is performed every quarter and is reviewed by the management on quarterly basis.

The Risk department will be responsible for the following with respect to managing HHFL's credit risk:

- Monitoring concentrations of exposure to counterparties, geographies, products, collateral securities available, etc. and reviewing the same on a regular basis.
- Provide timely MIS to senior management & RMC on the credit risk position.
- Adherence to Risk management policy

Any new product or variant of an existing product or review of any existing product is the responsibility of risk department. The product program interalia covers the following broad aspects – product objective, product/program limit, target category of customers, specific characteristics of the target customers, which have a bearing on risk assessment, borrower profiles, etc and product features along with methodology for assessment of limits/loan amounts with approval matrix and deviation approval matrix with security.

HHFL has its own credit appraisal methodology and will establish strict credit processes and ensure on going assessment of risk. The guiding principle of lending is based on the acceptable level of risk taking capability in pursuit of the company's strategic objectives. All the credit decisions shall consider the following, where applicable. The credit appraisal process inter alia involves an in-depth study of the industry, financial, commercial, technical and managerial aspects of the borrower as warranted by the product program. The Credit Underwriting team of our Company independently carries out an in-depth credit analysis and various checks of the borrower/related parties and provides independent opinion on all the aspects as warranted by the product program. Appropriate credit filters are also designed to weed out cases with weak credit profile and filters are never a proxy to in-depth credit analysis and market reference checks. Each credit proposals are prepared in an appropriate format and placed before the appropriate sanctioning authority. Credit appraisal format are as per the format in respective product program along with guidance notes. De-dupe is carried out as a best practice to check if the Borrower is already having a relationship with the Company. Our Company also obtains information from various bureau/agencies so as to stay updated on Borrower's credit health and account conduct with various lenders, if any. Our Company uses prudent assessment criteria, as a prudent lending practice, all current relevant information about any borrower are glanced from the files and over-reliance on information stored in the minds of the dealing officer or his private files are avoided. A robust internal credit rating framework is vital for effective credit risk management. Our Company follows the standard credit practices of analysing and monitoring credit limits and exposures:

- KYC check on the borrower
- Market reputation of the borrower/counter-party
- Borrower's/counter-party's authority to borrow
- Existing repayment capability to service the proposed loans
- Outlook of industry sector in which the borrower is engaged
- Repayment terms
- Past repayment track record (Bureau check will be done to establish that)
- Source of repayment
- Cash flow forecast and debt-servicing ability including sensitivity, as applicable
- Strength of Collateral security offered for the exposure in terms of marketability, legal enforceability and liquidity

### **Monitoring and Collections:**

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 on a periodic basis. The repayment mode is through ACH. The customers are sent timely reminders via text/call before the EMI due date, collection team follows up with the customers in case of bounce and recovers the money.

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

NA

#### 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 (Amount in Rs. Crore)	138.26
(ii) Percentage of advances to twenty largest borrowers/ customers to total advances	5.11%

###### Concentration of all Exposure (including off-balance sheet exposure):

Particulars	As at March 31, 2022
(i) Total advances to twenty largest borrowers/ customers (Amount in Rs. Crore)	138.75
(ii) Percentage of advances to twenty largest borrowers/ customers to total advances	4.74%

##### b) Borrowing Profile:

Sector	Amount in Rs. Crore (As on 31.03.2022)
Bank Borrowings	2,008.46
NCD	346.49
Commercial Paper	49.33
Tier II NCD	49.65
<b>Grand Total</b>	<b>2,453.93</b>

##### c) Secured and Unsecured

Particulars	Amount in Rs. Crore (As on 31.03.2022)	%
Secured	2,354.95	95.97%
Unsecured	98.98	4.03%
<b>Total</b>	<b>2,453.93</b>	<b>100.00%</b>

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

Note: Total AUM includes portfolio down-sell.



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 Housing Finance Limited, be 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 Housing Finance Limited**

**Suruchi Jassi**  
**Company Secretary**  
M. No. A56201

Date: 20.03.2023  
Place: New Delhi