



HeroFinCorp.



Hero FinCorp Ltd.

24TH ANNUAL REPORT 2014-15

24TH ANNUAL GENERAL MEETING

DAY	TUESDAY
DATE	SEPTEMBER 15, 2015
TIME	5:00 P.M.
VENUE	HOTEL VASANT CONTINENTAL VASANT VIHAR, NEW DELHI – 110 057



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Hero FinCorp Ltd.

BOARD OF DIRECTORS

CHAIRMAN EMERITUS

Mr. Brijmohan Lall Munjal

CHAIRMAN & DIRECTOR

Mr. Pawan Munjal

MANAGING DIRECTOR

Mrs. Renu Munjal

INDEPENDENT DIRECTORS

Mr. D. N. Davar

Mr. Pavninder Singh

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. D. N. Davar	Chairman
Mr. Brijmohan Lall Munjal	Member
Mrs. Renu Munjal	Member
Mr. Pavninder Singh	Member

RISK MANAGEMENT COMMITTEE

Mr. D. N. Davar	Chairman
Mrs. Renu Munjal	Member
Mr. Abhimanyu Munjal	Member
Mr. Pavninder Singh	Member

NOMINATION & REMUNERATION COMMITTEE

Mr. D. N. Davar	Chairman
Mr. Pawan Munjal	Member
Mr. Pavninder Singh	Member

STAKEHOLDER RELATIONSHIP COMMITTEE

Mrs. Renu Munjal	Chairperson
Mr. Pavninder Singh	Member

ASSET & LIABILITY MANAGEMENT COMMITTEE

Mr. D. N. Davar	Chairman
Mrs. Renu Munjal	Member
Mr. Abhimanyu Munjal	Member
Mr. Pavninder Singh	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mrs. Renu Munjal	Chairperson
Mr. Pawan Munjal	Member
Mr. D. N. Davar	Member

KEY MANAGERIAL PERSONNELS

Mrs. Renu Munjal	Managing Director
Mr. Abhimanyu Munjal	Chief Executive Officer
Mr. Shyam Lal	Chief Financial Officer
Mr. Tribhuwan K. Johari	Company Secretary & Compliance Officer



CORPORATE INFORMATION

CIN No. U74899DL1991PLC046774

AUDITORS

STATUTORY AUDITORS

Deloitte Haskins & Sells,
Chartered Accountants, (FRN. No.015125N)
7th Floor, Building No. 10, Tower B,
DLF Cyber City Complex, DLF City Phase- III,
Gurgaon – 122 002, Haryana
Tel: 0124 679 2000 Fax: 0124-679 2012
Website: www.deloitte.com/in

INTERNAL AUDITORS

JRA & Associates,
Chartered Accountants,
B 15 (LGF), G.K. Enclave-II,
New Delhi - 110 048
Tel.: 011 4056 2787
Fax: 011 4056 2779
Website : www.jraca.com

SECRETARIAL AUDITORS

M/s Aditi Agarwal & Associates,
Company Secretaries,
2nd Floor, Manish Chambers,
L.S.C. Mayur Vihar Ph-II,
New Delhi-110091
Ph. : 011-22777666

PRINCIPAL BANKERS

HDFC Bank Ltd.
Bank of India
Corporation Bank
Axis Bank Limited
Kotak Mahindra Bank Limited
The Royal Bank of Scotland N.V.
The Bank of Tokyo - Mitsubishi UFJ, Ltd.

DEBENTURE TRUSTEE

1. Axis Trustee Services Ltd.

2nd Floor, E, Axis House,
Bombay Dying Mills Compound,
Pandurang Budhakar Marg, Worli,
Mumbai-400025
Tel.: 022-24255212
Website : www.axistrustee.com

2. IL&FS Trust Company Limited

The IL&FS Financial Centre, Plot C-22
Block G, Bandra –Kurla Complex
Bandra East, Mumbai-400051
Telephone No: 022 – 2425 5215
Website: www.itclindia.com

REGISTRAR & SHARE TRANSFER AGENT

Beetal Financial & Computer Services Pvt. Ltd.
Beetal House, 3rd Floor, 99, Madangir,
New Delhi - 110 062
Tel.: 011-2996 1281-283
Fax.: 011-2996 1284
Email: beetalrta@gmail.com
website: www.beetalfinancial.com

REGISTERED OFFICE

34, Community Centre,
Basant Lok, Vasant Vihar,
New Delhi – 110 057
Tel.: 011-4604 4100
Fax: 011-2615 3913

CORPORATE OFFICE

09, Community Centre,
Basant Lok, Vasant Vihar,
New Delhi – 110 057
Tel.: 011-4948 7150
Fax: 011-4948 7197

Notice

NOTICE is hereby given that the 24th ANNUAL GENERAL MEETING of the Members of Hero FinCorp Ltd. will be held on Tuesday, September 15, 2015 at 05:00 P.M. at Hotel Vasant Continental, Vasant Vihar, New Delhi - 110 057, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2015 including audited Balance Sheet as at March 31, 2015, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend of Rs. 2 per Equity share on the 4,52,50,000 Equity Shares of Rs. 10 each for the financial year ended March 31, 2015.
3. To appoint a Director in place of Mr. Pawan Munjal (DIN No. 00004223), who retires by rotation and being eligible has offered himself for re-appointment.
4. To ratify the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, (Firm Registration No. 015125N), the Statutory Auditors of the Company who were appointed for a term of 4 (four) consecutive years from the date of the 23rd Annual General Meeting (AGM) up to the conclusion of 27th AGM of the Company in the calendar year 2018 and to fix their remuneration.

SPECIAL BUSINESS:

To consider and, if thought fit, to pass, the following resolution(s) with or without modification(s), as Special Resolution(s):-

5. RE-APPOINTMENT OF MRS RENU MUNJAL AS MANAGING DIRECTOR OF THE COMPANY

“RESOLVED THAT pursuant to the commendation by the Nomination & Remuneration Committee and pursuant to Sections 196, 197, 203 read with schedule V and other applicable provisions and Rules thereof, if

any, of the Companies Act, 2013, (the Act) Mrs. Renu Munjal be and is hereby re-appointed as Managing Director of the Company for a period of 5 (five) years with effect from September 15, 2015 on the remuneration (including minimum remuneration) and other terms and conditions as set out in the Explanatory Statement annexed hereto with the liberty given to the Board to alter and vary the terms and conditions of the said re-appointment and/or remuneration in such a manner as may be agreed to by and between the Company and Mrs. Renu Munjal, provided however, such alteration are within the maximum limit laid down in the Act, for the time being in force.

RESOLVED FURTHER THAT in terms of Article of Association of the Company so long as Mrs. Renu Munjal continues to act as Managing Director, she will not be liable to retire by rotation.

RESOLVED FURTHER THAT the terms of re-appointment and remuneration including minimum remuneration as detailed in the resolution may be regarded as an abstract of the terms of appointment and memorandum of interest under Section 190 of the Act.

RESOLVED FURTHER THAT the Board (including any Committee of Directors) or KMP(s) of the Company be and is hereby authorised to take such steps and actions as may be required for the purpose of implementation of the aforesaid Resolution.”

6. ELEVATION OF MR. ABHIMANYU MUNJAL AS CHIEF EXECUTIVE OFFICER (“CEO”) OF THE COMPANY

“RESOLVED THAT pursuant to the commendation of the Nomination & Remuneration Committee and provisions contained in Section 188 of the Companies Act, 2013 (the Act,) and Rules made thereof (including any statutory modification or re enactment thereof for the time being in force) and all other applicable provisions, if any, the consent of the members be and is hereby accorded for the elevation of Mr. Abhimanyu Munjal from the post of Chief



Operating Officer ("COO"), to hold and continue to hold an Office or Place of Profit as "Chief Executive Officer" (or any other designation and roles which the Board/Committee of the Board may decide from time to time) with effect from September 15, 2015 on such remuneration and terms and conditions as set out in the Statement annexed to this Notice pursuant to Section 102 of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to perform and execute all such acts, deeds, matters and things and to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers or authority herein conferred to Committee of the Board or any Director or Company Secretary or Officer(s) to give effect to the aforesaid Resolution."

By Order of the Board
for Hero FinCorp Ltd.

Tribhuwan K. Johari
COMPANY SECRETARY
ACS - 18842

Address - Flat No. 10, Bldg No. 5,
1st Avenue, Ghitorni,
New Delhi - 110 030

May 05, 2015
New Delhi

Registered Office:

34, Community Centre,
Basant Lok, Vasant Vihar,
New Delhi - 110 030

CIN: U74899DL1991PLC046774

Phone: 011-4604 4100 **Fax:** 011-49487197

E-mail: tribhuwan.johari@herofincorp.com

Website: www.herofincorp.com

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE (ON A POLL ONLY) INSTEAD OF HIMSELF/HERSELF. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of Proxy in order to be effective, should be

deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and Bank holidays, between 11:00 A.M. and 1:00 P.M. upto the date of the Annual General Meeting.
3. Members / proxies should bring the Attendance Slip duly filled in for attending the meeting.
4. The Statement pursuant to Section 102 of the Companies Act, 2013 (the Act) which set out details relating to Special Business at the meeting is annexed.
5. In accordance with provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the business may be transacted through electronic voting system and the Company is providing facility for remote e-voting by electronic means ("Remote e-voting") to its members. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide e-voting facilities and for security and enabling the members to cast their vote in a secured manner.
6. Pursuant to Section 91 of the Act, the Register of Members and the Share Transfer books of the Company will remain closed from Friday, September 11, 2015 to Tuesday, September 15, 2015 (both days inclusive) for annual closing and determining the entitlement of the shareholders to the dividend for the financial year 2014-15 on 4,52,50,000 equity shares having distinctive nos. from 1 to 45250000.
7. Under Section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of 7 (seven) years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly,

transferred the unpaid and unclaimed dividend amount pertaining to Final Dividend for the financial year, 2006-07 to the IEPF of the Central Government.

The Ministry of Corporate Affairs (MCA) on May 10, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2006, as on the date of the 23rd AGM on the website of the IEPF viz. www.iepf.gov.in.

A separate reminder was also sent to those members having unclaimed dividend. Members who have not encashed their dividend warrants are advised to write to the Company immediately claiming dividends declared by the Company.

8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible.

9. Voting through electronic means

The instructions for Remote e voting are as follows:

- (i) The remote e-voting period begins on 9.00 A.M. (IST) Friday, September 11, 2015 and ends on Monday, September 14, 2015 at 5.00 P.M. During this period shareholders' of the Company, holding shares in physical form, as on the cut-off date i.e. Tuesday, September 8, 2015 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- (iii) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Tuesday, September 8, 2015 may follow the same instructions as mentioned above for remote e-voting.
- (iv) Sequence No. has been printed on the sticker of address on the envelop.
- (v) The shareholders should log on to the e-voting website www.evotingindia.com.
- (vi) Click on Shareholders and enter Folio Number registered with the Company.
- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) follow the steps given below:

PAN	<ul style="list-style-type: none"> Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department Members who have not updated their PAN with the Company are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<ul style="list-style-type: none"> Enter the Date of Birth as recorded in the company records for the folio in dd/mm/yyyy format.
Dividend Bank Details	<ul style="list-style-type: none"> Enter the Dividend Bank Details as recorded in the company records for the said folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the company please enter the folio number in the Dividend Bank details field as mentioned in instruction (iii).



- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members then directly reach the Company selection screen.
- (xi) the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (xii) Click on the REVSN for Hero FinCorp Limited to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK"; else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) Note for Non – Individual Shareholders
- ✍ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - ✍ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be mail to helpdesk.evoting@cdslindia.com.
 - ✍ After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - ✍ The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ✍ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and remote e-voting manual available at www.evotingindia.com, or mail to helpdesk.evoting@cdslindia.com or mail to the Compliance Officer at the e-mail id [mentioned below tribhuvan.johari@herofincorp.com](mailto:mentionedbelowtribhuvan.johari@herofincorp.com)
10. Members can cast their vote online during the following voting period.
- Commencement of remote e-voting:
From 09.00 A.M. (IST) Friday, September 11, 2015
- End of remote e-voting:
Upto Monday, September 14, 2015 at 05.00 P.M. (IST)
- E-voting shall not be allowed beyond midnight at 11:59 P.M. of September 14, 2015. During the e-voting period, shareholders of the Company holding shares as on the record date may cast their vote electronically.
- You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- Mr. Mohit Chaurasia, Advocate of M/s. Mohit Chaurasia & Associates has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the remote e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company.

The results of remote e-voting will be declared on the day of the Annual General Meeting or such other date and time as may be decided by the Chairman.

STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.05

The tenure of Mrs. Renu Munjal, Managing Director of the Company is due to end on August 31, 2015. Mrs. Munjal was re-appointed as the Managing Director of the Company for a term of 5 years with effect from September 1, 2010 at the Annual General Meeting held on July 16, 2010. The Nomination & Remuneration Committee at its meeting held on May 05, 2015, after having due consideration of the Remuneration policy and increased job responsibilities in view of significant increase in the turnover of the Company has recommended the re-appointment of Mrs. Munjal for a further term of 5 years. After discussion, the Board in its meeting held on May 05, 2015 approved her re-appointment as the Managing Director for a further period of 5 (five) years with effect from September 1, 2015 subject to your approval on the following remuneration (including minimum remuneration) and other terms and conditions as stated below:

- I. **Basic Salary:** Rs. 18,50,000 (Rupees Eighteen Lacs and Fifty thousand only) per month with an annual increase of 20%;
- II. **Commission:** Mrs. Munjal will also be allowed remuneration by way of Commission in addition to Basic Salary, Perquisites and any other allowances, benefits or amenities subject to the condition that the amount of Commission shall not exceed 1% of the Net Profit of the Company in a particular financial year as computed in the manner referred to in the Companies Act, 2013. The amount of Commission shall be paid subject to recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors every year.
- III. **Perquisites and allowances:** In addition to the above Basic Salary and Commission, she shall be entitled to the following Perquisites, Allowances and facilities:
 - a. **Special Allowance :** Rs. 7,40,000 (Rupees Seven Lac Forty thousand only) per month with an annual increase of 20%;
 - b. **House Rent Allowance:** House Rent Allowance equivalent to 50% of her Basic Salary alongwith free use of all the facilities and amenities;
 - c. **Medical Reimbursement:** Reimbursement of actual medical expenses incurred by Mrs. Munjal and her family (*"family" means the spouse, dependent children and dependent parents*);;
 - d. **Club Fees:** Actual fees of clubs will be reimbursed by the Company;
 - e. **Personal Accident Insurance:** Actual premium, as per rules, to be paid by the Company;
 - f. **Insurance of House-hold goods:** Annual premium, as per rules, to be paid by the Company;
 - g. **Mediclaim Insurance Policy:** Coverage with Insurance Company as per Company Rules for hospitalisation of self and family as defined in clause (c) above;
 - h. **Car:** Facility of car with driver as per Company rules;
 - i. **Telephone/Mobile:** Free use of Telephone and Mobile Service including internet facilities.
 - j. **Leave:** Actual Leaves and its accumulations as per the rules of the Company;
 - k. **Reimbursement of expenses:** Reimbursement of entertainment, travelling, hotel and other expenses incurred at actual for the business of the Company;
 - l. **Contribution to Provident Fund, Superannuation Annuation and Annuity Funds:** Company's contribution to Provident and Superannuation funds and Annuity Funds will be as per the rules of the Company; and
 - m. **Gratuity:** Not exceeding fifteen days salary for each completed year of service as per the Rules of the Company.
- IV. **Minimum Remuneration:** If in any financial year during the currency of tenure of Mrs. Munjal as the



Managing Director of the Company, the Company has no profits or its profits are inadequate, she shall be entitled to minimum remuneration by way of Basic Salary, Perquisites, allowances, not exceeding the ceiling limit as prescribed with in the provision of Schedule V of the Act and in addition thereto, she shall also be eligible to the perquisites not exceeding the limits specified, in the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as Minimum Remuneration, whichever is higher.

Mr. Brijmohan Lall Munjal and Mr. Pawan Munjal, being related to Mrs. Renu Munjal shall be deemed to be interested / concerned alongwith Mrs. Renu Munjal in the resolution contained under Item No. 5 of the notice.

Except above, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Special Resolution set out at Item No.5.

The Board of Directors of your Company thus recommend passing of the aforesaid Special Resolution at Item No.5.

Item No.6

Mr. Abhimanyu Munjal was appointed as Chief Operating Officer ("COO") of the Hero FinCorp Ltd. ("the Company") effective April 05, 2014 and the necessary approval from the Members were taken by way of Special Resolution passed at 23rd Annual General Meeting held on September 19, 2014.

After his graduation, he joined and took positions such as Investment Advisor of ABN Amro Bank, New Delhi. Before joining Hero FinCorp Ltd., he held the position of Dy. C.E.O at Rockman Industries Ltd. He brings with him rich and diversified experience in financial sector. Under his dynamic leadership, the Company has achieved several milestones including profit and share capital.

The Audit Committee and Nomination and Remuneration Committee at its meetings held on May 5, 2015 respectively commended his elevation as Chief Executive Officer to the Board of Directors ("Board").

Accordingly, the Board at its meeting held on May 5, 2015 commended his elevation as the Chief Executive Officer of the Company with effect from September 15, 2015, subject to the passing of Special Resolution of the members in the General Meeting on the same terms and conditions as approved by the members in their 23rd AGM held on September 19, 2014.

As per the provisions of Section 188(1)(f) of the Act, the aforesaid appointment shall be termed as Related Party Transaction as Mrs. Renu Munjal, Managing Director of the Company is related to Mr. Abhimanyu Munjal as his mother.

Mrs. Renu Munjal may be deemed to be interested/ concerned in the Resolution contained under Item No.6 of the Notice.

Except above, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Special Resolution set out at Item No.6.

The Board of Directors of your Company recommends passing of the aforesaid Special Resolution set out at Item No.6.

By Order of the Board
for Hero FinCorp Ltd.

Tribhuwan K. Johari
COMPANY SECRETARY
ACS - 18842

Address - Flat No. 10, Bldg No. 5,
1st Avenue, Ghitorni,
New Delhi - 110030

May 05, 2015
New Delhi

Registered Office:

34, Community Centre,
Basant Lok, Vasant Vihar,
New Delhi - 110030

CIN: U74899DL1991PLC046774

Phone: 011-4604 4100 **Fax:** 011-49487197

E-mail: tribhuwan.johari@herofincorp.com

Website: www.herofincorp.com

Hero FinCorp Ltd.

Mission

To become an NBFC that provides world-class financing solutions with renewed focus on expanding its parent company's footprint and years' long trust in the global arena by adding value to its customers, dealers, channel partners and other stakeholders through Innovation and Teamwork.

Vision

To build Nextgen Ultra Lean Credit Champion

Values

Trust and Respect
Humility
Integrity
Speed and Innovation
Excellence through Team Work



FINANCIAL HIGHLIGHTS

(Rupees in 000's)

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Total Income	474,824	584,131	586,850	791,623	1,208,184	2,986,224
Growth in Income - %	5.09	23.02	0.46	34.89	52.61	147.10
Profit before Tax (PBT)	237,476	228,992	218,442	283,828	228,377	501,971
Profit after Tax (PAT)	155,503	156,579	140,719	190,439	149,848	331,459
Share Capital	90,500	90,500	90,500	181,000	181,000	452,500
Reserves and Surplus	743,339	794,737	830,275	1,970,964	1,993,700	5,061,800
Total Debt	1,780,000	1,677,307	3,107,661	5,348,300	9,128,700	24,922,100
Net Fixed Assets	494,706	617,254	628,704	704,046	690,200	789,600
Dividend - %	100	100	100	30	30	20*
Earning per Share(EPS) (In Rs.)	17.18	17.30	15.55	18.29	8.27	8.53

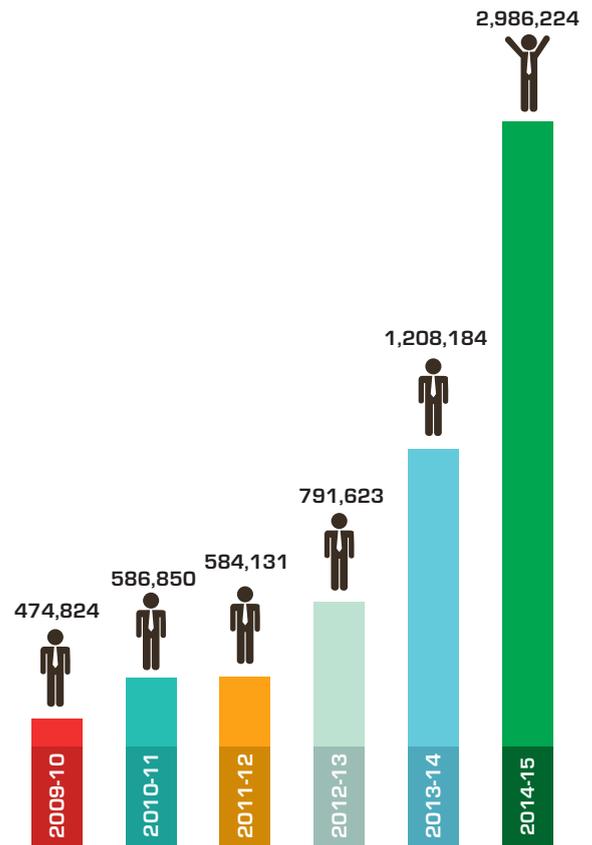
* Proposed Dividend

Total Income

(Rupees in 000's)

Year	Total Income
2009-10	474,824
2010-11	584,131
2011-12	586,850
2012-13	791,623
2013-14	1,208,184
2014-15	2,986,224

■ Total Income

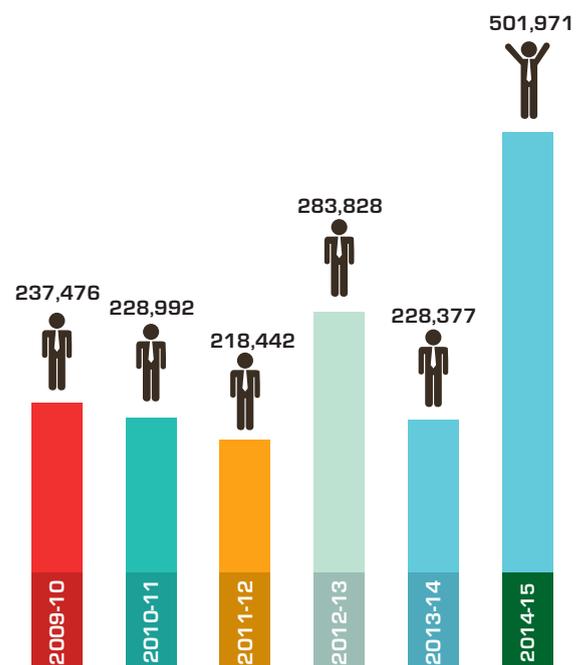


Profit before tax (PBT)

(Rupees in 000's)

Year	Profit before tax (PBT)
2009-10	237,476
2010-11	228,992
2011-12	218,442
2012-13	283,828
2013-14	228,377
2014-15	501,971

■ Profit before tax (PBT)



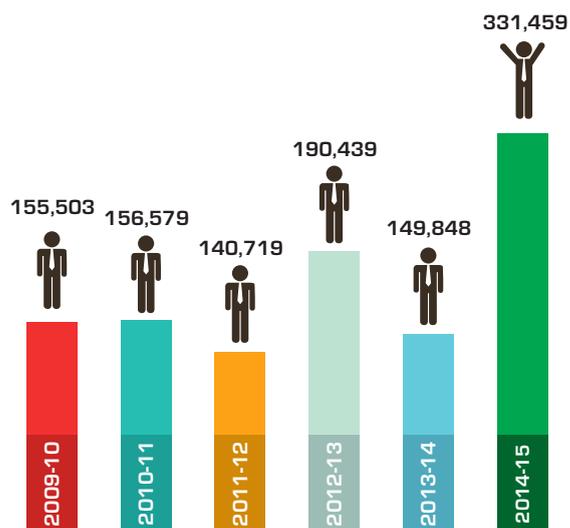


Profit After Tax (PAT)

(Rupees in 000's)

Year	Profit After Tax (PAT)
2009-10	155,503
2010-11	156,579
2011-12	140,719
2012-13	190,439
2013-14	149,848
2014-15	331,459

■ Profit After Tax (PAT)



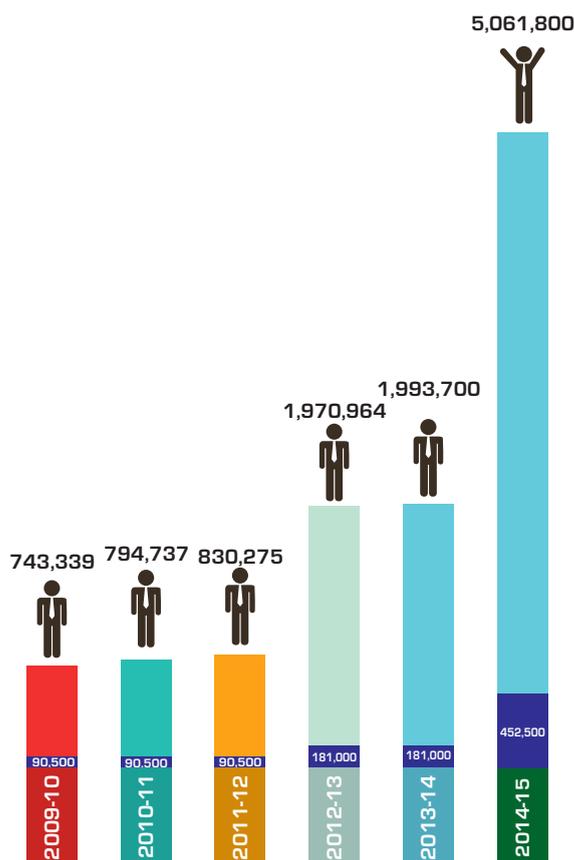
Share Capital vis-a-vis Reserves

(Rupees in 000's)

Year	Share Capital	Reserves and Surplus
2009-10	90,500	743,339
2010-11	90,500	794,737
2011-12	90,500	830,275
2012-13	181,000	1,970,964
2013-14	181,000	1,993,700
2014-15	452,500	5,061,800

■ Reserves and Surplus

■ Share Capital



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Industry structure and developments

Non deposit taking NBFC's have been prevalent and systemically important in the Indian financial services space for many years. NBFC's have been able to leverage lower cost structures vis-a-vis their banking counterparts and thus increase the breadth of financing available to the general populace.

The operations of NBFCs are regulated and supervised by the RBI vide powers conferred under Chapter III B of Reserve Bank of India Act, 1934. The Regulatory and supervisory framework for NBFCs has been continuously strengthened by limiting excessive risk taking practices and protecting the interest of stakeholders in order to ensure strong and healthy functioning.

Forward thinking NBFCs have embraced the power of technology to serve their customers better. Your company is on the forefront of this technology revolution and now runs all businesses on an advanced technology platform.

2. Opportunities and Threats

Your company is on an unparalleled growth trajectory. Opportunities can be classified into 3 main categories, 1) Increase in business lines, 2) Growth within business lines, 3) Increase in operational efficiency.

Currently, Hero FinCorp provides 2 wheeler financing, inventory funding, loans to MMEs and SMEs along with Loan Against Property. There is potential to diversify into several other financing verticals for which plans are already being drawn up. Moreover, there is significant headroom to increase business within these business lines as penetration is fairly low. For example, in two wheeler financing, there is an organic growth potential to about 10 lakh units of which we are serving only 2.5 lakh currently. Finally, there is a huge opportunity to increase operational efficiency within various functions, using technology, to improve customer sourcing and customer service thus leading to customer retention.

As internal controls are considerably watertight, most threats faced by your company are external and linked to industry performance. A downswing in certain customer industries could lead to slowdown of our financing business within that segment. Also, interest rate threats owing to macroeconomic conditions can impact the borrowing pattern of your company.

3. Financial, Operational and segment wise performance

During the year under review, the total revenue has shown an impressive growth of 147% from Rs. 12,082 lacs in 2013-14 to Rs. 29,862 lacs in 2014-15. Profit before tax (PBT) increased by 198% from Rs. 2,284 lacs in 2013-14 to Rs. 5,020 lacs in 2014-15, so also the Profit after tax (PAT) registered an increase of 121% from Rs. 1,498 lacs in 2013-14 to Rs. 3,315 lacs in 2014-15.

Your Company has a Capital Adequacy Ratio (CAR) of 17.7% as on March 31, 2015, thus depicting the positive growth trajectory of the Company coupled with the financial stability thereof.

Both business lines have performed exceptionally well in FY15. We had projected reaching a dealer base of 562 dealerships as per the retail finance business plan. Your company exceeded this target and is present at 620 dealerships as at March 31st, 2015. Over 2.26 Lac two wheeler loans have been disbursed in FY15. The Corporate Finance business line was able to show a 110% growth in its asset book.

Hero FinCorp in August 2012 had an Asset Book of about Rs. 350 Cr. By March '15, the Company grew this number to Rs. 3,050 Cr. The Corporate Finance vertical has disbursed over Rs. 1,600 Cr. this year. To put this in perspective, the total Asset Book in FY 14 was Rs. 1,100 Cr. The Retail Finance team has disbursed over 2.25 Lakh units this year. Retail Credit has processed upwards of 3 lakh logins. Retail Operations has served over 2.75 lakh customers since the inception of business.



4. Future Outlook

FY16 will see your company continuing on its robust growth path. Retail financing is expected to contribute upwards of 25% to the asset book. The retail business will also add on another 110 dealerships by March'16 resulting in a total dealer base of 730 dealers thus covering over 80% of Hero MotoCorp's dealer base. The Corporate Business line is expected to contribute the remaining 75% to the asset book by adding on new products (eg. LAP), and diversifying into other industries (eg. SME). Our shareholders are expected to infuse and additional Rs. 400 Cr. of equity to ensure that this expansion stays on track.

This is going to be a defining year for Hero FinCorp as we now intend to capitalize on the investments made in FY15. Despite this growth, we will continue to adhere to our underlying values of prudent credit buying and effective financial management.

5. Risks and Concerns

Effective risk management is essential to success and is an integral part of our culture. While we need to accept a level of risk in achieving our goals, sound risk management helps us to make the most of each business opportunity, and enables us to be resilient and respond decisively to the changing environment.

Our approach to risk management assists us in identifying risks early and addressing them in ways that manage uncertainties, minimize potential hazards, and maximize opportunities for the good of all our stakeholders including shareholders, customers, suppliers, regulators and employees. Risks can be broadly classified as Strategic, Operational, Financial, and Legal/Regulatory.

6. Internal Control Systems and their adequacy

Internal Control Culture is pervasive in the company. The Company has a comprehensive internal control system for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The Internal Control system basically covers the area of Accounting Control, Compliance Audit at regular intervals by the Internal Auditor.

The Internal Auditors also assesses opportunities for improvement in business processes, systems and controls, provides recommendations, designed to add value to the organization and follow up the implementation of corrective actions and improvements in business processes after review by the Audit Committee.

7. Material development in Human resources

Your Company has seen incredible growth in human capital in FY15. We had opened the year with 175 employees and have grown this number to over 350 employees. People have been added across grades and several middle to senior managers have been added to strengthen the operating and leadership team. A highly effective rewards and recognition program has also been inculcated. Your Company is compliant across all human resource linked policies as required by the Reserve Bank of India as well as the Government of India and values human capital as its most important resource.

BOARDS' REPORT

Dear Members,

We, the Directors of Hero FinCorp Ltd., are delighted to present the 24th Annual Report for the financial year 2014-15. The Report is being presented along with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2015.

FINANCIAL RESULTS

(Rupees in 000's)

	For the year ended March 31, 2015	For the year ended March 31, 2014
Total Revenue	2,986,224	1,208,184
Profit before Finance Costs, Depreciation & Amortization Expense	1,625,433	749,891
Less: Finance Costs	977,362	407,673
Depreciation & Amortization Expense	146,100	113,848
Profit before tax	501,971	228,370
Less: Provision for tax		
Current	193,884	79,270
Deferred	(23,372)	(736)
Profit after tax	331,459	149,836
Add: Balance of profit brought forward	194,733	153,432
Balance available for appropriation	526,192	303,268
Appropriations		
Dividend (Rs.) – Proposed	90,500	54,300
Corporate Dividend Tax – Current year	18,424	9,235
Transfer to Statutory Reserve	66,200	30,000
Transfer to General Reserve	33,100	15,000
Other Adjustments	1,700	-
Balance carried to Balance Sheet	316,268	194,733
Dividend (%) (Proposed)	20	30
Basic and Diluted Earnings per Share (EPS) (Rs.)	8.53	8.27

OPERATIONS

During the year under review, the total revenue has shown an impressive growth of 147% from Rs. 12,082 lacs in 2013-14 to Rs. 29,862 lacs in 2014-15. Profit before tax (PBT) increased by 198% from Rs. 2,284 lacs in 2013-14 to Rs. 5,020 lacs in 2014-15, so also the Profit after tax (PAT) registered an increase of 121% from Rs. 1,498 lacs in 2013-14 to Rs. 3,315 lacs in 2014-15.

The major role in the growth in overall financing activities was played by Company by entering into retail financing

from this year and earned 8,251 lacs, the Income earned from Bills Discounting, which registered an increase of 34% from Rs. 4,013 lacs in 2013-14 to Rs. 5,382 lacs in 2014-15. Similarly the Income from interest on short term loan and advances has also shown an increase of 21.6% from Rs. 1,731 lacs in 2013-14 to Rs. 2,106 lacs in 2014-15.

Your Company has a Capital Adequacy Ratio (CAR) of 17.7% as on March 31, 2015, thus depicting the positive growth trajectory of the Company coupled with the financial stability thereof.



FUTURE OUTLOOK

Hero FinCorp has mainly been engaged in providing Financial Services to the Automotive Manufacturing Industry. In FY15, your Company trajected a growth path with new lines of business and products being established. Hero FinCorp has forayed into active financing of Hero MotoCorp's vendor and supplier base. Several new products such as Term Loans and Working Capital Loans have been added to the product suite and are being offered to the Hero eco-system.

Both business lines have performed exceptionally well in FY15. We had projected reaching a dealer base of 562 dealerships as per the retail finance business plan. Your Company exceeded this target and is present at 620 dealerships as at March 31st, 2015. Over 2.26 Lac two wheeler loans have been disbursed in FY15. The Corporate Finance business line was able to show a 110% growth in its asset book.

As on March'14 Hero FinCorp had an asset book of Rs. 1,100 Cr. and by March'15 the Asset Book stands at Rs. 3,050 Cr. The Corporate Finance vertical has disbursed over Rs. 1,600 Cr. this year. To put this in perspective, the total Asset Book in March' 14 was Rs. 1,100 Cr. The Retail Finance team has disbursed over 2.25 Lakh units this year. Retail Credit has processed upwards of 3 lakh logins. Retail Operations has served over 2.75 lakh customers since the inception of business.

FY16 will see your Company continuing its robust growth path. Retail financing is expected to contribute upwards of 25% to this asset book. The retail business will also add on another 110 dealerships by March'16 resulting in a total dealer base of 730 dealers thus covering over 90% of Hero MotoCorp's dealer base. The Corporate Business line is expected to contribute the remaining 75% to the asset book by adding on new products (eg. LAP), and diversifying into other industries (eg. SME). Our shareholders are expected to infuse and additional Rs. 400 Cr. of equity to ensure that this expansion stays on track.

This is going to be a defining year for Hero FinCorp as we now intend to capitalize on the investments made in FY15. Despite this growth, we will continue to adhere to our underlying values of prudent credit buying and effective financial management.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Non-Banking Finance Companies (NBFCs) are an integral part of the Country's Financial System because of their complementary as well as competitive role. The operations of NBFCs are regulated and supervised by the RBI vide powers conferred under Chapter III B of Reserve Bank of India Act, 1934. They act as a critical link in the overall financial system catering to a large market of niche customers.

The Regulatory and supervisory framework for NBFCs has been continuously strengthened by limiting excessive risk taking practices and protecting the interest of stakeholders in order to ensure strong and healthy functioning.

Your Company has a Capital Adequacy Ratio (CAR) of 17.6% as on March 31, 2015, depicting the positive growth trajectory of the Company coupled with the financial stability thereof.

DIVIDEND

Keeping in view of the philosophy of the Company to reward its shareholders and to continue the tradition of recommending dividend, the Board of Directors are pleased to recommend a Dividend of 20% (Rs.2/- per Equity Share) for the Financial Year 2014-15 (Rs.3/- per Share in the previous year). The total amount of Dividend proposed to be distributed aggregates to Rs. 1089 Lacs (Including Dividend Tax). The Dividend payout ratio comes to 20%.

TRANSFER TO GENERAL AND STATUTORY RESERVE

Your Directors are pleased to report that with a view to reinforcing the financial strength of the Company, a sum of Rs. 331 lacs being 20% is mandatory as per Section 45IC-P.T.O. of the Profit after tax of the year under review, has been transferred to the General Reserve of the Company.

Further, an amount of Rs. 662 lacs (being 20% of net profit) was transferred to Statutory Reserve of the Company pursuant to Section 45 IC of the Reserve Bank of India Act, 1934.

DIRECTORS

In terms of the provisions of Article of Articles of Association of the Company, Mr. Pawan Munjal, Director of the Company shall retire by rotation and being eligible, offered himself for re-appointment as Director at the

ensuing Annual General Meeting. Your Directors place on record their deep appreciation for his contribution and recommends his re-appointment.

The term of appointment of Mrs. Renu Munjal, Managing Director of the Company is going to expire in the month of August this year. The Board and Nomination and Remuneration Committee in its meetings held on May 05, 2015 has approved her re-appointment subject to the approval of shareholders of the Company.

KEY MANAGERIAL PERSONNEL

The Board had appointed the following as the Whole Time Key Managerial Personnel ("WKMP") of the Company with effect from April 1, 2014:

- | | |
|----------------------------|--|
| 1. Mrs. Renu Munjal | Managing Director |
| 2. Mr. Shyam Lal | Chief Financial Officer |
| 3. Mr. Tribhuwan K. Johari | Company Secretary & Compliance Officer |

Further the following Directors were appointed as Independent Directors of the Company pursuant to Section 149 and other applicable provisions of the Act:

- | | |
|------------------------|----------------------|
| 1. Mr. D. N. Davar | Independent Director |
| 2. Mr. Pavninder Singh | Independent Director |

ELEVATION OF MR. ABHIMANYU MUNJAL FROM CHIEF OPERATING OFFICER ("COO") TO THE CHIEF EXECUTIVE OFFICER ("CEO") AND KMP

During the current financial year Mr. Abhimanyu Munjal was appointed as Chief Operating Officer of the Company effective from April 05, 2014 by the Board of Directors of the Company and was approved by the shareholders of the Company at its meeting held on September 19, 2014.

Subsequently, the Nomination & Remuneration Committee and Audit Committee in meetings held on May 05, 2015 respectively, commended his elevation as the Chief Executive Officer and KMP from the post of Chief Operating Officer with effect from September 15, 2015 with the same terms and conditions including remuneration as approved in the 23rd AGM held on September 19, 2015.

CORPORATE GOVERNANCE

The report on Corporate Governance is annexed as **Annexure - A** and forms part of this Annual Report.

The Company is committed to maintain the high standards of Corporate Governance. The Company has also implemented several Best Corporate Governance Practices.

NUMBER OF BOARD MEETINGS

The Board of Directors met 5 (five) times during the Financial year 2014-15. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 134 (5) of the Companies Act 2013, the Directors state:

- (i) that in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2015, the applicable Accounting Standards have been followed along with proper explanation relating to material departures in the Auditor Report and Notes to Accounts;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the Annual Accounts on a "going concern" basis.
- (v) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

In accordance with Section 149 (6) of Companies Act, 2013, the Independent directors have submitted the



declaration of Independence, as required pursuant to section 149 (7) of the Companies Act, 2013, stating that they meet the criteria of independence.

NOMINATION & REMUNERATION COMMITTEE

During the year Company has changed the nomenclature of the Committee as "Nomination and Remuneration Committee" from "Remuneration Committee" at the meeting of the Board of Directors held on May 26, 2014.

The Company follows a laid out policy in respect of remuneration of Directors, KMP and Senior Management Employees. The Policy has been approved by the Nomination & Remuneration Committee and the Board at its meeting held on February 16, 2015. More details on the same is given under the Corporate Governance Report.

FIXED DEPOSITS

The Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the date of the Balance Sheet.

CORPORATE SOCIAL RESPONSIBILITY

During the year the Company has undertaken the CSR activities and complied all the provisions of Section 135 in accordance with Companies Act, 2013. The details of CSR activities including the details of expenditure and CSR Committee provided in the **Annexure –B**.

The Corporate Social Responsibility Committee of the Company formulated the CSR Policy for the Company indicating the activities to be undertaken by the Company. The CSR Policy has been approved by the Board of Directors in their meeting held on February 16, 2015.

The CSR Committee has been entrusted with the prime responsibility of recommending to the Board and monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

AUDITORS

M/s. Deloitte Haskins & Sells, Chartered Accountants, Gurgaon, Statutory Auditors were appointed for 4 (four) Financial Years upto FY 2017-18 and in view of the provisions of the Act, their appointment needs to be ratified annually. Your Company has received an eligibility letter from the auditors to the effect that the ratification of their appointment, would be in accordance with Section 139 and 141 of the Act. The Board recommends the ratification of their appointment.

AUDITORS' REPORT

The observations of Auditors in their Report, read with notes to the accounts are self explanatory and therefore do not require further comments/elaborations pursuant to section 134 of the Act.

RAISING OF FUNDS/ CAPITAL

A. SECURED NON CONVERTIBLE DEBENTURES

In the month of April, 2015, your Company issued Secured Non- convertible Debentures to the tune of Rs.143.4 crores repayable at the end of 3rd year from the date of issue on a private placement basis. The said Debentures had also been listed on the National Stock Exchange of India Limited.

B. ISSUE OF EQUITY SHARES ON RIGHTS BASIS

The Company, to augment the need of long term fund requirements, came out with an issue of 33,957,500 equity shares of Rs. 10 each alongwith premium of Rs. 110 on Rights basis to the existing equity shareholders holding shares as on July 15, 2015 the Record date fixed for the said purpose for an aggregate amount of Rs. 407.25 Cr. in the ration of 3 (three) equity shares for every 4 (four) fully paid equity shares with closer date of August 4, 2015. The issue was fully subscribed and allotment was made.

LOAN, GUARANTEES AND INVESTMENT

Since the Company is engaged in the business of financing, the provisions of Section 186 of the Companies Act, 2013 pertaining to the loan, guarantees and investments etc. is not applicable pursuant to the sub-section II(a) of the said section.

RELATED PARTY TRANSACTION AND POLICY

All related party transactions pursuant to Section 188(1) of the Act that were entered into during the Financial Year were on an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions made by your Company with its Promoters, Directors, Key Managerial Personnels or other designated persons which might have a potential conflict with the interest of the Company at large.

Related Party Transactions were placed before the Audit Committee for its approval. There was no matter requiring approval of the Board therefore no detail is required to be provided in AOC-2. Your Company has developed

Standard Operating Procedures for the purpose of identification of Related Party Transactions and monitoring on a regular basis. Related party transactions were disclosed to the Board on a regular basis as per AS-18

The Board has also approved a policy on Related Party Transactions.

None of the Directors has any pecuniary relationships or transactions vis-a-vis the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed chapter on, 'Management Discussion and Analysis' (MDA), is annexed and forms part of this Annual Report.

VIGIL MECHANISM

Your Company has in place a well formulated Vigil Mechanism to deal with instance of fraud and mismanagement, if any. The policy enables the employees, Directors and other stakeholders to raise their concern. There was no incident when the access to the Audit Committee was denied to any employees with respect to vigil mechanism.

MATERIAL CHANGES AND COMMITMENTS

No other material changes and commitments affecting the Financial position of the Company have occurred between April 1, 2015 and the date on which this Report has been signed.

INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE

Your Company, being engaged in leasing and financing business within the Country, does not have any activity relating to conservation of energy, technology absorption and export of materials, goods or services.

Particulars required to be furnished under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are as under:

- I. Parts A and B pertaining to conservation of energy and technology absorption are not applicable to the Company.
- II. Foreign Exchange earnings and outgo:
Earnings – Rs. NIL
Outgo – Rs. 58 lacs on account of interest, travel etc. (Previous year Rs. 31 lacs).

RISK MANAGEMENT

Effective risk management is essential to success and is an integral part of our culture. While we need to accept a level of risk in achieving our goals, sound risk management helps us to make the most of each business opportunity, and enables us to be resilient and respond decisively to the changing environment.

Our approach to risk management assists us in identifying risks early and addressing them in ways that manage uncertainties, minimize potential hazards, and maximize opportunities for the good of all our stakeholders including shareholders, customers, suppliers, regulators and employees. Risks can be broadly classified as Strategic, Operational, Financial, and Legal/Regulatory.

SECRETARIAL AUDITOR & REPORT

M/s. Aditi Agarwal & Associates, Company Secretaries, New Delhi, Secretarial Auditors of the Company has been re-appointed at the Board Meeting held on May 05, 2015. The Company has received a certificate from the Secretarial Auditors to the effect that their re-appointment, if made, would be in accordance with the provisions of the Companies Act, 2013. The Secretarial Audit Report is annexed as **Annexure - C**. The observations of Secretarial Auditors in their Report are self explanatory and therefore do not require further explanation pursuant to section 134 of the Act.

ANNUAL EVALUATION-BOARD AND ITS COMMITTEES

The Nomination and Remuneration ("NR") Committee has laid down proper criteria and procedure to evaluate and scrutinize performance of the Chairperson, each director (including Executive, Non-Executive and Independent directors), of the Board as a whole and its Committee.

The criteria include different aspects covered under Administrative, Strategic, Operational and Compliance headings.

As per laid down procedure, the Independent Directors held a separate meeting to review the performance of the Chairperson of the Company after taking into account the views of Executive and Non Executive Directors. The substantial, and continuing, contribution of the Chairperson in the growth of the Company has been highly commended. The Independent Directors also reviewed performance of every Executive and Non Executive Director of the Board. The performance



evaluation of each Independent Director was done by the entire Board (except the Independent Directors being evaluated).

The performance of each committee has been evaluated by its members and found to be highly satisfactory.

On the basis of this exercise, the NR Committee and the Board, after recognising the important contribution being made by each Independent Directors have decided that all Independent Directors should continue to be on the Board.

INTERNAL CONTROL SYSTEMS

Internal Control Culture is pervasive in the company. The Company has a comprehensive internal control system for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The Internal Control system basically cover the area of Accounting Control, Compliance Audit at regular intervals by the Internal Auditor.

The Internal Auditors also assesses opportunities for improvement in business processes, systems and controls, provides recommendations, designed to add value to the organization and follow up the implementation of corrective actions and improvements in business processes after review by the Audit Committee.

EXTRACTS OF ANNUAL RETURN

In accordance with the requirement of Section 92 read with Rule 12 of Companies (Management and Administration) Rules, 2014 of Companies Act, 2013 the extracts of the annual return in Form MGT 9 is attached as **Annexure-D**.

AUDIT COMMITTEE

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the Company has an Audit Committee comprising three Directors out of which two-third are Non-Executive. The Chairman of the Committee is an Independent Director. The Committee regularly interacts with the Statutory Auditors, Internal Auditors and Auditees in dealing with matters falling within its terms of reference. The Audit Committee mainly deals with

matters relating to Accounting, Financial Reporting and Internal Controls. Adhering to the provisions of the Companies Act, 1956, the Committee met 4 (four) times during the year.

Pursuant to the provisions of Companies Act, 2013, the terms of reference of the existing Audit Committee was changed as below:

- a) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- b) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- c) examination of the financial statement and the auditors' report thereon;
- d) approval or any subsequent modification of transactions of the company with related parties;
- e) scrutiny of inter-corporate loans and investments;
- f) valuation of undertakings or assets of the company, wherever it is necessary;
- g) evaluation of internal financial controls and risk management systems;
- h) monitoring the end use of funds raised through public offers and related matters.
- i) Operate the Vigil Mechanism in the Company.

AUDIT COMMITTEE RECOMMENDATION

None during the period under review.

RATINGS

During the year under review, the following Credit Ratings were assigned:

ICRA Limited

Rating	Pronounced	Amount	Program/Category	Outlook
"[ICRA]AA+"	ICRA double A Plus	925 Crore	Line(s) of Credit Long term rating	Stable
"[ICRA]A1+"	ICRA A one plus	75 Crore	Line(s) of Credit Short term rating	-
"[ICRA]A1+"	ICRA A one plus	250 Crore	Commercial Papers STD Programme	Stable
"[ICRA]AA+"	ICRA double A Plus	250 Crore	Non Convertible Debentures (NCD)	Stable

Hero FinCorp Ltd.

CRISIL

Rating	Pronounced	Amount	Program/Category	Outlook
"FAAA/ Stable"	"F triple A		Fixed Deposit Programme	Stable
"CRISIL AA+/ Stable"	"CRISIL double A Plus	250 Crore	NCD	Stable
CRISIL AA+/ Stable	"CRISIL double A Plus	487 Crore	Long term rating	Stable
CRISIL A1+	CRISIL A one plus	513 Crore	Short term rating	-
CRISIL A1+	CRISIL A one plus	600 Crore	Short term debt Programme	-

FIXED DEPOSITS

During the year under review, the Company has not accepted any deposit(s) under Sections 73 of the Companies Act 2013, read with the Rules made thereunder.

PARTICULARS OF EMPLOYEES

Your Directors place on record their appreciation for the significant contribution made by all employees, who through their competence, dedication, hard work, co-operation and support have enabled the Company to cross new milestones on a continual basis.

A detailed note on personnel is given in the Management Discussion and Analysis, which forms part of this Annual Report.

The submission of particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable on your Company.

STATUTORY DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Deposit from the public falling within the ambit of Section 73 of the Act and rules made thereof.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 (SHWWA)

Your Directors, further state that during the year under review, there were no cases filed, pursuant to the SHWWA and rules made thereof.

ACKNOWLEDGEMENT

The Board of Directors acknowledge with gratitude the co-operation and assistance extended by its Bankers, Customers, Associates and Employees. The Board also takes this opportunity to express its deep gratitude for the continued co-operation and support received from the shareholders.

By Order of the Board
for Hero FinCorp Ltd.



Brijmohan Lall Munjal
Chairman
DIN:00004134

May 05, 2015
New Delhi

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Basant Lok, Vasant Vihar,
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CORPORATE GOVERNANCE REPORT

“Corporate Governance” refers to a combination of laws, regulations, procedures, implicit rules and voluntary practices that enable Companies to attract financial and human capital perform efficiently and thereby maximize long term value for shareholders, while respecting the aspect of multiple stakeholders, including society at large.

Corporate Governance is not a matter of just complying with the check-list, it is integral to the very existence of a Company. It strengthens investors’ trust and ensures long-term partnership that helps in fulfilling a Company’s quest for higher growth and profits. Corporate Governance rests upon the four pillars of transparency, full disclosure, independent monitoring and fairness to all, especially to minority shareholders. A good Corporate Governance policy should also ensure the following:

- ✍ A competent Management team is at the helm of affairs;
- ✍ The Board of Directors (Board) is strong with an optimum combination of Executive and Non- Executive (including Independent) Directors, who represent the interest of all stakeholders;
- ✍ The Board effectively monitors the management’s progress, takes all key Corporate decisions;
- ✍ The Board is aware of the concerns of the Company’s shareholders;
- ✍ The Management and employees have a stable environment; and

In a nutshell, the essence of Corporate Governance lies in the phrase “Your Company”. It is “Your” Company because it belongs to you, the Shareholders. The Chairman and Directors are “Your” fiduciaries and trustees. Their objective is to take the business forward to maximize “Your” long-term wealth.

Your Company has been promoted by Hero MotoCorp Ltd. which is committed to benchmark itself with global standards in all areas including Corporate Governance. Towards this end, Your Company also deems it appropriate to incorporate in its Annual Report, disclosures on the Board and financial performance under this head of Corporate Governance. Though, the disclosures under this head are **not mandatorily** required to be given under any law, but the Company has endeavored to voluntarily provide the disclosures, to the extent possible, in line with Clause 49 of the Listing Agreement, as applicable to Listed Companies.

BOARD OF DIRECTORS

The business of the Company is managed by the Board. The Board formulates the strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis.

Hero FinCorp Ltd.

COMPOSITION OF THE BOARD

As on March 31, 2015, the Company's Board consists of five Directors, which includes one Executive Director, two Non-Executive Directors and two Non-executives and Independent Director. Details of composition of the Board, number of meetings held during their tenure and attended by them during the financial year 2014-15 etc. is given in Table 1.

Table 1: DETAILS ABOUT COMPANY'S BOARD / ATTENDANCE RECORD DURING FINANCIAL YEAR 2014-15

Name of the Directors	No. of Board Meetings		Attendance at last AGM	No. of outside Directorships held	No. of Committee Chairmanships held	No. of Committee Memberships (including Chairmanships) held
	Held	Attended				
Executive						
Mrs. Renu Munjal	5	5	Yes	3	None	1
Non-Executive						
Mr. Brijmohan Lall Munjal	5	5	Yes	4	None	1
Mr. Pawan Munjal	5	5	No	3	None	1
Non-Executive and Independent						
Mr. D. N. Davar	5	5	Yes	9	5	9
Mr. Pavninder Singh*	5	3	No	1	None	None

*Appointed w.e.f. May 26, 2014

Directorship Details are as of April 1, 2015

Note: the disclosure includes membership/chairmanship of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee in the Indian Public Companies (Listed and Unlisted) has been considered.

Mrs. Renu Munjal is wife of late Shri Raman Kant Munjal son of Shri. Brijmohan Lall Munjal and brother of Shri. Pawan Munjal.

PECUNIARY RELATIONSHIP

There is no pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company, apart from the sitting fees received by them for attending the meetings of the Board or Committee(s) thereof.

BOARD MEETINGS

During 2014-15, the Board met 5 (five) times on Friday, April 4, 2014; Monday, May 26, 2015; Wednesday, September 10, 2014; Tuesday, November 18, 2014 and Monday, February 16, 2015 respectively.

INFORMATION SUPPLIED TO THE BOARD

Agenda papers along with the necessary documents and information are circulated to the Board and the members

of the Board Committee(s) well in advance of each meeting of the Board and Committee(s) thereof. In addition to the general business items, the following items/information is regularly placed before the Board to the extent applicable:

- ✍ Annual Budget/Business Plan;
- ✍ Strategic business proposal or activities to be undertaken;
- ✍ Purchase and disposal of major fixed assets;
- ✍ Quarterly and half yearly results of the Company;
- ✍ Minutes of the meetings of the Board Committee(s);
- ✍ Any material defaults in financial obligations to and by the Company for substantial nonpayments;



- ✍ Sale of material nature of investments and assets, which are not in the normal course of business;
- ✍ Reports on Internal Controls Systems and Internal Audit Reviews; and
- ✍ Related Party Transactions;

RISK MANAGEMENT

The Company has established effective risk assessment and minimization procedures, which are reviewed by the Risk Management Committee quarterly. There is a structure in place to identify and mitigate various risks faced by the Company from time to time. At the meeting of the Risk Management Committee, the same is reviewed and new risks are identified and after their assessment, their controls are designed, put in place with specific responsibility of the concerned person for its timely achievement.

BOARD LEVEL COMMITTEES

AUDIT COMMITTEE

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the Company is required to have an Audit Committee, with at least two - third of the members being Non-Executive Directors.

As on March 31, 2015 the constitution of the Audit Committee was as under:

Name of the Directors	Position Held
Mr.D.N.Davar	Chairman
Mr.Brijmohan Lall Munjal	Member
Mrs.Renu Munjal	Member
Mr.Pavninder Singh	Member

As required out of the abovementioned four members, two members are Non-Executive Directors and thus the present constitution of the Committee is in line with the requirements of Section 177 of the Companies Act, 2013. The Chairman of the Committee, Mr. D. N. Davar, being the Ex-Chairman of India's renowned financial institution – IFCI Limited, possesses rich and varied experience and knowledge in the field of finance. The other members of the Committee are also experienced and are heading the industrial and service sectors. The "terms of reference" of the Audit Committee as revised in the meetings of the Board of Directors of the Company held on May 26, 2014, includes the following:

- a) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- b) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- c) examination of the financial statement and the auditors' report thereon;
- d) approval or any subsequent modification of transactions of the company with related parties;
- e) scrutiny of inter-corporate loans and investments;
- f) valuation of undertakings or assets of the company, wherever it is necessary;
- g) evaluation of internal financial controls and risk management systems;
- h) monitoring the end use of funds raised through public offers and related matters; and
- i) Operate the Vigil Mechanism in the Company.

The Chief Financial Officer and Chief Operating Officer of the Company and representatives of the Internal Auditors and the Statutory Auditors also attend the meetings of the Committee on the invitation of the Chairman.

During the year the Audit Committee met 6 (Six) times Friday, April 4, 2014; Monday, May 26, 2015; Wednesday, September 10, 2014; Tuesday, November 18, 2014 and Monday, February 16, 2015; and Friday March 27, 2015 respectively.

The attendance record of members of the Audit Committee is given below:

Name of the Directors	No. of Meetings Held	No. of Meetings Attended
Mr.D.N.Davar	6	6
Mr.Brijmohan Lall Munjal	6	6
Mrs.Renu Munjal	6	6
Mr.Pavninder Singh	6	5

REMUNERATION POLICY

The remuneration paid to the Executive Director is approved by the Nomination & Remuneration Committee

and endorsed by the Board subject to the approval of the shareholders at the general meeting and such other authorities as may be required from time to time. At the Board Meeting, only the Non-Executive Directors participate in the business pertaining to the approval of the remuneration paid to the Executive Director. The remuneration is fixed considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry and the current financial position of the Company. The remuneration structure comprises of basic salary, perquisites and allowances, payment and expenses incurred on perquisites, contribution to provident fund and other funds. Besides that, a commission upto 1 (one) per cent of net profits, computed in accordance with Section 197 of the Companies Act, 2013, is also paid as per the terms of appointment.

The Non-Executive Directors do not draw any remuneration from the Company except sitting fees of Rs. 50,000 for attending each meeting of the Board, Audit Committee, Asset & Liability Management Committee, Nomination & Remuneration Committee, Risk Management Committee, Stakeholder's Relationship Committee and the Corporate Social Responsibility Committee.

The detail of the remuneration paid / payable to Mrs. Renu Munjal, Managing Director, for the year ended March 31, 2015 is given below:

(Rs.Lacs)

Particulars	Amount
Salary*	150.00
Contribution to Provident Fund & Super Annuation Fund**	-
Commission	60.00
Total	210.00

* Salary includes basic salary, perquisites and allowances, payment and expenses incurred on perquisites.

** Contribution to provident and other funds. Total Commission is calculated @1 (one) per cent of the net profit calculated in accordance with Section 197 of the Companies Act, 2013.

The term of appointment of the said Managing Director is for a period of 5 (five) years i.e. upto August 31, 2015.

The detail of the remuneration paid to the Non-Executive Directors for the year ended March 31, 2015 is given below:

Name of the Directors	Sitting Fees (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. Brijmohan Lall Munjal	4,30,000	N.A.	4,30,000
Mr. Pawan Munjal	3,60,000	N.A.	3,60,000
Mr. D.N. Davar	9,90,000	N.A.	9,90,000
Mr. Pavninder Singh	8,40,000	N.A.	8,40,000

At present, the Company does not have any Employee Stock Option Scheme (ESOS).

ASSET AND LIABILITY MANAGEMENT COMMITTEE

Pursuant to the Guidelines issued by the Reserve Bank of India (RBI), a Committee was constituted on October 31, 2002 to check the Asset Liability mismatches, interest risk exposure and to help the Company to improve the overall system for effective risk management in various portfolios held by the Company. As per the RBI guidelines, a NBFC whose assets base is greater than Rs. 100 crores should have an Asset & Liability Management Committee to maintain the ALM systems. Mr. D.N. Davar, who is the Chairman of the Committee is the Ex-Chairman of India's renowned financial institution IFCI Limited and possesses rich and varied experience and knowledge in the finance field. The other members are also experienced in heading the industrial and service sectors.

As on March 31, 2015, the constitution of the Asset and Liability Management Committee was as under:

Name of the Members	Position Held
Mr. D.N. Davar	Chairman
Mrs. Renu Munjal	Member
Mr. Pavninder Singh	Member
Mr. Abhimanyu Munjal	Member

During the financial year ended March 31, 2015, 4 (four) meetings of the Asset & Liability Management Committee were held on Monday, May 26, 2015; Wednesday, September 10, 2014; Tuesday, November 18, 2014 and Monday, February 16, 2015 respectively.

The meetings reviewed and carried out the necessary spade work for formalizing the Asset and Liability Management Systems in the Company.



The attendance record of members of the Asset and Liability Management Committee is given below:

Name of the Members	No. of Meetings Held	No. of Meetings Attended
Mr.D.N.Davar	4	4
Mrs.Renu Munjal	4	4
Mr.Pavninder Singh	4	3
Mr.Abhimanyu Munjal	4	4

RISK MANGENMENT COMMITTEE

According to the Guidelines issued by the RBI, every NBFC whose assets base is greater than Rs. 100 crores should have a Risk Management Committee to manage the integrated risk of the Company. In view of the same Risk Management Committee was formed on November 19, 2008 to manage and mitigate the risk of the Company.

As on March 31, 2015, the constitution of the Risk Management Committee was as under:

Name of the Members	Position Held
Mr.D.N.Davar	Chairman
Mrs.Renu Munjal	Member
Mr.Pavninder Singh	Member
Mr.Abhimanyu Munjal	Member

During the financial year ended March 31, 2015, 4 (four) meetings of the Risk Management Committee were held on Monday, May 26, 2015; Wednesday, September 10, 2014; Tuesday, November 18, 2014 and Monday, February 16, 2015 respectively.

The attendance record of members of the Risk Management Committee is given below:

Name of the Members	No. of Meetings Held	No. of Meetings Attended
Mr.D.N.Davar	4	4
Mrs.Renu Munjal	4	4
Mr.Pavninder Singh	4	3
Mr.Abhimanyu Munjal	4	4

NOMINATION & REMUNERATION COMMITTEE

In view of the provisions of Section 178 of the Companies Act, 2013 and Rules made thereunder the Company has

constituted Nomination & Remuneration Committee on May 26, 2014 with the below terms of reference:

- ✍ To formulate and recommend to the Board of Directors the company's policies, relating to the remuneration for the directors, key managerial personnel and other employees, criteria for determining qualifications, positive attributes and independence of a director;
- ✍ To formulate criteria for evaluation of Independent Directors and the Board;
- ✍ To identify persons who are qualified to become Directors and who might be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- ✍ To carry out evaluation of every Director's performance;
- ✍ To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees; and
- ✍ To devise a policy on Board diversity;"

During the financial year ended March 31, 2015, 2 (two) meetings of the Nomination & Remuneration Committee were held on Monday, May 26, 2015 and Monday, February 16, 2015 respectively.

As on March 31, 2015, the constitution of the Nomination & Remuneration Committee was as under:

Name of the Directors	Position Held
Mr.D.N.Davar	Chairman
Mr.Pawan Munjal	Member
Mr.Pavninder Singh	Member

The attendance record of members of the Nomination & Remuneration Committee is given below:

Name of the Directors	No. of Meetings Held	No. of Meetings Attended
Mr.D.N.Davar	2	2
Mr.Pawan Munjal	2	2
Mr.Pavninder Singh	2	2

STAKEHOLDERS RELATIONSHIP COMMITTEE

In view of the provisions of the Companies Act, 2013 and Rules made thereunder the Company has constituted Stakeholders Relationship Committee on May 26, 2014 with the terms of reference to consider and resolve the grievances of shareholders, debenture holders and other security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet and non-receipt of declared dividends.

During the financial year ended March 31, 2015, 1 (one) meeting of the Stakeholders Relationship Committee was held on March 11, 2015 respectively.

As on March 31, 2015, the constitution of the Stakeholders Relationship Committee was as under:

Name of the Director	Position Held
Mrs.Renu Munjal	Chairman
Mr.Pavninder Singh	Member

The attendance record of members of the Nomination & Remuneration Committee is given below:

Name of the Directors	No.of Meetings Held	No.of Meetings Attended
Mrs.Renu Munjal	1	1
Mr.Pavninder Singh	1	1

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In view of the provisions of Section 135 the Companies Act, 2013 and Rules made thereunder the Company has constituted Corporate Social Responsibility Committee on May 26, 2014 with the below terms of reference:

- Formulation of CSR Policy as specified in Schedule VII of the Act, indicating the activities, projects, timelines and expenditure thereon;
- Recommendation of CSR Policy to the Board;
- Recommendation of expenditure to be incurred on the activities referred in point No.a);and
- Monitoring the implementation of the policy.

During the financial year ended March 31, 2015, 2 (two) meetings of the Corporate Social Responsibility

Committee were held on Monday, February 16, 2015 and Friday, March 27, 2015 respectively.

As on March 31, 2015, the constitution of the Corporate Social Responsibility Committee was as under:

Name of the Director	Position Held
Mrs.Renu Munjal	Chairman
Mr.Pawan Munjal	Member
Mr.DN Davar	Independent Director

The attendance record of members of the Corporate Social Responsibility Committee is given below:

Name of the Directors	No.of Meetings Held	No.of Meetings Attended
Mr.DN Davar	2	2
Mrs.Renu Munjal	2	2
Mr.Pawan Munjal	2	2

COMMITTEE OF DIRECTORS

Apart from the above Committees, the Company also has a Committee of Directors. As on March 31, 2015, the Committee comprised of the following members:

Name of the Directors	Designation
Mr.Brijmohan Lall Munjal	Chairman
Mrs.Renu Munjal	Member
Mr.Pawan Munjal	Member

Permanent Invitee	Designation
Mr.Abhimanyu Munjal	COO
Mr.Shyam Lal	CFO

Constituted in 1991, the Committee deals with matters relating to transfer, transmission, transposition, issue of new/duplicate share certificates, other matters relating to shares, investment of surplus funds and all other matters as prescribed and delegated to the Committee by the Board from time to time.

The Board in its meeting held on May 26, 2014 has modified the constitution including terms of reference thereof in view of the change in permanent invitees and also to be in line with day to day business requirements.

This Committee generally meets as and when required. During the financial year ended March 31, 2015, 16 (Sixteen) meetings of the Committee were held.



DISCLOSURES

Related Party Transactions

Related parties and transactions with them as required under Accounting Standard 18 (AS-18) are furnished to and forming part of the Balance Sheet as at March 31, 2015 and Statement of Profit & Loss for the year ended March 31, 2015.

The transactions with the related parties are in the usual course of business and do not have any potential conflict with the interests of the Company at large.

Details of Extra-ordinary General Meeting (EGM):

Financial Year	Location	Day & Date	Time	Summary of Resolution Passed
2013-14	34, Community Center, Basant Lok, Vasant Vihar, New Delhi 110057	Monday, March 24, 2014	04.00 P.M.	As Special Resolution: <ul style="list-style-type: none"> To issue and allot the Equity Shares on Rights Basis.
2012-13	34, Community Center, Basant Lok, Vasant Vihar, New Delhi 110057	Friday, December 14, 2012	03.30 P.M.	As Ordinary Resolution: <ul style="list-style-type: none"> To increase in Authorised share capital & alteration of capital clause of Memorandum of Association. As Special Resolution: <ul style="list-style-type: none"> To alter the Article of the Articles of Association of the Company. To issue and allot the Equity Shares on Rights Basis.
2011-12	34, Community Center, Basant Lok, Vasant Vihar, New Delhi 110057	Friday, December 23, 2011	04.30 P.M.	As Special Resolution: <ul style="list-style-type: none"> To alter the main Object Clause of the Memorandum of Association of the Company.

Details of Annual General Meeting (AGM):

Financial Year	Location	Day & Date	Time	Summary of Resolution Passed
2013-14	Hotel Vasant Continental, Vasant Vihar, New Delhi 110057	Friday, September 19, 2014	05.00 P.M.	Special Resolution: <ul style="list-style-type: none"> Appointment of Mr. Pavninder Singh (DIN 03048302) as an Independent Director; Appointment of Mr. D.N Davar as Independent Director; Appointment of Mr. Abhimanyu Munjal as Chief Operating Officer (COO); and Keeping of register of members and index of member at a place other than the registered office.
2012-13	Hotel Vasant Continental, Vasant Vihar, New Delhi 110057	Friday, July 19, 2013	05.00 P.M.	Special Resolution: <ul style="list-style-type: none"> Appointment of Mr. Abhimanyu Munjal as Chief Operating Officer (COO)
2011-12	"Empress", Essex Farms, IIT Gate, New Delhi 110016	Wednesday, July 18, 2012	05.00 P.M.	Ordinary Resolution: <ul style="list-style-type: none"> Declaration of Dividend. - Not to fill the vacancy caused due to retirement of Mr. M.A. Zahir

RE-APPOINTMENT OF DIRECTORS

Mr. Pawan Munjal, Director of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

GENERAL BODY MEETINGS

Details of location, day, date and time of general meetings held during the last three years and resolutions passed thereat are given below.

Hero FinCorp Ltd.

GENERAL SHAREHOLDERS' INFORMATION

24th Annual General Meeting

Day & Date	Time	Venue
Tuesday, September 15, 2015	05.00 P.M.	Hotel Vasant Continental, Vasant Vihar, New Delhi - 110057

Financial Calendar

For the year ended March 31, 2015, the financial results of the Company were announced on:

a)	First quarter ended June 30, 2014	Sep 10, 2014
b)	Second quarter & Half year ended Sept. 30, 2014	Nov 18, 2014
c)	Third quarter & nine months ended Dec. 31, 2014	Feb 16, 2015
d)	Fourth quarter & the year ended March 31, 2015	May 05 2015

For the year ending March 31, 2015, the financial results of the Company are likely to be announced on:*

a)	First quarter ended June 30, 2015	August, 2015
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Tabular Distribution of dividend payment since 2007-08

Year	Particulars of Dividend paid	%age	Date of Declaration	Date of Payment	Last Date of claiming Unpaid Dividend
2014-15	Final Dividend	20	15/09/15	21/09/15	23/09/22
2013-14	Final Dividend	30	19/09/14	23/09/14	23/09/21
2012-13	Final Dividend	30	19/07/13	23/07/13	23/07/20
2011-12	Final Dividend	100	18/07/12	20/07/12	16/07/19
2010-11	Final Dividend	100	15/07/11	21/07/11	14/07/18
2009-10	Final Dividend	100	16/07/10	20/07/10	15/07/17
2008-09	Final Dividend	100	26/06/09	01/07/09	25/06/16

Distribution of Shareholding as on March 31, 2015

Categories	No. of shares held	Percentage of Shareholding
1) Promoters' Holding	3,92,05,450	86.64%
2) Non - Promoters' Holding	60,44,550	13.36%
Grand Total	4,52,50,000	100.00

b)	Second quarter & Half year ended Sept. 30, 2015	November, 2015
c)	Third quarter & nine months ended Dec. 31, 2015	February, 2016
d)	Fourth quarter & the year ended March 31, 2016	May, 2016

*-Tentative and subject to change

The 25th Annual General Meeting of the Company for the financial year 2015-16 will most likely be held in September, 2016.

Dates of Book Closure: Friday, September 11, 2015 to Tuesday, September 15, 2015 (Both days inclusive).

Dividend Payment:

The Board has recommended a dividend of 20 per cent i.e. Rs. 2 per equity share of Rs. 10 each for the financial year 2014-15. This dividend as recommended by the Board, if approved by the shareholders at their 24th Annual General Meeting, shall be paid to those members, whose names would appear on the Register of Members of the Company as on Tuesday, September 15, 2015.



Share Transfer System

The Share transfer job is being handled by the Registrar and Transfer agent of the Company i.e. M/s. Beetal Financial & Computer Services Pvt. Ltd. 99, Madangir, New Delhi – 110 062, Phone No. 011-2996 1281-283 Fax No. 011-2996 1284. During the year 2014-15, 36,050 shares were transferred and the said transfers were affected within the prescribed period. Shares under objection were returned within two weeks time.

COMPANY'S INFORMATION

Registered Office

34, Community Centre, Basant Lok,
Vasant Vihar, New Delhi 110 057
Tel: 011-4948 7150
Fax: 011-4948 7197

Company Identification No. (CIN)

U74899DL1991PLC046774

Permanent Account Number (PAN)

AAACH0157J

Tax Identification Number (TIN)

07850173974

Investor's correspondence may be addressed to:

Mr. Tribhuwan K Johari, Company Secretary
E-mail: tribhuwan.johari@herofincorp.com

Or

Company's Registrars
Beetal Financial & Computer Services Pvt. Ltd.
99 Madangir, New Delhi – 110 062
Phone No. 011-29961281-283 Fax No. 011-29961284

Any query relating to the financial statements of the Company can be addressed to:

Mr. Shyam Lal, Chief Financial Officer
E-mail: shyam.lal@herofincorp.com

For and on behalf of the Board

Brijmohan Lall Munjal
Chairman
DIN: 00004134

New Delhi
May 05, 2015

Hero FinCorp Ltd.
34, Community Centre, Basant Lok,
Vasant Vihar, New Delhi 110 057
Phone: 011-4604 4100 Fax: 011-49487197
E-mail: tribhuwan.johari@herofincorp.com

ANNEXURE - B

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Board of Directors (the "Board") of Hero FinCorp Ltd. ("HFCL") has adopted the CSR policy which has following key points:

- ✍ HFCL's CSR Programme includes inter alia, achieving one or more of the following - enhancing environmental and natural capital; supporting rural development; promoting education including skill development; providing preventive healthcare, providing sanitation and drinking water; creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India and preserving and promoting sports.;
- ✍ To develop the required capability and self-reliance of beneficiaries at the grass roots, in the belief that these are prerequisites for social and economic development;
- ✍ To carry out CSR Programme in relevant local areas to fulfill commitments arising from requests by government/regulatory authorities and to earmark amounts of monies and to spend such monies through such administrative bodies of the government and/or directly by way of developmental works in the local areas around which the Company operates;

The policy is available on our website: www.herofincorp.com

2. The Composition of the CSR Committee.

1.	Mrs.Renu Munjal	Managing Director
2.	Mr.Pawan Munjal	Director
3.	Mr.D.N.Davar	Independent Director

3. Average net profit of the Company for last three financial years

2011 – 12	Rs. 14.07 Crores
2012 – 13	Rs. 19.04 Crores
2013 – 14	Rs. 14.98 Crores

Average for the last 3 (three) Financial Years Rs. 16.03 Crores

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

2% of Average Rs.32.06 Lacs



5. Details of CSR spent during the financial year.

- (a) Total amount to be spent for the financial year :Rs.32.06 lacs
- (b) Amount unspent,if any; Rs.27.06 lacs
- (c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No	CSR Project or activity identified.	Sector in which the project is covered	Projects or Programs 1.Local area or Other 2.Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs.Lacs)	Amount spent on the projects or programs Sub heads: 1.Direct expenditure on projects or programs. 2.Overheads (Rs.Lacs)	Cumulative expenditure upto to the reporting period. (Rs.Lacs)	Amount spent: Direct or through implementing agency
1.	For Paediatric Dialysis	Health		5.00	5.00	5.00	Rotary South end Charitable trust
	TOTAL				5.00	5.00	

*Give details of implementing agency

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

During the year as a Company it has created a Plan, monitoring mechanism and enabling infrastructure which would ensure CSR initiatives are sustainable and truly beneficial to the society in the long run.As such while the work has been initiated only in respect of few programmes, pre-work activities have been detailed out for most of the initiatives and during the next financial year the Company would take action with corresponding spend on CSR.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in Compliance with CSR objectives and Policy of the Company.

This is to confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

New Delhi
May 5, 2015

(Renu Munjal)
Chairperson & Managing Director

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED **MARCH 31, 2015**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Hero FinCorp Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hero FinCorp Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Hero FinCorp Limited**, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on **March 31, 2015**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Hero FinCorp Limited** ("the Company") for the Financial Year ended on **March 31, 2015** according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 ('FEMA') and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. *(The Company is Non-Deposit Accepting-Systematically important NBFC (NBFC-ND-S), and has complied with applicable rules and regulation under FEMA and circular of RBI, issued periodically);*
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 *(Not Applicable to the Company during the Audit Period);*
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 *(Not Applicable to the Company during the Audit Period);*
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 *(Not Applicable to the Company during the Audit Period);*
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 *(Not Applicable to the Company during the Audit Period);*
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 *(Not Applicable to the Company during the Audit Period);* and



(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 *(Not Applicable to the Company during the Audit Period)*;

(vi) The Reserve Bank of India Act, 1934 and other applicable rules, regulation, circulars, notifications and other communications issued from time to time.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India. *(Not Applicable to the Company during the Audit Period)*;

(ii) The Listing Agreements entered into by the Company with Stock Exchanges;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has:

- i) Issued 2,71,50,000 Equity Shares of Rs. 10/- each at Premium of Rs 105/- per share on May 12, 2014, on Right basis to the existing shareholders of the Company.
- ii) The following major decisions were taken by the Company pursuant to the Companies Act, 2013:
 1. Increase in limits of borrowing under section 180(1)(c) of the Companies Act, 2013.
 2. Security provided under section 180(1)(a) of the Companies Act, 2013 in connection with the borrowings of the Company.
 3. Increase in the limit to make Loans or Investments, give Guarantee or provide Security or acquire Securities.

Place: New Delhi
Date: 05-05-2015

ADITI GUPTA
Company Secretary in
Whole-Time Practice
M/s Aditi Agarwal & Associates,
Company Secretaries
CP No: 10512

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	U74899DL1991PLC046774
ii)	Registration Date	16-12-1991
iii)	Name of the Company	Hero FinCorp Ltd.
iv)	Category/Sub-Category	Public Company Limited by Shares
v)	Address of the registered office and contact details	34, Community Centre, Basant Lok, Vasant Vihar, New Delhi 110057 Tel: +91 11 4604 4100, Fax: +91 11 49487197 E-mail: tribhuwan.johari@herofincorp.com
vi)	Whether listed company Yes / No	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent	Beetal Financial & Computer Services Pvt. Ltd. 99, Madangir, New Delhi – 110062 Phone No. 011-29961281-83, Fax No. 011-29961284

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

S.No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the Company
1	Non Banking Financial Services	N.A.	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S.No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY /ASSOCIATE	% of shares held
1	Nil	Nil	Nil	Nil



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		Physical	Total	% of Total Shares	Physical	Total	% of Total Shares	
A.	Promoters							
1)	Indian							
(a)	Individual/ HUF	1302050	1302050	7.19	12247950	12247950	27.07	19.87
(b)	Central Govt	0	0	0	0	0	0	
(c)	State Govt(s)	0	0	0	0	0	0	
(d)	Bodies Corp.	12357500	12357500	68.27	26957500	26957500	59.57	-8.70
(e)	Banks/ FI	0	0	0	0	0	0	
(f)	Any Other	0	0	0	0	0	0	
	Sub-total (A)(1)	13659550	13659550	75.47	39205450	39205450	86.64	11.17
2)	Foreign	0	0	0	0	0	0	
(a)	NRIs - Individuals	0	0	0	0	0	0	
(b)	Other - Individuals	0	0	0	0	0	0	
(c)	Bodies Corp.	0	0	0	0	0	0	
(d)	Banks/ FI	0	0	0	0	0	0	
(e)	Any Other	0	0	0	0	0	0	
	Sub-total (A)(2)	0	0	0	0	0	0	
	Total shareholding of Promoter (A) = (A)(1) + (A)(2)	13659550	13659550	75.47	39205450	39205450	86.64	11.17
B.	Public Shareholding							
1)	Institutions							
(a)	Mutual Funds	0	0	0.00	0	0	0.00	
(b)	Banks/ FI	0	0	0.00	0	0	0.00	
(c)	Central Govt	0	0	0.00	0	0	0.00	
(d)	State Govt(s)	0	0	0.00	0	0	0.00	
(e)	Venture Capital Funds	0	0	0.00	0	0	0.00	
(f)	Insurance Companies	0	0	0.00	0	0	0.00	
(g)	FIs	0	0	0.00	0	0	0.00	
(h)	Foreign Venture Capital Funds	0	0	0.00	0	0	0.00	
(i)	Others (specify)	0	0	0.00	0	0	0.00	
	Sub-total (B)(1)	0	0	0.00	0	0	0.00	
2)	Non-Institutions							
(a)	Bodies Corp.							
	(i) Indian	31200	31200	0.17	57900	57900	0.13	-0.04
	(ii) Overseas (Foreign Bodies)	0	0	0.00	0	0	0	
(b)	Individuals							
	(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh.	3149700	3149700	17.40	3830275	3830275	8.46	-8.94
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	1259550	1259550	6.96	2156375	2156375	4.77	-2.19
(c)	Others (specify)							
	Non Resident Indians	0	0	0	0	0	0	
	Clearing Members	0	0	0	0	0	0	
	Trusts	0	0	0	0	0	0	
	Sub-total (B)(2)	4440450	4440450	24.53	6044550	6044550	13.36	-11.17
	Total Public Shareholding(B) = (B)(1) + (B)(2)	4440450	4440450	24.53	6044550	6044550	13.36	-11.17
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	
	GRAND TOTAL (A + B + C)	18100000	18100000	100.00	45250000	45250000	100	

Hero FinCorp Ltd.

(ii) Shareholding of Promoters and changes therein during the year

Sl. No.	Shareholder's Name	Shareholding		Date of Transfer/ End of the year	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of shares at the beginning (01-04-2014)/	% of total shares of the Company				No. of shares	% to total shares of the Company
1	HERO MOTOCORP LTD	6979600	38.56					
				6/22/2014	14600000	Right Issue	21579600	47.69
			3/31/2015			21579600	47.69	
	HERO MOTOCORP LTD	330700	1.83					
				3/31/2015		330700	0.73	
2	BAHADUR CHAND INVESTMENT (P) LTD	2343600	12.95					
				3/31/2015			2343600	5.18
	BAHADUR CHAND INVESTMENT (P) LTD	180000	0.99					
				3/31/2015		180000	0.40	
3	HERO INVESTCORP LIMITED	2343600	12.95					
				3/31/2015			2343600	5.18
	HERO INVESTCORP LIMITED	180000	0.99					
				3/31/2015		180000	0.40	
4	BRIJMOHAN LALL MUNJAL	72000	0.40					
				6/22/2014	108000	Right Issue	180000	0.40
			3/31/2015			180000	0.40	
	BRIJ MOHAN LAL MUNJAL	295400	1.63					
			3/31/2015			295400	0.65	
	BRIJMOHAN LALL MUNJAL *	0	0					
			6/22/2014	199250	Right Issue	199250	0.44	
			3/31/2015			199250	0.44	
	BRIJMOHAN LALL MUNJAL *	0	0					
			6/22/2014	653650	Right Issue	653650	1.44	
			3/31/2015			653650	1.44	
	BRIJMOHAN LALL MUNJAL *	0	0					
		6/22/2014	915175	Right Issue	915175	2.02		
		3/31/2015			915175	2.02		
BRIJMOHAN LALL MUNJAL *	0	0						
		6/22/2014	70250	Right Issue	70250	0.16		
		3/31/2015			70250	0.16		
5	SANTOSH MUNJAL *	72000	0.40					
				6/22/2014	108000	Right Issue	180000	0.40
			3/31/2015			180000	0.40	
	SANTOSH MUNJAL	323600	1.79					
				3/31/2015		323600	0.72	
6	GEETA ANAND	18000	0.10					
				3/31/2015			18000	0.04
	GEETA ANAND	18000	0.10					
			6/22/2014	36000	Right Issue	54000	0.12	
		3/31/2015			54000	0.12		
7	PAWAN MUNJAL	200	0.00					
				6/22/2014	300	Right Issue	500	0.00
			3/31/2015			500	0.00	
	PAWAN MUNJAL	18000	0.10					
		6/22/2014	27000	Right Issue	45000	0.10		
		3/31/2015			45000	0.10		



(ii) Shareholding of Promoters and changes therein during the year (Contd...)

Sl. No.	Shareholder's Name	Shareholding		Date of Transfer/ End of the year	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of shares at the beginning (01-04-2014)/	% of total shares of the Company				No. of shares	% to total shares of the Company
	PAWAN MUNJAL *	0		6/22/2014	40025	Right Issue	40025	0.09
				3/31/2015			40025	0.09
	PAWAN MUNJAL *	0		6/22/2014	878850	Right Issue	878850	1.94
				3/31/2015			878850	1.94
	PAWAN MUNJAL *	0		6/22/2014	703075	Right Issue	703075	1.55
				3/31/2015			703075	1.55
	PAWAN MUNJAL *	0		6/22/2014	54000	Right Issue	54000	0.12
				3/31/2015			54000	0.12
8	ANIESHA MUNJAL	18000	0.10	6/22/2014	27000	Right Issue	45000	0.10
			3/31/2015			45000	0.10	
9	SUPRIYA MUNJAL	62000	0.34	6/22/2014	62000	Right Issue	124000	0.27
			3/31/2015			124000	0.27	
10	VASUDHA MUNJAL	62000	0.34	6/22/2014	62000	Right Issue	124000	0.27
			3/31/2015			124000	0.27	
	ANNUVRAT MUNJAL	0	0	6/22/2014	31000	Right Issue	31000	0.07
				3/31/2015			31000	0.07
	ANNUVRAT MUNJAL	0	0	6/22/2014	31000	Right Issue	31000	0.07
				3/31/2015			31000	0.07
	RENU MUNJAL	22750	0.13	6/22/2014	750	Right Issue	750	0.00
				3/31/2015			750	0.00
	RENU MUNJAL	22750	0.13	6/22/2014	68250	Right Issue	91000	0.20
				3/31/2015			91000	0.20
	RENU MUNJAL *	0		6/22/2014	41375	Right Issue	41375	0.09
				3/31/2015			41375	0.09
	RENU MUNJAL *	0		6/22/2014	1135100	Right Issue	1135100	2.51
				3/31/2015			1135100	2.51
	RENU MUNJAL *	0		6/22/2014	915150	Right Issue	915150	2.02
				3/31/2015			915150	2.02
	RENU MUNJAL *	0		6/22/2014	70250	Right Issue	70250	0.16
				3/31/2015			70250	0.16
13	RAHUL MUNJAL	22750	0.13	6/22/2014	68250	Right Issue	91000	0.20
			3/31/2015			91000	0.20	

Hero FinCorp Ltd.

(ii) Shareholding of Promoters and changes therein during the year (Contd...)

Sl. No.	Shareholder's Name	Shareholding		Date of Transfer/ End of the year	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of shares at the beginning (01-04-2014)/	% of total shares of the Company				No. of shares	% to total shares of the Company
14	RADHIKA UPPAL	90000	0.50					
				3/31/2015			90000	0.20
15	ABHIMANYU MUNJAL	22750	0.13					
				6/22/2014	68250	Right Issue	91000	0.20
				3/31/2015			91000	0.20
16	AKSHAY MUNJAL	45550	0.25					
				6/22/2014	40000	Right Issue	85550	0.19
				3/31/2015			85550	0.19
17	RENUKA MUNJAL	22750	0.13					
				6/22/2014	34125	Right Issue	56875	0.13
				3/31/2015			56875	0.13
18	SUMAN KANT MUNJAL *	0						
				6/22/2014	41375	Right Issue	41375	0.09
				3/31/2015			41375	0.09
	SUMAN KANT MUNJAL *	0						
				6/22/2014	1135100	Right Issue	1135100	2.51
				3/31/2015			1135100	2.51
	SUMAN KANT MUNJAL *	0						
				6/22/2014	915150	Right Issue	915150	2.02
				3/31/2015			915150	2.02
		SUMAN KANT MUNJAL *	0					
			6/22/2014	70250	Right Issue	70250	0.16	
			3/31/2015			70250	0.16	
19	UJJWAL MUNJAL	44050	0.24					
				6/22/2014	66075	Right Issue	110125	0.24
				3/31/2015			110125	0.24
20	SUNIL KANT MUNJAL	4500	0.02					
				6/22/2014	6750	Right Issue	11250	0.02
				3/31/2015			11250	0.02
	SUNIL KANT MUNJAL	0	0					
				6/22/2014	6750	Right Issue	6750	0.01
				3/31/2015			6750	0.01
	SUNIL KANT MUNJAL *	0						
				6/22/2014	41375	Right Issue	41375	0.09
				3/31/2015			41375	0.09
	SUNIL KANT MUNJAL *	0						
				6/22/2014	1135100	Right Issue	1135100	2.51
				3/31/2015			1135100	2.51
	SUNIL KANT MUNJAL *	0						
				6/22/2014	915150	Right Issue	915150	2.02
			3/31/2015			915150	2.02	
SUNIL KANT MUNJAL *	0							
			6/22/2014	70250	Right Issue	70250	0.16	
			3/31/2015			70250	0.16	
SUNIL KANT MUNJAL	54000	0.30						
			6/22/2014	81000	Right Issue	135000	0.30	
			3/31/2015			135000	0.30	
21	MUKTA MUNJAL	4500	0.02					
				3/31/2015			4500	0.01
22	SHEFALI MUNJAL	9000	0.05					
				6/22/2014	13500	Right Issue	22500	0.05
				3/31/2015			22500	0.05

* held on behalf of Brijmohan Lall Om Prakash



(iii) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs and Changes therein during the year)

Sl. No.	Shareholder's Name	Shareholding		Date of Transfer/ End of the year	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning (01-04-2014)/	% of total shares of the Company				No. of shares	% to total shares of the Company
1	BALA CHHABRA	114000	0.62					
2	SUSHANT CHHABRA	58400	0.32					
				3/31/2015			58400	0.13
3	J K MEHTA HUF	40500	0.22					
				3/31/2015			40500	0.09
4	LAKSHMI KAMBHAMPATI	39100	0.21					
				3/31/2015			39100	0.09
5	MICKEY SIBBAL	36000	0.19					
				3/31/2015			36000	0.08
6	MAHENDRA KUMAR JAJOO	36000	0.19					
				6/22/2014	12000	Right Issue	48000	0.11
				3/31/2015			48000	0.11
7	HEMA AGARWAL	36000	0.19					
				6/22/2014	54000	Right Issue	90000	0.20
				3/31/2015			90000	0.20
8	KISHORE M MUSALE	33000	0.18					
				3/31/2015			33000	0.07
9	JAYANT K PATWA	30000	0.16					
				3/31/2015			30000	0.07
10	S PONNUSWAMY	27000	0.15					
				3/31/2015			27000	0.06

iv. Shareholding of Directors and Key Managerial Personnel and Changes therein during the year

Sl. No.	Name	Shareholding		Date of Transfer/ End of the year	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning (01-04-2014)/	% of total shares of the Company				No. of shares	% to total shares of the Company
Shareholding of Directors								
1	BRIJMOHAN LALL MUNJAL	72000	0.40					
				27-Jun-14	108000	Right Issue	180000	0.40
				3/31/2015			180000	0.40
	BRIJ MOHAN LAL MUNJAL	295400	1.63					
				3/31/2015			295400	0.65
	BRIJMOHAN LALL MUNJAL *	0	0					
				27-Jun-14	199250	Right Issue	199250	0.44
				3/31/2015			199250	0.44
	BRIJMOHAN LALL MUNJAL *	0	0					
				27-Jun-14	653650	Right Issue	653650	1.44
				3/31/2015			653650	1.44
	BRIJMOHAN LALL MUNJAL *	0	0					
				27-Jun-14	915175	Right Issue	915175	2.02
				3/31/2015			915175	2.02
	BRIJMOHAN LALL MUNJAL *	0						
				27-Jun-14	70250	Right Issue	70250	0.16
				3/31/2015			70250	0.16

iv. Shareholding of Directors and Key Managerial Personnel and Changes therein during the year(Contd...)

Sl. No.	Name	Shareholding		Date of Transfer/ End of the year	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning (01-04-2014)/	% of total shares of the Company				No. of shares	% to total shares of the Company
2	PAWAN MUNJAL	200	0.00					
				6/22/2014	300	Right Issue	500	0.00
			3/31/2015			500	0.00	
	PAWAN MUNJAL	18000	0.10					
				6/22/2014	27000	Right Issue	45000	0.10
			3/31/2015			45000	0.10	
	PAWAN MUNJAL *	0						
				6/22/2014	40025	Right Issue	40025	0.09
			3/31/2015			40025	0.09	
	PAWAN MUNJAL *	0						
				6/22/2014	878850	Right Issue	878850	1.94
			3/31/2015			878850	1.94	
PAWAN MUNJAL *	0							
			6/22/2014	703075	Right Issue	703075	1.55	
		3/31/2015			703075	1.55		
PAWAN MUNJAL *	0							
			6/22/2014	54000	Right Issue	54000	0.12	
		3/31/2015			54000	0.12		
3	RENU MUNJAL	22750	0.13					
				6/22/2014	68250	Right Issue	91000	0.20
			3/31/2015			91000	0.20	
	RENU MUNJAL *	0						
				6/22/2014	41375	Right Issue	41375	0.09
			3/31/2015			41375	0.09	
	RENU MUNJAL *	0						
				6/22/2014	1E+06	Right Issue	1135100	2.51
			3/31/2015			1135100	2.51	
	RENU MUNJAL *	0						
				6/22/2014	915150	Right Issue	915150	2.02
			3/31/2015			915150	2.02	
RENU MUNJAL *	0							
			6/22/2014	70250	Right Issue	70250	0.16	
		3/31/2015			70250	0.16		
Shareholding of Key Managerial Personnels								
2	ABHIMANYU MUNJAL	22750	0.13	27-Jun-14	68250	rights allotment	91000	0.20
4	SHYAM LAL	50	0.00	27-Jun-14	100	rights allotment	150	0.00
3	TRIBHUWAN K JOHARI	0	0.00	-	0	-	0	0.00

* held on behalf of Brijmohan Lall Om Prakash



V. INDEBTENESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
l) Principal Amount	47287	44000	-	91287
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	830	-	-	830
Total (i+ii+iii)	48117	44000	-	92117
Change in Indebtedness during the financial year				
• Addition	247832	203000	-	450832
• Reduction	126667	165500	-	292167
Net Change	121165	37500		158665
Indebtedness at the end of the financial year				
l) Principal Amount	168453	81500	-	249953
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	684	-	-	684
Total (i+ii+iii)	169137	81500	-	250637

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S.No.	Particulars of Remuneration	Name of Managing Director	Total Amount
		Mrs.Renu Munjal	
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,658,190	13,658,190
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,366,345	1,366,345
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961		
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - Others, specify...	6,000,000	6,000,000
5.	Others, please specify	-	-
	Total (A)	21,024,535	21,024,535
	Ceiling as per the Act	-	30,235,327

Hero FinCorp Ltd.

B. Remuneration to other Directors:

S.No.	Particulars of Remuneration	Name of Directors	
3.	Independent Directors	Mr.D.N.Davar	Mr.Pavninder Singh
	• Fee for attending Board /Committee meetings	990,000	840,000
	• Commission	-	-
	• Others,please specify	-	-
	Total	990,000	840,000
4.	Other Non-Executive Directors	Mr.Brijmohan Lall Munjal	Mr.Pawan Munjal
	• Fee for attending Board /Committee meetings	430,000	360,000
	• Commission	-	-
	• Others,please specify	-	-
	Total	430,000	360,000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

S.No.	Particulars of Remuneration	KEY MANAGERIAL PERSONNEL		
		CFO	Company Secretary	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,476,604	1,221,855	21,425,129
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	257,306	18,076	504,030
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission- as % of profit- others, specify...	-	-	-
5.	Others,please specify	-	-	-
	Total	5,733,910	1,239,931	21,929,159



VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

DIRECTOR'S DETAILS

S. No.	Name of the Director DIN	Status	Type of Company	Directorship held	Committee	
					Membership	Chairmanship
1	Mrs. Renu Munjal DIN - 00012870	MD	UL	Easy Bill Private Limited	-	-
			UL	Hero InvestCorp Private Limited	-	-
			UL	Munjal Acme Packaging Systems Pvt.Ltd.	Audit	-
			P	Bahadur Chand Investments Private Limited	Risk Management	-
			P	Hero Future Energies Private Limited	-	-
			P	Rockman Auto Private Limited	-	-
			P	Hero Electronix Private Limited	-	-
2	Mr. Brijmohan Lall Munjal DIN - 00004134	NED	L	Hero MotoCorp Limited	-	-
			L	Munjal Showa Limited	-	-
			L	Shivam Autotech Limited	-	-
			UL	Easy Bill Private Limited	-	-
			UL	Hero InvestCorp Private Limited	-	-
			UL	Rockman Industries Limited	-	-
			UL	Survam Infrastructure Limited	-	-
			P	Bahadur Chand Investments Private Limited	-	-
			P	BCM Energies Private Limited	-	-
			P	BML Investments Private Limited	-	-
			P	Hero Future Energies Private Limited	-	-
3	Mr. Pawan Munjal DIN - 00004223	NED	L	Hero MotoCorp Limited	-	-
			UL	Hero InvestCorp Private Limited	Audit, Assets Liability, Nomination Risk Management	-
			UL	Hero Realty And Infra Private Limited	-	-
			UL	Rockman Industries Limited	-	-
			P	Bahadur Chand Investments Private Limited	Audit, Assets Liability, Nomination Risk Management	-
			P	Hero Future Energies Private Limited	-	-
			Sec 8	Indian School of Business	-	-



S. No.	Name of the Director DIN	Status	Type of Company	Directorship held	Committee	
					Membership	Chairmanship
4	Mr. D. N. Davar DIN - 00002008	NED	L	Ansal Properties and Infrastructure Limited	-	Audit
			L	HEG Limited	-	Audit
			L	Mansingh Hotels and Resorts Limited	-	-
			L	Maral Overseas Limited	Audit & Shareholders' Grievance	-
			L	OCL India Limited	-	Audit
			L	RSWM Limited	Audit & Shareholders' Grievance	-
			L	Titagarh Wagons Limited	-	Audit
			UL	Adyar Gate Hotels Limited	-	-
			UL	Sandhar Technologies Limited	-	-
5	Mr. Pavninder Singh DIN - 03048302	NED	L	Himadri Chemicals and Industries Limited		

Note : Details as on June 1, 2015

NED - Non-Executive Director

L - Listed Company

UL - Unlisted Company

P - Private Limited Company

Sec 8 - Not for profit Company

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

Hero FinCorp Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of **Hero FinCorp Ltd.** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profits and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the order.



2. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.:015125N)

Jaideep Bhargava
Partner
(Membership No.90295)

Place: New Delhi
Date: 05/05/2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Having regard to the nature of the Company's business/activities/result during the year, clauses (ii) and (vi) of the Order are not applicable.

- (i) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The Company has a programme of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no discrepancies were noticed on such verification.
- (ii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iii) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (iv) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year.
- (v) According to the information and explanations given to us in respect of statutory dues:
- a) The Company has been regular in depositing undisputed dues, including Provident Fund, Sales Tax, Service Tax, Value Added Tax and other material statutory dues applicable to it and generally regular in depositing income tax with the appropriate authorities. We are informed that the provisions of employees' state insurance are not applicable to the Company and the operations of the Company during the year didn't give rise to any customs duty and excise duty.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
 - c) There are no dues of, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on March 31, 2015. The following are the particulars of Income Tax dues not deposited/deposited under protest by the Company on account of disputes.

Name of the Statute	Nature of the Dues	Amount (Rs. in lacs)	Amount paid under protest (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income tax	143	-	2004-05, 2006-07 2010-11, 2011-12	Commissioner (Appeals)



The following matters have been decided in favour of the Company but the department has preferred appeals at higher levels:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income-tax	33	2006-07, 2009-10	High Court

- d) The Company has been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.
- (vi) The Company does not have accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (vii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and debentureholders. The Company has not taken any loans from financial institutions.
- (viii) The Company has not given any guarantee for loans taken by others from banks and financial institutions.
- (ix) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.: 015125N)

Place: New Delhi
Date: May 5, 2015

Jaideep Bhargava
Partner
(Membership No. 90295)

BALANCE SHEET

AS AT 31 MARCH 2015

Particulars	Note No.	As At 31 March 2015 Amount (Rs. in Lacs)	As At 31 March 2014 Amount (Rs. in Lacs)
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	4,525	1,810
(b) Reserves and surplus	4	50,618	19,937
		55,143	21,747
2 Non - current liabilities			
(a) Long - term borrowings	5	97,667	27,500
(b) Deferred tax liabilities (Net)	6	-	91
(c) Other long - term liabilities	7	65	23
(d) Long - term provisions	8	887	50
		98,619	27,664
3 Current liabilities			
(a) Short - term borrowings	9	130,387	61,787
(b) Trade payables	10	5,603	581
(c) Other current liabilities	11	23,156	4,066
(d) Short - term provisions	12	1,216	747
		160,362	67,181
TOTAL		314,124	116,592
B ASSETS			
1 Non - current assets			
(a) Fixed assets			
(i) Tangible assets	13A	7,242	6,382
(ii) Intangible assets	13B	654	520
(b) Non - current investments	14	477	477
(c) Deferred tax assets (Net)	6	152	-
(d) Long - term loans and advances	15	816	378
(e) Other non - current assets	16	138,180	18,888
		147,521	26,645
2 Current assets			
(a) Trade receivables	17	163,137	87,824
(b) Cash and cash equivalents	18	1,122	670
(c) Short - term loans and advances	19	645	267
(d) Other current assets	20	1,699	1,186
		166,603	89,947
TOTAL		314,124	116,592

See accompanying notes forming part of the financial statements 1-37

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Jaideep Bhargava

Partner

Place: New Delhi

Date: May 05, 2015

For and on behalf of Board of Directors

Brijmohan Lall Munjal

Chairman

D. N. Davar

Director

Renu Munjal

Managing Director

Shyam Lal

Cheif Financial Officer

Tribhuvan K. Johari

Company Secretary



STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 March, 2015

Particulars	Note No.	For the year ended 31 March 2015 Amount (Rs. in Lacs)	For the year ended 31 March 2014 Amount (Rs. in Lacs)
1 Revenue from operations	21	29,756	12,016
2 Other income	22	106	66
3 Total revenue (1+2)		29,862	12,082
4 Expenses			
(a) Employee benefits expense	23	3,203	1,171
(b) Finance costs	24	9,774	4,077
(c) Contingent provision against standard assets	8	770	-
(d) Depreciation and amortization expense	13	1,461	1,138
(e) Other expenses	25	9,634	3,412
Total Expenses		24,842	9,798
5 Profit / (loss) for the year before tax		5,020	2,284
6 Tax expense			
(a) Current tax expense		1,939	785
(b) Deferred tax charge/(credit)		(234)	(7)
(c) Current tax relating to prior years		-	8
Total tax expense		1,705	786
7 Profit / (Loss) for the year (5-6)		3,315	1,498
Basic and diluted earning per share (Rs.) (Face value per share Rs. 10)		8.53	8.27

See accompanying notes forming part of the financial statements

1-37

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Jaideep Bhargava
Partner

Place: New Delhi
Date: May 05, 2015

For and on behalf of Board of Directors

Brijmohan Lall Munjal	Chairman
D. N. Davar	Director
Renu Munjal	Managing Director
Shyam Lal	Chief Financial Officer
Tribhuvan K. Johari	Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH, 2015

Particulars	Note No.	For the year ended 31 March 2015 Amount (Rs. in Lacs)	For the year ended 31 March 2014 Amount (Rs. in Lacs)
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit before Income tax		5,020	2,284
Adjustment for:			
Finance cost		9,771	4,070
Contingent provision against standard assets		770	-
Depreciation and amortization expenses		1,461	1,138
Provision for doubtful trade receivables		-	30
Dividend income		(1)	(1)
(Profit)/loss on sale of fixed assets		(39)	239
(Profit)/loss on sale of investments(net)		(66)	(61)
Operating profit before working capital changes		16,916	7,699
Adjustments for (increase) / decrease in operating assets:			
Long term loans and advances		(53)	79
Other non-current assets		(119,297)	(15,319)
Trade receivables		(75,307)	(24,935)
Short term loans and advances		(378)	(170)
Other current assets		(1,275)	(338)
Adjustments for increase / (decrease) in operating liabilities:			
Other long term liabilities		42	5
Long term provisions		67	25
Trade payables		5,022	505
Other current liabilities		96	839
Short term provisions		15	62
Cash generated from operations		(174,152)	(31,548)
Net income tax paid		(2,167)	(650)
Net cash flow used in operating activities (A)		(176,319)	(32,198)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(2,975)	(1,978)
Proceeds from sale of fixed assets		1,114	317
Profit / (Loss) on sale of investments (Net)		66	61
Purchase of investment		-	(22)
Net cash flow used in investing activities (B)		(1,795)	(1,622)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from right issue		31,187	-
Proceeds from long term borrowings (net)		89,334	24,247
Proceeds from short term borrowings (net)		68,600	14,298
Finance cost		(9,917)	(3,533)
Dividend income		1	1
Dividend paid		(546)	(641)
Tax on dividend		(92)	(92)
Net cash flow from financing activities (c)		178,567	34,280
D. Net increase / (decrease) in cash and cash equivalents (A+B+C)		452	460
Cash and cash equivalents at the beginning of the year		670	210
Cash and cash equivalents at the end of the year		1,122	670
Reconciliation of Cash and cash equivalents with the Balance Sheet:			
Cash and cash equivalents (Refer Note 18)		1,122	670
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements:			
(i) In earmarked accounts			
- Unpaid dividend accounts		63	67
Net Cash and Cash Equivalent at the end of the year		1,059	603

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Jaideep Bhargava

Partner

Place: New Delhi

Date: May 05, 2015

For and on behalf of Board of Directors

Brijmohan Lall Munjal

Chairman

D. N. Davar

Director

Renu Munjal

Managing Director

Shyam Lal

Cheif Financial Officer

Tribhuvan K. Johari

Company Secretary



NOTES

FORMING PART OF THE FINANCIAL STATEMENTS

Note 1: CORPORATE INFORMATION

Hero FinCorp Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on December 16, 1991. The name of the Company has been changed from Hero Honda Finlease Limited to Hero FinCorp Limited on July 29, 2011. The Company is a non-deposit accepting Non-Banking financial Service Company and is engaged in the business of financing, leasing, bill discounting and other financial services.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

1) Accounting convention

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

3) Operating cycle

The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

The Company is engaged in financing business and amount which is recoverable after one year as per terms of financing /leasing arrangement has been classified as non-current assets.

4) Income

- a) Income from deferred credit, consumer finance and retail finance are accounted for on accrual basis.
- b) Lease income from operating leases is recognised in the statement of profit and loss on a systematic basis.
- c) Income from bill discounting is recognised as revenue on accrual basis over the period of acceptance.
- d) Interest income, arrangement fees, processing fees, fleet management and commission are recognised on accrual basis.
- e) Dividend income is accounted for on accrual basis when a right to receive payment is established.

5) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

6) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

7) Fixed assets (Tangible/Intangible)

Fixed assets are carried at cost less accumulated depreciation/amortisation and impairment losses, if

any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

8) Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Computer software 6 years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

9) Foreign exchange transactions

Exchange differences are dealt with as follows:-

Transactions in foreign currency are recorded at the exchange rate prevailing at the time of the transaction. All loss or gain on translation is charged to revenue in the period in which it is incurred.

Monetary assets and liabilities denominated in foreign currency are restated at the rate prevailing at the period end and resultant gain or loss is recognized.

In respect of forward contracts, the forward premium or discount is recognised as income or expense over the life of contract in the Statement of Profit and Loss and the exchange difference between the exchange rate prevailing at the year end and the date of the inception of the forward exchange contract is

recognised as income or expense in the Statement of Profit and Loss.

10) Investments

Current investments are stated at lower of cost and fair value computed category wise. Long term investments are stated at cost, provision for permanent diminution is made to recognise a decline, other than temporary.

11) Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the lease term.

12) Share issue expenses

Share issue expenses are adjusted against the Securities premium account as permissible under section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities premium account. Share issue expenses in excess of the balance in the Securities premium account are expensed in the Statement of Profit and Loss.

13) Employees benefits

a) Defined contribution plan

Provident fund and Superannuation fund are the defined contribution schemes offered by the Company. The contributions to these schemes are charged to Statement of Profit and Loss in the year in which contribution to such schemes becomes due.

b) Defined benefit plan and long term employee benefits

Gratuity liability and long term employee benefits are provided on the basis of an actuarial valuation made at the end of each financial year as per projected unit credit method. Actuarial gains or loss arising from such valuation are charged to Statement of Profit and loss in the year in which they arise.

c) Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by



employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date

14) Earnings per share

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

15) Taxation

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient

future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

16) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes.

17) Provisions/contingencies and reserves

- a) The policy of provisioning against non-performing loans and advances has been decided by the management considering norms prescribed by the RBI under Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007.
- b) For standard assets - a provision at 0.25% of total standard assets is created, as per the Reserve Bank of India circular no. RBI/2010-11/370 DNBS.PD.CC.No. 207/03.02.002/2010-11 dated January 17, 2011.
- d) Statutory reserves of 20% on profit after tax is appropriated in accordance with Section- 45-IC of the Reserve Bank of India Act, 1934.

Hero FinCorp Ltd.

Note 3 : Share Capital

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of Shares	Amount (Rs. in Lacs)	Number of Shares	Amount (Rs. in Lacs)
(a) Authorised				
Equity shares of Rs.10 each with voting rights	50,000,000	5,000	50,000,000	5,000
	50,000,000	5,000	50,000,000	5,000
(b) Issued				
Equity shares of Rs.10 each with voting rights	45,250,000	4,525	18,100,000	1,810
	45,250,000	4,525	18,100,000	1,810
(c) Subscribed and Fully Paid up				
Equity shares of Rs.10 each with voting rights				
Opening	18,100,000	1,810	18,100,000	1,810
Additions of the year	27,150,000	2,715	-	-
Outstanding at the end of the year	45,250,000	4,525	18,100,000	1,810

(i) During the year, the Company has made rights issue of 271,50,000 equity shares @ Rs.115 each including premium of Rs.105 per share in the ratio of three equity shares for every two equity shares held on the record date. Purpose of the issue was to expand the financing portfolio. Funds received through the issue of Rs.31,222 lacs have been fully utilised during the year.

(ii) Rights, Preference and restriction attached to shares:

Equity shares of Rs.10 each :

- In respect of equity shares, voting rights shall be in same proportion as the capital paid upon such equity share.
- The dividend proposed by the Board of Directors which is subject to approval of shareholders in the Annual General Meeting shall be in the same proportion as the capital paid upon such equity share.
- In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to capital paid upon such equity share.

(iii) Detail of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31 March, 2015		As at 31 March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares with voting rights				
Hero MotoCorp Ltd.	21,910,300	48.42	7,310,300	40.39
Brij Mohan Lal Om Parkash	9,999,900	22.10	-	-
Hero InvestCorp Ltd. (Formerly Puja Investment Pvt. Ltd.)	2,523,600	5.58	2,523,600	13.94
Bahadur Chand Investment Pvt.Ltd.	2,523,600	5.58	2,523,600	13.94
	36,957,400	81.68	12,357,500	68.27



Note 4 : Reserves and surplus

Particulars	As at 31 March, 2015 Amount (Rs. in Lacs)	As at 31 March, 2014 Amount (Rs. in Lacs)
(a) Securities premium account		
Opening balance	9,705	9,705
Add: Additions during the year	28,507	-
Less : Writing off Shares issue expenses	35	-
Closing balance	38,177	9,705
(b) Statutory reserve u/s 45-IC of RBI Act, 1934		
Opening balance	5,402	5,102
Add: Additions during the year	662	300
Closing balance	6,064	5,402
(c) Reserve for bad debts	348	348
(d) General reserve		
Opening balance	2,535	2,385
Add: Transferred from surplus in statement of profit and loss	331	150
Closing balance	2,866	2,535
(e) Surplus in statement of profit and loss		
Opening balance	1,947	1,534
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (net of deferred tax of Rs. 9 lacs)	17	-
Add: Profit / (Loss) for the year	3,315	1,498
Less: Proposed dividend	905	543
Corporate dividend Tax	184	92
Transferred to:		
-Statutory reserve	662	300
-General reserve	331	150
Closing balance	3,163	1,947
Total	50,618	19,937

Note 5 : Long-term borrowings

Particulars	Non-current		Current	
	As at 31 March		As at 31 March	
	2015	2014	2015	2014
	Amount (Rs. in Lacs)		Amount (Rs. in Lacs)	
Secured				
Redeemable non-convertible debentures	10,000	15,000	5,000	-
Term Loans				
-From banks	67,667	12,500	16,167	2,000
-From others	20,000	-	-	-
Less: Amount transferred to other current Liabilities	-	-	21,167	2,000
Total	97,667	27,500	-	-

Note:

150 (previous year: 150) non-convertible debentures of Rs.10 lacs each carries interest ranging from 10.20% to 10.35% p.a. The debentures have bullet repayment with maturities ranging from 6 to 20 months from the balance sheet date. The debentures are secured by first pari-passu charge by way of hypothecation of book debts and receivables.

Term loans from banks and other parties carries interest ranging from 10.05% to 10.70% p.a. The loans carry various repayment schedules according to their respective sacntions and thus are due in 1 to 60 months from the balance sheet date in quarterly, semi-annual or bullet instalments. The loans are secured by a first pari-passu charge by way of hypothecation of book debts and receivables.

Note 6: Deferred tax assets/(liabilities)

Particulars	As at	Charge/(Credit)	As at
	31 March, 2015	during the year	1 April, 2014
	Amount	Amount	Amount
	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)
Tax effect of items constituting deferred tax assets			
Provision for leave encashment and gratuity	85	30	55
Lease equalisation reserve	16	10	6
Provision for doubtful trade receivables	17	7	10
Contingent provision against standard assets	266	266	-
Total deferred tax assets	384	313	71
Tax effect of items constituting deferred tax liabilities			
Difference between depreciation as per books of accounts and as per Income Tax Act	232	70	162
Total deferred tax liabilities	232	70	162
Deferred tax assets/ (liabilities)	152	243	(91)



Note 7 Other long - term liabilities

Particulars	As at 31 March, 2015 Amount (Rs. in Lacs)	As at 31 March, 2014 Amount (Rs. in Lacs)
(a) Security deposits received	18	4
(b) Lease Equalisation Reserve	47	19
Total	65	23

Note 8 Long - term provisions

Particulars	As at 31 March 2015 Amount (Rs. in Lacs)	As at 31 March 2014 Amount (Rs. in Lacs)
Provision for employee benefits		
(i) Provision for gratuity	59	26
(ii) Provision for compensated absences	58	24
Contingent provision against standard assets (refer note below)	770	-
Total	887	50

Note: Movement in contingent provision against standard assets during the year is as under:-

Particulars	As at 31 March 2015 Amount (Rs. in Lacs)	As at 31 March 2014 Amount (Rs. in Lacs)
Opening balance	-	-
Addition during the year *	770	-
Closing balance	770	-

* includes Rs. 280 lacs pertaining to earlier years

Note 9 Short - term borrowings

Particulars	As at 31 March, 2015 Amount (Rs. in Lacs)	As at 31 March, 2014 Amount (Rs. in Lacs)
Secured		
Loan from banks		
- Cash Credit	5,119	287
- Working Capital Loans	44,500	17,500
Total (a)	49,619	17,787
Unsecured		
Loan from banks	21,500	22,000
Loan and advances from related parties	-	22,000
Commercial papers (unsecured)		
Face Value	60,000	
Less: unexpired discount	732	
Total (b)	80,768	44,000
Total (a) + (b)	130,387	61,787

Note: Working capital loans carries interest ranging from 9.80% - 10.00% p.a. All working capital loans are repayable in bullet installments at periods ranging from 0.5 to 11 months from the balance sheet date. The loans are secured by first pari-passu charge by way of hypothecation of book debts and receivables.

Cash credit facility available from banks carries interest ranging from 10.15% - 10.20% p.a. These facilities are secured by first pari-passu charge by way of hypothecation of book debts and receivables.

Hero FinCorp Ltd.

Note 10 Trade payables

Particulars	As at 31 March, 2015 Amount (Rs. in Lacs)	As at 31 March, 2014 Amount (Rs. in Lacs)
Trade payables*	5,603	581
Total	5,603	581

* Based on the information presently available with the management there are no dues outstanding to Micro, Small and Medium enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006. This has been relied upon by the auditors.

Note 11 Other Current Liabilities

Particulars	As at 31 March, 2015 Amount (Rs. in Lacs)	As at 31 March, 2014 Amount (Rs. in Lacs)
(a) Current maturities of long-term borrowings (Refer Note 5)	21,167	2,000
(b) Interest accrued but not due on borrowings	684	830
(c) Unclaimed dividend *	63	67
(d) Other payables		
(i) Withholding and other taxes payable	256	140
(ii) Payable on purchase of fixed assets	26	49
(iii) Security deposits received	-	16
(iv) Advances from customers	485	366
(v) Others	475	598
Total	23,156	4,066

*Unclaimed dividend does not include any amount outstanding as on March 31, 2015 which are required to be credited to the Investor Education and Protection Fund.

Note 12 Short - term provisions

Particulars	As at 31 March, 2015 Amount (Rs. in Lacs)	As at 31 March, 2014 Amount (Rs. in Lacs)
(a) Provision for employee benefits		
(i) Provision for gratuity	90	57
(ii) Provision for compensated absences	37	55
(b) Others provisions:		
(i) Provision for proposed equity dividend	905	543
(ii) Provision for tax on proposed equity dividend	184	92
Total	1,216	747

Note 13 Fixed assets

A. Tangible assets	Amount (Rs. in Lacs)									
	Balance as at 31 March, 2014	Additions / Adjustment	Gross block Disposals / Adjustment	Balance as at 31 March, 2015	Balance as at 31 March, 2014	Depreciation expense for the year	Accumulated depreciation Eliminated on disposal of assets / Adjustment	Other adjustments / Transition adjustment recorded against Surplus balance in Statement of Profit and Loss	Balance as at 31 March, 2015	Net block Balance as at 31 March, 2014
(a) Own Use :										
(i) Plant and machinery (Previous year)	78	42 (78)	-	120 (78)	1	6 (1)	-	-	7 (1)	113 (77)
(ii) Furniture and fixtures (Previous year)	31	6 (30)	-	37 (31)	2	3 (1)	-	-	5 (2)	32 (29)
(iii) Vehicles (Previous year)	482	374 (257)	-	856 (482)	98	100 (69)	-	-	198 (29)	658 (384)
(iv) Data processing equipment (Previous year)	292	434 (258)	7	719 (292)	31	179 (27)	4	-	206 (31)	513 (261)
(v) Office equipments (Previous year)	22	22 (22)	3	41 (22)	1	5 (1)	-	-	6 (1)	35 (21)
Total (Previous year)	905 (292)	878 (613)	10	1,773 (905)	133 (74)	293 (59)	4	-	422 (133)	1,351 (772)
Leased Assets:										
(b) Given on Operating lease										
(i) Plant and machinery (Previous year)	4,232 (5,452)	-	1,363 (1,220)	2,869 (4,232)	2,262 (2,823)	393 (543)	1,248 (1,104)	-	1,407 (2,262)	1,462 (1,970)
(ii) Computers (Previous year)	325	8 (36)	105 (23)	228 (325)	187 (157)	62 (52)	105 (22)	26	170 (187)	58 (155)
(iii) Vehicles (Previous year)	4,078	1,668 (3,041)	250 (61)	5,496 (4,078)	576 (254)	606 (328)	57 (6)	-	1,125 (576)	4,371 (3,502)
(iv) Aircraft (Previous year)	-	-	(2,097)	-	(846)	(107)	(953)	-	-	-
Total (Previous year)	8,635 (10,902)	1,676 (1,134)	1,718 (3,401)	8,593 (8,635)	3,025 (4,080)	1,061 (1,030)	1,410 (2,085)	26	2,702 (3,025)	5,891 (5,610)
(c) Given on Finance lease:										
(i) Plant and machinery (Previous year)	6,477 (6,550)	-	6,477 (73)	- (6,477)	6,477 (6,550)	-	6,477 (73)	-	- (6,477)	-
(ii) Vehicles (Previous year)	45	-	45 (3)	- (45)	45 (47)	-	45 (2)	-	- (45)	-
Total (Previous year)	6,522 (6,598)	-	6,522 (76)	- (6,522)	6,522 (6,597)	-	6,522 (75)	-	- (6,522)	-
Grand Total (Previous year)	16,062 (17,792)	2,554 (1,747)	8,250 (3,477)	10,366 (16,062)	9,680 (10,751)	1,354 (1,089)	7,936 (2,160)	26	3,124 (9,680)	7,242 (6,382)

B. Intangible assets	Amount (Rs. in Lacs)									
	Balance as at 31 March, 2014	Additions / Adjustment	Gross block Disposals / Adjustment	Balance as at 31 March, 2015	Balance as at 31 March, 2014	Depreciation expense for the year	Accumulated depreciation Eliminated on disposal of assets / Adjustment	Other adjustments / Transition adjustment recorded against Surplus balance in Statement of Profit and Loss	Balance as at 31 March, 2015	Net block Balance as at 31 March, 2014
Computer software (Previous year)	569	241 (569)	-	810 (569)	49	107 (49)	-	-	156 (49)	520
Total (Previous year)	569	241 (569)	-	810 (569)	49	107 (49)	-	-	156 (49)	520

Hero FinCorp Ltd.

Note 14 Non - current Investments

Particulars	As at 31 March, 2015			As at 31 March, 2014		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	Amount (Rs. in Lacs)					
Investments (At cost)						
A. Trade						
(a) Investment in equity instruments -5,303,334 (as at 31 March, 2014: 5,303,334) shares of Rs. 10 each fully paid up in Forum I Aviation Ltd.	-	476	476	-	476	476
B. Other investments						
(a) 1370 (as at 31 March, 2014: 1370) shares of Rs. 2 each fully paid up in Hero MotoCorp Ltd.	1	-	1	1	-	1
Total	1	476	477	1	476	477

Particulars	As at 31 March, 2015 At Cost Amount (Rs. in Lacs)	As at 31 March, 2014 At Cost Amount (Rs. in Lacs)
Aggregate amount of :		
Quoted Investments	1	1
Unquoted Investments	476	476
Aggregate market value of listed and quoted investments	36	31

Note 15 Long Term Loans and Advances

Particulars	As at 31 March, 2015 Amount (Rs. in Lacs)	As at 31 March, 2014 Amount (Rs. in Lacs)
Unsecured, considered good		
(a) Capital advances	176	21
(b) Security deposits	59	44
(c) Loans and advances to employees	25	2
(d) Balances with government authorities	166	151
(e) Advance Tax (Net of provision for tax: 2,730 lacs, previous year: 791 lacs)	390	160
Total	816	378

Note 16 : Other non - current assets

Particulars	As at 31 March, 2015 Amount (Rs. in Lacs)	As at 31 March, 2014 Amount (Rs. in Lacs)
Long term trade receivables (including trade receivables on deferred credit terms)*		
Secured, considered good	128,139	16,844
Unsecured, considered good	10,041	2,044
Doubtful	6	-
	138,186	18,888
Less: Provision for doubtful trade receivable	6	-
Total	138,180	18,888

Note: Includes amount receivable in respect to Secured corporate Loans of Rs. 80,232 lacs (previous year Rs. 8,547 lacs), Retail financing of Rs. 28,670 lacs (previous year Rs. 7,297 lacs), Loan against property of Rs. 19,243 lacs (previous year Rs. 1,000 lacs), Unsecured corporate loans of Rs. 10,041 lacs (previous year Rs. 2,044 lacs)



Note 17 Trade receivables

Particulars	As at 31 March, 2015 Amount (Rs. in Lacs)	As at 31 March, 2014 Amount (Rs. in Lacs)
Trade receivables outstanding for a period exceeding six months from the date they were due for payment*		
Secured, considered good	73	-
Unsecured, considered good	-	-
Doubtful	44	-
	117	-
Less: Provision for doubtful trade receivable	44	-
Total	73	-
Trade receivables outstanding for a period less than six months from the date they were due for payment*		
Secured, considered good	69,471	16,336
Unsecured, considered good	93,593	71,488
Doubtful	-	30
	163,064	87,854
Less: Provision for doubtful trade receivable	-	30
	163,064	87,824
Total	163,137	87,824

* Includes amount receivable in respect to Bill discounting of Rs. 75,547 lacs (previous year Rs. 63,352 lacs), Secured corporate loan of Rs. 14,764 lacs (previous year Rs. 4,480 lacs), Retail financing of Rs. 52,385 lacs (previous year Rs. 10,848 lacs), Unsecured loans of Rs. 17,482 lacs (previous year Rs. 7,707 lacs), Leasing of Rs. 39 lacs (previous year Rs. 429 lacs), Loan against property of Rs. 2,439 lacs (previous year Rs. 1,000 lacs), Deferred credit of Rs. Nil (previous year Rs. 38 lacs) Inventory funding of Rs. 525 lacs (previous year Rs. Nil).

Note 18 Cash and cash equivalents

Particulars	As at 31 March, 2015 Amount (Rs. in Lacs)	As at 31 March, 2014 Amount (Rs. in Lacs)
(a) Cheques on hand	395	161
(b) Balances with banks :		
(i) in current accounts	664	442
(ii) in dividend current accounts (Earmarked accounts)	63	67
Total	1,122	670

Note 19 Short term loans and advances

Particulars	As at 31 March, 2015 Amount (Rs. in Lacs)	As at 31 March, 2014 Amount (Rs. in Lacs)
Unsecured, considered good		
(a) Security deposits	31	-
(b) Loan and advances to employees	33	4
(c) Prepaid expense	341	120
(d) Others	240	143
Total	645	267

Note 20 Other current assets

Particulars	As at 31 March, 2015 Amount (Rs. in Lacs)	As at 31 March, 2014 Amount (Rs. in Lacs)
(a) Interest accrued but not due	1,699	424
(b) Receivables on sale of fixed assets	-	762
Total	1,699	1,186

Hero FinCorp Ltd.

Note 21 : Revenue from Operations

Particulars	For the year ended 31 March, 2015 Amount (Rs. in Lacs)	For the year ended 31 March, 2014 Amount (Rs. in Lacs)
(a) Interest income		
(i) Deferred credit	3	17
(ii) Corporate finance secured	5,615	1,292
(iii) Corporate finance- unsecured	2,103	1,714
(iv) Retail financing	8,251	1,032
(v) Inventory funding	27	-
(b) Other financial services		
(i) Lease rentals -finance lease	-	5
(ii) Lease rentals -operating lease	1,913	2,013
(iii) Income on bills discounting	5,382	4,013
(c) Processing fees	5,437	1,201
(d) Commission income	420	606
(e) Arrangement Fees	74	79
(f) Fleet management income	28	22
(g) Subvention income	310	-
(h) Penal charges income	139	10
(l) Others	54	12
Total	29,756	12,016

Note 22 Other Income

Particulars	For the year ended 31 March, 2015 Amount (Rs. in Lacs)	For the year ended 31 March, 2014 Amount (Rs. in Lacs)
(a) Dividend income		
(i) from long term investments-equity shares	1	1
(b) Profit on sale of:		
(i) current investment	66	61
(ii) fixed assets (net)	39	-
(c) Other non-operating income		
(i) Provisions no longer required written back	-	4
Total	106	66

Note 23 Employee benefits expense

Particulars	For the year ended 31 March, 2015 Amount (Rs. in Lacs)	For the year ended 31 March, 2014 Amount (Rs. in Lacs)
Salaries and wages	2,895	1,062
Contribution to provident and other funds	153	68
Gratuity expense	66	17
Staff welfare expenses	89	24
Total	3,203	1,171



Note 24 Finance Costs

Particulars	For the year ended 31 March, 2015 Amount (Rs. in Lacs)	For the year ended 31 March, 2014 Amount (Rs. in Lacs)
(a) Interest expense on		
(i) Term loan	2,847	255
(ii) Working capital/inter corporate deposit and others	4,295	2,727
(iii) Non-convertible debentures	1,545	890
(iv) Commercial paper discounting charges	1,066	-
(v) Late payment of statutory dues	3	7
(b) Other borrowing costs	18	198
Total	9,774	4,077

Note 25 Other expenses

Particulars	For the year ended 31 March, 2015 Amount (Rs. in Lacs)	For the year ended 31 March, 2014 Amount (Rs. in Lacs)
Rent including lease rentals	288	143
Repairs and maintenance-building	193	247
Recruitment and training expenses	303	109
Insurance	90	49
Rates and taxes	640	228
Legal and professional	201	613
Auditors remuneration (refer note 34)	15	12
Travelling and conveyance	673	228
Expense on retail financing :		
-Contractual staff	1,825	512
-Verification charges	861	197
-Collection charges	1,393	115
-Others	358	8
Provision for doubtful trade receivables	20	30
Bad debts written off	33	-
Marketing expenses	271	56
Loss on sale of fixed assets (net)	-	239
Data processing charges	390	71
Donation	7	5
Postage and telephone	162	52
Printing and stationery	165	52
Vehicle expenses	43	30
Payout/incentive to dealers	1,310	344
Miscellaneous expenses	393	72
Total	9,634	3,412

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Note 26 : Contingent Liabilities and Commitments (to the extent not provided for)

(Amount Rs. in lacs)

Particulars	This year	Previous year
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances paid amounting to Rs.176 lacs (previous year Rs.21 lacs))	180	25
Other commitments (Refer note below)	-	-
Total	180	25

The Company does not have any long term commitments or material non-cancellable contractual commitments/ contracts, which have a material impact on the financial statements.

Note 27 : As the Company's business activity falls within a single primary business segment viz. "Financial services" and is a single geographical segment, the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting," notified in the Companies (Accounting Standards) Rules, 2006 are not applicable.

Note 28 : The Company has entered into operating lease agreement for leased premises. This lease arrangement is non-cancellable in nature. The aggregate lease rentals under the arrangement amounting to Rs.288 lacs (previous year Rs. 143 lacs) have been charged in Statement of Profit and loss. Future lease payments under operating leases are as follows:

(Amount Rs. in lacs)

Particulars	This year	Previous year
Payable not later than one year	108	130
Payable later than one year and not later than five years	-	108
Total	108	238

Note 29 : In accordance with the Accounting Standard 15 (revised 2005), actuarial valuation was done in respect of gratuity and compensated absences :

S No.	Particulars	Gratuity (Unfunded) as at 31 March, 2015	Gratuity (Unfunded) as at 31 March, 2014	Compensated Absences (Unfunded) as at 31 March, 2015	Compensated Absences (Unfunded) as at 31 March, 2014
		(Amount Rs. In lacs)	(Amount Rs. In lacs)	(Amount Rs. In lacs)	(Amount Rs. In lacs)
I	Reconciliation of opening and closing balance of the present value of defined benefit obligations (PVO):-				
a.	PVO at the beginning of the period	83	66	79	9
b.	Current service cost	32	13	42	29
c.	Interest cost	7	5	7	1
d.	Actuarial (gain)/ loss	27	(1)	(31)	40
e.	Benefits paid	-	-	(2)	-
	Past service cost	-	-	-	-
f.	PVO at the end of the period	149	83	95	79
II	Amount recognized in the Statement of Profit and Loss :-				
a.	Current service cost	32	13	42	29
b.	Interest cost	7	5	7	1
c.	Actuarial (gain)/ losses	27	(1)	(31)	40
d.	Past service cost	-	-	-	-
	Net cost	66	17	18	70



S No.	Particulars	Gratuity (Unfunded) as at 31 March, 2015	Gratuity (Unfunded) as at 31 March, 2014	Compensated Absences (Unfunded) as at 31 March, 2015	Compensated Absences (Unfunded) as at 31 March, 2014
		(Amount Rs. In lacs)	(Amount Rs. In lacs)	(Amount Rs. In lacs)	(Amount Rs. In lacs)
III	Amount recognized in the Balance Sheet:-				
a.	PVO at the end of the period	149	83	95	78
b.	Funded status	-	-	-	-
c.	Net liability recognized in the Balance Sheet	149	83	95	78
IV	Assumptions used in accounting for the benefit plan :-				
a.	Discount rate (%)	7.75%	8.50%	7.75%	8.50%
b.	Salary escalation rate (%)	5.25%	6.00%	5.25%	6.00%
c.	Expected average remaining working life of employees (period in years)	22.98	23.24	22.98	23.21

1. The estimate of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and relevant factors such as supply and demand in the employment market.
2. Since the liability is not funded, therefore information with regard to the plan assets has not been furnished.

The table below shows a summary of the key results including past results as applicable.

A) Assets/Liabilities

(Amount Rs. in lacs)

Ason	31/03/2011	31/03/2012	31/03/2013	31/03/2014	31/03/2015
PBO	45	55	66	83	149
Plan assets	-	-	-	-	-
Net assets/ (liability)	45	55	66	83	149

B) Experience on actuarial gain/ (loss) for PBO and plan assets

(Amount Rs. in lacs)

Ason	31/03/2011	31/03/2012	31/03/2013	31/03/2014	31/03/2015
On plan PBO	9	3	2	(1)	27
On plan assets	-	-	-	-	-

Note 30: Related Party disclosure under Accounting Standard 18

- (a) Parties in respect of which the Company is an associate
Hero MotoCorp Limited
- (b) Key management personnel and their relatives
RenuMunjhal – Managing Director
Abhimanyu Munjal – relative of Managing Director
- (c) Enterprises over which key management personnel and their relatives are able to exercise significant influence:-
Stalwart Exports Private Limited, Khosla Overseas Private Limited, Elvy Lifestyle Private Limited, Stalwart Lifestyle Private Limited, P M Infosoft Private Limited, Easy Bill Limited, Hero Future Energies Limited.

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Transactions with related parties during the year

(a) Parties in respect of which the Company is an associate

(Amount Rs. in lacs)

Particulars	This year	Previous year
Hero MotoCorp Limited		
Inter corporate deposit received	29,500	60,500
Inter corporate deposit repaid	51,500	62,500
Interest on inter corporate deposit accrued and paid	185	716
Dividend received	1	1
Lease rental received	1,887	1,859
Dividend paid	219	219
Proceeds from right issue	16,790	-
Rent paid	1	-
Security deposit paid	1	-
Subvention income	308	-
Sale of fixed assets	214	-
Amount receivable (including interest accrued) as at the year end	546	(21,201)

(b) Key management personnel and their relatives

(Amount Rs. in lacs)

Particulars	This year	Previous year
Remuneration *		
Renu Munjal	210	122
Abhimanyu Munjal	220	23

* Does not include provisions for incremental gratuity and leave encashment liabilities, since the provisions are based on actuarial valuations for the Company as a whole

Note 31 :Information pursuant to clause vii (b) of the Companies (Auditors Report) Order, 2015 in respect of disputed dues, not deposited as at 31 March, 2015, pending with various authorities.

Name of the Statute	Nature of the Dues	Amount (Rs. in lacs)	Amount paid under protest (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income tax	143	-	2004-05, 2006-07, 2010-11, 2011-12	Commissioner (Appeals)

The following matters have been decided in favour of the Company but the department has preferred appeals at higher levels:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income-Tax	33	2006-07, 2009-10	High Court



Note 32 : Expenditure in Foreign Currency (on accrual basis)

(Amount Rs. in lacs)

Particulars	This year	Previous year
Travel and other accounts	58	31
Total	58	31

Note 33 : Earnings Per Share

Particulars	This year	Previous year
Profit/ (Loss) for the year (Rs. in lacs)	3,315	1,498
Weighted average number of equity shares (Nos.)	38,853,014	18,100,000
Nominal value per equity share (Rs. per share)	10	10
Basic and diluted earning per share (Rs.)	8.53	8.27

Note 34 : Provision and/or payment in respect of Auditors' Remuneration

(Amount Rs. in lacs)

Particulars	This year	Previous year
Audit fee	13*	10
Tax audit fee	2	2
Out of pocket expenses	-	-
Total	15	12

*Inclusive of service tax

Note 35: Assets given on operating lease

Future minimum lease receipts (Amount Rs. in lacs)

Future minimum lease receipts	This year	Previous year
Upto 1 year	1,916	1,911
More than 1 year but less than 5 years	3,975	3,699

Note 36 : Following information is disclosed in terms of the RBI circular (Ref No. DNBR (PD) CC No.002 /03.10.001 / 2014-15 dated November 10,2014):

(a) Capital to risk assets ratio (CRAR)

	As at 2015	As at 2014
(i) CRAR %	17.67%	18.38%
(ii) CRAR - Tier I capital (%)	17.42%	18.08%
(iii) CRAR - Tier II capital (%)	0.25%	0.30%
(iv) Amount of subordinated debts raised as Tier-II instruments	-	-
(v) Amount raised by issue of perpetual instruments	-	-

Hero FinCorp Ltd.

(b) Investments

(Amount Rs. in lacs)

Particulars		This year	Previous year
(1)	Value of investments		
(i)	Gross value of investments		
	(a) In India	477	477
	(b) Outside India,	-	-
(ii)	Provisions for depreciation		
	(a) In India	-	-
	(b) Outside India,	-	-
(iii)	Net value of investments		
	(a) In India	-	-
	(b) Outside India,	-	-
(2)	Movement of provisions held towards depreciation on investments.		
(i)	Opening balance	-	-
(ii)	Add :Provisions made during the year	-	-
(iii)	Less :Write-off / write-back of excess provisions during the year	-	-
(iv)	Closing balance	-	-

Derivatives

There is no forward rate agreement / interest rate swap agreement and exchange traded interest rate (IR) derivatives. There is no un-hedged foreign currency exposure.

Securitisation

There is no securitisation transaction entered by the company

Detail of non-performing financial assets purchased / sold

There are no non-performing financial assets purchased / sold during the year

(c) Maturity pattern of certain items of assets and liabilities

(Amount Rs. in lacs)

	1 day to 30/31 days (1 Month)	Over 1 Month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 Year to 3 years	Over 3 years to 5 Years	Over 5 years	Total
Liabilities									
Borrowing from banks	23,621	16,000	14,166	15,166	18,333	40,999	26,668	-	1,54,953
Market borrowings	10,000	30,000	20,000	-	5,000	30,000	-	-	95,000
Assets									
Advances*	68,877	18,383	13,435	19,413	44,461	83,218	35,188	23,787	3,06,762
Investment	-	-	-	-	-	-	-	-	-



Previous year

(Amount Rs. in lacs)

	1 day to 30/31 days (1 Month)	Over 1 Month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 Year to 3 years	Over 3 years to 5 Years	Over 5 years	Total
Liabilities									
Borrowing from banks	5,787	3,000	19,000	5,500	8,500	12,500	-	-	54,287
Market borrowings	19,000	3,000	-	-	-	15,000	-	-	37,000
Assets									
Advances*	54,677	8,705	9,322	6,016	9,760	17,442	4,567	1,457	111,946
Investment	-	-	-	-	-	-	-	-	-

* It includes written down value of leased assets, trade receivables and other non-current assets.

(d) Exposures: Exposures to Real Estate Sector

Category	2015	2014
(a) Direct Exposure		
(i) Commercial Real Estate		
Lending secured by mortgages on commercial real estate (office building, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and constructions, etc.) Exposure would also include non-funded base (NFB) limits.	21,682	2,000

Exposure to capital market

There is nil investment to capital market as at balance sheet date

No Registration has been obtained from other financial regulators during the year.

No penalties have been imposed by RBI and other regulators during the year.

Ratings assigned by credit rating agencies and migration of ratings during the year

Agency	This year	Previous year
ICRA	AA+ / Stable for long term	AA+ / Stable for long term
ICRA	A1+ for short term facilities	A1+ for short term facilities
CRISIL	AA+ / Stable for long term	AA+ / Stable for long term
CRISIL	A1+ for short term facilities	A1+ for short term facilities

Hero FinCorp Ltd.

Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss	This Year (Amount in Rs.lacs)	Previous Year (Amount in Rs.lacs)
Provisions for depreciation on investment	-	-
Provision towards NPA	20	30
Provision made towards Income tax (including deferred tax)	1,705	786
Other Provision and Contingencies (with details)	-	-
Provision for standard assets	770	-

Concentration of advances

Particulars	This year	Previous year
Total advances to twenty largest borrowers(Amount Rs.in lacs)	89,716	21,212
Percentage of advances to twenty largest borrowers/ customers to total exposure of the NBFC on borrowers/ customers	29.25%	18.94%

Concentration of exposure

Particulars	This year	Previous year
Total exposure to twenty largest borrowers/ customer(Amount Rs.in lacs)	89,716	21,212
Percentage of exposure to twenty largest borrowers/ customers to total exposure of the NBFC on borrowers/ customers	29.25%	18.94%

Concentration of NPAs

Particular	This year	Previous Year
Total exposure to top four NPA accounts	2.86	2.41

Sector-wise NPAs

S.No.	Sector	Percentage of NPAs to total advances in that sector	
		This year	Previous year
1	Agriculture & allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	-	-
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans (two wheeler)	0.06%	0.17%
7	Other personal loans	-	-



Movement of NPAs

Particulars		This Year (Amount in Rs.Lacs)	Previous Year (Amount in Rs.Lacs)
(i)	Net NPAs to net advances (%)	0.14	0.02
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	48	-
	(b) Additions during the year	443	48
	(c) Reductions during the year	-	-
	(d) Closing balance	491	48
(iii)	Movement of Net NPAs		
	(a) Opening balance	18	-
	(b) Additions during the year	423	18
	(c) Reductions during the year	-	-
	(d) Closing balance	441	18
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	30	-
	(b) Provisions made during the year	20	30
	(c) Write-off / write-back of excess provisions	-	-
	(d) Closing balance	50	30

Customer complaints

Particular	This year	Previous year
(a) No.of complaints pending at the beginning of the year	1	-
(b) No.of complaints received during the year	101	11
(c) No.of complaints redressed during the year	98	10
(d) No.of complaints pending at the end of the year (resolved subsequent to the year end)	4	1

Hero FinCorp Ltd.

Schedule to the Balance Sheet of a non-deposit taking Non-Banking Financial company (as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Amount Rs. inlacs)

S. No.	Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	Liabilities Side:				
1.	Loans and advances availed by the Non-Banking Financial Company inclusive of interest accrued thereon but not paid:				
	(a) Debentures :				
	Secured	15,631	-	15,631	-
	Unsecured	-	-	-	-
	(other than falling within the meaning of public deposits)				
	(b) Deferred credits	-	-	-	-
	(c) Term loans	1,03,867	-	14,543	-
	(d) Inter-corporate loans and borrowing	-	-	22,062	-
	(e) Commercial paper	60,000	-	-	-
	(f) Public deposits	-	-	-	-
	(g) Others :				
	Secured working capital demand loan				
	Cash Credit	5,119	-	287	-
	Other loan from banks				
	Secured	44,519	-	17,512	-
	Unsecured	21,501	-	22,082	-

Assets Side:			
2.	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]	For the year ended 31 March, 2015	For the year ended 31 March, 2014
		Amount outstanding	Amount outstanding
	(a) Secured	197,655	33,425
	(b) Unsecured	103,177	72,541



3.	Break up of leased assets and stock on hire and hypothecation loans counting towards Asset Finance Company (AFC) activities	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	4	1
	(b) Operating lease	5,926	5,979
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-

4. Break-up of Investments :

	Current Investments :	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	1. Quoted :		
	(i) Shares :		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
	2. Unquoted :	-	-
	(i) Shares :	-	-
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
	Long Term investments :		
	1. Quoted :	-	-
	(i) Shares :		
	(a) Equity	1	1
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-

Hero FinCorp Ltd.

	Current Investments:(Contd..)	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	2.Unquoted:	-	-
	(i) Shares:	-	-
	(a) Equity	476	476
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-

5. Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	For the year ended 31 March, 2015			For the year ended 31 March, 2014		
	Amount Rs. in Lacs (net of provisions)			Amount Rs. in Lacs (net of provisions)		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties	-	-	-	-	-	-
1. Related Parties	-	-	-	-	-	-
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same Group	-	-	-	-	-	-
(c) Other related parties	5,930	-	5,930	5,980	-	5,980
2. Other than related parties	197,605	103,188	300,793	33,395	72,541	105,936
Total	207,535	103,188	306,723	39,375	72,541	111,916

6. Investor group-wise classification of all investments (current and long term) in shares and securities both (quoted and unquoted):

Category	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same Group	-	-	-	-
(c) Other related parties	36	1	31	1
2. Other than related parties	476	476	476	476
Total	512	477	507	477



7. Other Information

Particulars	For the year ended	For the year ended
	31 March, 2015	31 March, 2014
	Amount Rs. in Lacs	Amount Rs. in Lacs
(i) Gross Non-Performing Assets		
(i) Gross non-performing assets	-	-
(a) Related parties	-	-
(b) Other than related parties	491	48
(ii) Net non-performing assets	-	-
(a) Related parties	-	-
(b) Other than related parties	441	18
(iii) Assets acquired in satisfaction of debt	-	-

Note 37 : Previous year's figures have been recast /regrouped wherever necessary.

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Jaideep Bhargava

Partner

Place: New Delhi

Date: May 05, 2015

For and on behalf of Board of Directors

Brijmohan Lall Munjal

Chairman

D. N. Davar

Director

Renu Munjal

Managing Director

Shyam Lal

Chief Financial Officer

Tribhuwan K. Johari

Company Secretary

Hero FinCorp Ltd.



Hero FinCorp Ltd.

Registered Office: 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi, 110 057

CIN: U74899DL1991PLC046774 **Phone:** 011-4604 4100 **Fax:** 011-49487197

Email: tribhuvan.johari@herofincorp.com, **Website:** www.herofincorp.com

- 1 Name
- 2 Registered Address
of the sole/first named Shareholder
- 3 Name (s) of the Joint Shareholder (s) if any

1.

2.

4 Registered Folio No.

5 No. Share held

I/We being the Registered Shareholder / Proxy for the Registered Shareholder of the Company hereby record my presence at the 24TH ANNUAL GENERAL MEETING of the Company held on Tuesday, September 15, 2015 at 5.00:p.m. at Hotel Vasant Continental, Vasant Vihar, New Delhi – 110 057 and at any adjournment(s) thereof, in respect of such resolutions as are indicated below:

Signature as per specimen registered with the Company or Registrar

1st Holder

2nd Holder

3rd Holder

Proxy

E-VOTING

User who wish to opt for e-voting may use the following login credentials.

EVEN (E Voting Event No.)	User ID	PASSWORD

Please follow steps for e-voting procedure as given in the Notice of AGM or by logging on to www.evotingindia.com

Hero FinCorp Ltd.



Hero FinCorp Ltd.

Registered Office: 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi, 110 057
CIN: U74899DL1991PLC046774 **Phone:** 011-4604 4100 **Fax:** 011-49487197
Email: tribhuwan.johari@herofincorp.com, **Website:** www.herofincorp.com

PROXY FORM

Form MGT - 11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	U74899DL1991PLC046774
Name of the Company	Hero FinCorp Ltd.
Regd. Office	34, Community Centre, Basant Lok, Vasant Vihar, New Delhi, 110 057
Name of the Member(s)	
Regd. Address	
Email	
Folio No.	

I/We, being the member(s) of _____ shares of Hero FinCorp Ltd., hereby appoint:

- 1) Name : _____ Address _____
Email: _____ Signature _____ or failing him
- 2) Name : _____ Address _____
Email: _____ Signature _____ or failing him
- 3) Name : _____ Address _____
Email: _____ Signature _____ or failing him

below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24TH ANNUAL GENERAL MEETING of the Company held on Tuesday, September 15, 2015 at 05:00 P.M. at Hotel Vasant Continental, Vasant Vihar, New Delhi – 110 057 and at any adjournment(s) thereof, in respect of such resolutions as are indicated below:

Ordinary Business:
1. Adoption of Audited Financial Statement of the Company for the financial year ended March 31, 2015, and the reports of the Board and Auditors thereon
2. Declaration of Dividend on Equity Shares
3. Re-appointment of Mr.Pawan Munjal (DIN 00004223)
4. Ratification of appointment of M/s.Deloitte Haskins & sells, Chartered Accountants Statutory Auditors(FR No.015125N) and fixing their remuneration
Special Business:
5. Re-appointment of Mrs.Renu Munjal (DIN00012870) as Managing Director
6. Elevation of Mr.Abhimanyu Munjal as Chief Executive Officer and KMP of the Company

Signed this _____ day of _____ 2015

Affix
revenue
stamp of
Rs. 1

Signature of the Member: _____

Signature of the Proxy holder(s): _____

Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting

Hero FinCorp Ltd.

Hero FinCorp Ltd.

CIN No. U74899DL1991PLC046774

Registered Office :

34, Community Centre, Basant Lok
Vasant Vihar, New Delhi-110 057, India

Tel. : 011-4604 4100

Fax : 011-2614 3321

www.herofincorp.com