

October 17, 2020

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

**Sub: Disclosure pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

In Pursuance to the provisions of Chapter V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed herewith the following:-

- (i) Unaudited Financial Results of the Company along with limited review report for the half year ended September 30, 2020 duly approved by the Board of Directors at its Meeting held on Saturday, October 17, 2020 including additional information as required under Section 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (ii) Pursuant to the provisions of Regulation 52(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a statement indicating Deviation or Variation in the use of proceeds of issue of listed non – convertible debt securities, in the format as prescribed under SEBI/HO/DDHS/08/2020 circular dated January 17, 2020.

Kindly take the above on record.

Thanking You,

Yours sincerely,

For **Hero Housing Finance Limited**

  
**Vikas Gupta**  
Company Secretary  
M. No.: A24281



Encl: A/a

**Hero Housing Finance Ltd.**

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

**Phone:** 011 49267000, **Toll Free Number:** 1800 212 8800, **Email:** customer.care@herohfl.com

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

# B S R & Co. LLP

Chartered Accountants

Unit No.- 502, 5th Floor, Tower- B,  
ITES/ IS Complex, Advant Navis Business Park,  
Plot No.- 7, Sector- 142, Expressway,  
Noida- 201305, UP

Telephone: + 91 120 682 8700  
Fax: + 91 120 682 8710

To  
Board of Directors of  
**Hero Housing Finance Limited**

1. We have reviewed the accompanying Statement of unaudited financial results of Hero Housing Finance Limited ('the Company') for the half year ended 30 September 2020 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. As described in Note 7 to the Statement, in respect of overdue but standard accounts where moratorium benefit was granted, the staging of those accounts at 30 September 2020 is based on the days past due status considering the benefit of moratorium period in accordance with the Covid-19 Regulatory Package announced by the Reserve Bank of India vide notifications dated 27 March 2020, 17 April 2020 and 23 May 2020. Further, to the extent to which the Covid-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain. Our conclusion is not modified in respect of above matters.

*For B S R & Co. LLP*

*Chartered Accountants*

Firm's Registration number: 101248W/ W-100022

MANISH GUPTA

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**Manish Gupta**

*Partner*

Membership No. 095037

UDIN: 20095037AAAAC6131

Place: New Delhi  
Date: 17 October 2020

**Hero Housing Finance Limited**

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

Fax: 011-49487197-98, Tel. No: 011-49487150, Website: www.herohousingfinance.com

CIN: U65192DL2016PLC301481

**Balance Sheet as at 30 September 2020****(All amount in rupees lakhs unless otherwise stated)**

Particulars	As at 30 September 2020 (Unaudited)	As at 31 March 2020 (Audited)
<b>Assets</b>		
<b>Financial assets</b>		
Cash and cash equivalents	41,449.34	13,070.77
Loans	1,94,882.11	1,78,040.35
Investments	8,154.43	2,701.30
Other financial assets	128.65	246.72
<b>Non Financial assets</b>		
Current tax assets	82.31	57.76
Deferred tax assets (net)	21.51	21.51
Property, plant and equipment	444.32	480.83
Right-of-use assets	492.70	691.95
Capital work-in-progress	-	4.22
Other intangible assets	580.92	555.74
Intangible assets under development	23.60	60.66
Other non-financial assets	466.76	340.65
<b>Total assets</b>	<b>2,46,726.65</b>	<b>1,96,272.46</b>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Financial liabilities</b>		
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises; and	22.61	38.56
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	862.32	673.10
Debt securities	12,152.65	2,195.82
Borrowings (other than debt securities)	1,89,984.38	1,52,065.11
Subordinated liabilities	2,472.86	2,471.21
Lease liabilities	517.85	703.11
Other financial liabilities	6,554.26	2,902.43
<b>Non-financial liabilities</b>		
Provisions	309.03	216.88
Other non-financial liabilities	733.67	618.95
<b>Total liabilities</b>	<b>2,13,609.63</b>	<b>1,61,885.17</b>
<b>Equity</b>		
Equity share capital	37,500.00	37,500.00
Other equity	(4,382.98)	(3,112.71)
<b>Total equity</b>	<b>33,117.02</b>	<b>34,387.29</b>
<b>Total liabilities and equity</b>	<b>2,46,726.65</b>	<b>1,96,272.46</b>

**ABHIMANYU  
MUNJAL**Digitally signed by ABHIMANYU MUNJAL  
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**Hero Housing Finance Limited**

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

Fax: 011-49487197-98, Tel. No: 011-49487150, Website: www.herohousingfinance.com

CIN: U65192DL2016PLC301481

**Financial Results for the half year ended 30 September 2020**

**(All amount in rupees lakhs unless otherwise stated)**

Particulars	Half year ended		Year ended
	30 September 2020 (Unaudited)	30 September 2019 (Unaudited)	31 March 2020 (Audited)
<b>Income</b>			
<b>I Revenue from operations</b>			
Interest income	10,518.24	4,505.37	12,975.81
Profit on sale of investments	98.84	173.73	509.62
Net gain on fair value changes	37.23	31.21	1.30
Other charges	128.74	112.97	294.49
<b>Total Revenue from operations</b>	<b>10,783.05</b>	<b>4,823.28</b>	<b>13,781.22</b>
<b>II Other income</b>	255.32	700.91	1,590.24
<b>III Total income (I + II)</b>	<b>11,038.37</b>	<b>5,524.19</b>	<b>15,371.46</b>
<b>IV Expenses</b>			
Finance costs	7,422.05	2,721.09	8,938.38
Impairment allowance on loans	1,486.92	163.13	1,142.32
Employee benefits expenses	1,997.21	2,456.07	5,081.13
Depreciation and amortization	213.16	144.15	331.13
Other expenses	1,286.95	1,305.78	3,092.01
<b>Total expenses</b>	<b>12,406.29</b>	<b>6,790.22</b>	<b>18,584.97</b>
<b>V Loss before tax (III - IV)</b>	<b>(1,367.92)</b>	<b>(1,266.03)</b>	<b>(3,213.51)</b>
<b>VI Tax expense:</b>			
Deferred tax charge /(net)	-	-	-
<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VII Net loss after tax from operations (V - VI)</b>	<b>(1,367.92)</b>	<b>(1,266.03)</b>	<b>(3,213.51)</b>
<b>VIII Other comprehensive income gain/ (loss)</b>			
Items that will not be reclassified to profit or loss:-			
Remeasurement of gains/ (losses) on defined benefit plans	2.91	(5.84)	21.49
Income tax impact on above	-	-	-
<b>IX Other comprehensive income / (loss) for the period/ year, net of tax</b>	<b>2.91</b>	<b>(5.84)</b>	<b>21.49</b>
<b>X Total comprehensive income / (loss) for the period/ year, net of tax</b>	<b>(1,365.01)</b>	<b>(1,271.87)</b>	<b>(3,192.02)</b>
<b>XI Earnings per equity share</b>			
(a) Basic (in Rupees)*	(0.36)	(0.51)	(1.28)
(b) Diluted (in Rupees)*	(0.36)	(0.51)	(1.28)

\*not annualised for the half year ended

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CIN: U65192DL2016PLC301481

**Notes:**

- 1) The Company is a Housing Finance Company registered with National Housing Bank ('the NHB').
- 2) The financial results for the half year ended 30 September 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 17 October 2020.
- 3) The financial results of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 4) In compliance with Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, review of financial results for the half year ended 30 September 2020 has been carried out by the Statutory Auditors.
- 5) Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as per 'Annexure 1' attached.
- 6) The Company is engaged primarily in the business of financing, and accordingly, there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment.
- 7) The "Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2)", known as COVID-19, has resulted in unprecedented level of disruption on socioeconomic front across the country. The offices of the Company were also under lockdown for few months during the half year ended 30 September 2020. The Company has now resumed operations and is in the process of recovery. The extent to which COVID-19 pandemic will impact the Company's operations and financial results is dependent on the future developments, which are highly uncertain.

Further, in accordance with the RBI Circulars dated 27 March 2020, 17 April 2020 and 23 May 2020 with regard to providing relief to borrowers on account of COVID-19 pandemic, the Company had offered moratorium to eligible borrowers in accordance with its Board approved policy. For all such accounts where the moratorium is granted, the staging of those accounts at 30 September 2020 is based on the days past due status considering the benefits of moratorium in accordance with the RBI Circulars.

Given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information including economic forecasts up to the date of approval of these financial results for the purposes of estimation of the expected credit loss. As a result, there is an increase in the provision for expected credit loss being carried by the Company. The Company will continue to closely monitor any material changes to future economic conditions.

For and on behalf of the Board of Directors of

**Hero Housing Finance Limited**

**ABHIMANU  
YU  
MUNJAL**

**Abhimanyu Munjal**  
Managing Director  
(DIN: 02822641)

Place: New Delhi  
Date: 17 October 2020

**Hero Housing Finance Limited****Annexure I**

Additional information

(All amount in rupees lakhs unless otherwise stated)

**a) Credit Rating**

The CRISIL Limited (CRISIL) and ICRA Limited (ICRA) have assigned following ratings to the Company:

Facility	CRISIL	ICRA
Secured non-convertible debentures	AA+/Stable	AA+/Stable
Unsecured sub-ordinated Tier-II non-convertible debentures	AA+/Stable	AA+/Stable
Bank facilities:		
Long term banking facilities	AA+/Stable	AA+/Stable
Short term banking facilities	-	A1+
Commercial papers	A1+	A1+

**b) Asset cover available, in case of non-convertible debentures**

1.00 time

**c) Debt-equity ratio**

Particulars	As at 30 September 2020	As at 31 March 2020
Debt-equity ratio	6.18	4.56

(Borrowings [excluding interest accrued but not due] / shareholder's funds)

**d) Following is the information regarding interest and principal repayment of Non-Convertible Debentures ("NCD") and Commercial Papers ("CP"):**

ISIN	Credit rating	Instrument	Previous due date of interest and principal				Payment status
			Principal		Interest/Premium/ Discount		
			Date	Amount	Date	Amount	
INE800X08012	AA+/Stable	NCD	Not yet due*	Not yet due*	28-Dec-19	237.50	Paid
INE800X07014	AA+/Stable	NCD	Not yet due*	Not yet due*	Not yet due*	Not yet due*	Not yet due*
INE800X07022	AA+/Stable	NCD	Not yet due*	Not yet due*	Not yet due*	Not yet due*	Not yet due*

ISIN	Credit rating	Instrument	Next due date of interest and principal			
			Principal		Interest/Premium	
			Date	Amount	Date	Amount
INE800X08012	AA+/Stable	NCD	28-Dec-28	2,500.00	28-Dec-20	237.50
INE800X07014	AA+/Stable	NCD	10-May-22	2,200.00	10-May-22	702.26
INE800X07022	AA+/Stable	NCD	23-Jun-23	10,000.00	25-Jun-21	775.00

\*Not yet due - Principal repayment or interest payment was not due in previous period.

Note: Commercial papers purchased/ repaid during the half year ended 30 September 2020 is Rs. Nil. Outstanding commercial papers as on 30 September 2020 is Rs. Nil.

**e) Debt service coverage ratio\***

Particulars	Half year ended 30 September 2020	Half year ended 30 September 2019
Debt service coverage ratio	0.41	0.24

\*(Loss before tax + finance costs excluding interest on lease liability + principal collection from customers\*\*)/(finance costs excluding interest on lease liability + debt repayments\*\*)

\*\*Principal collection from customers and debt repayments scheduled in next twelve months from the balance sheet date

**f) Interest service coverage ratio#**

Particulars	Half year ended 30 September 2020	Half year ended 30 September 2019
Interest service coverage ratio	0.81	0.53

#(Loss before tax + finance costs excluding interest on lease liability)/finance costs excluding interest on lease liability

**g) Outstanding redemption reserve/ debenture redemption reserve**

Not applicable

**h) Outstanding redeemable preference shares**

Not applicable

**i) Capital redemption reserve/ debenture redemption reserve**

Debenture redemption reserve is not required in respect of privately placed debentures in terms of Rules 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014.

**j) Net worth**

Particulars	As at 30 September 2020	As at 31 March 2020
Net worth	33,117.02	34,387.29

October 17, 2020

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

**Subject: Statement of Material Deviation under Regulation 52(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for half year ended September 30, 2020**

Dear Sir/Madam,

Pursuant to the provisions of Regulation 52(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that there are no material deviations, in the use of the proceeds of issue of Non-Convertible debt securities from the objects stated in the offer document. We enclose herewith a statement indicating Deviation or Variation in the use of proceeds of issue of listed non-convertible debt securities in the format as prescribed under SEBI/HO/DDHS/08/2020 circular dated January 17, 2020 in this regard.

Kindly take note of the same.

For Hero Housing Finance Limited

  
**Vikas Gupta**  
Company Secretary  
M. No.- A24281



Encl: A/a

**Hero Housing Finance Ltd.**

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

**Phone:** 011 49267000, **Toll Free Number:** 1800 212 8800, **Email:** customer.care@herohfl.com

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**Statement of Deviation or Variation**

Name of listed entity	Hero Housing Finance Limited		
Mode of Fund Raising	Private Placement		
Type of instrument	Non-Convertible Debentures		
Date of Raising Funds	28/12/2018	05/03/2019	25/06/2020
Amount Raised (INR Crores)	25.00	22.00	100.00
Report filed for half year ended	September 30, 2020		
Is there a Deviation / Variation in use of funds raised?	No*		
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	NA		
If yes, details of the approval so required?	NA		
Date of approval	NA		
Explanation for the Deviation / Variation	NA		
Comments of the audit committee after review	NA		
Comments of the auditors, if any	NA		
Objects for which funds have been raised and where there has been a deviation, in the following table	NA		
<b>Original Object</b>	<b>Modified Object, if any</b>	<b>Original Allocation</b>	<b>Amount of Deviation/Variation for the half year according to applicable object (INR Crores and in %)</b>

\*Proceeds from issuance of NCDs have been utilized fully as per the object of the issue stated in the prospectus/offer document without any deviation.

Deviation could mean:

- (a) Deviation in the objects or purposes for which the funds have been raised
- (b) Deviation in the amount of funds actually utilized as against what was originally disclosed.

For and on behalf of  
Hero Housing Finance Limited



Vikas Gupta  
Company Secretary  
Membership No.: ACS24281