

40th Annual General Meeting of Hero MotoCorp Limited

9th August 2023

- **Moderator:**
- Dear Shareholders, good morning. Welcome to the 40th Annual General Meeting of Hero MotoCorp Limited. For smooth conduct of the meeting, members will be on mute mode. Audio and video will be switched on only when they are called upon to speak at the AGM as per pre-registration. Please note, as per requirements the transcript of the AGM will be available on the website of the Company.
- I now hand over the proceedings to Dr. Pawan Munjal - Executive Chairman of Hero MotoCorp Limited.
- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**
- Dear Shareholders, my *namaskar* and a very good morning to all of you. It is with immense pleasure that I extend a warm welcome to you all at the 40th Annual General Meeting of our Company. I hope that you and your loved ones have been well and staying healthy. The Annual General Meeting has been organized through video conferencing which is in compliance with the guidelines issued by the Ministry of Corporate Affairs, Government of India and the Securities and Exchange Board of India. The Company has made necessary arrangements to enable the members to participate in the meeting through video conferencing and to vote electronically. The proceedings of this Annual General Meeting shall be deemed to have been conducted at the registered office of the Company.
- It is now my pleasure to introduce you to the Board members and other officials present at the meeting today. To my immediate right is Pradeepji is the Non-Executive Director of the Company. He is also the Chairman of the Stakeholders' Relationship Committee and Risk Management Committee of our Company's Board. He is a fellow member of the Institute of Chartered Accountants of India and the Chairman and Managing Partner of the Delhi based chartered accountancy firm M/s S. R. Dinodia & Co. LLP.
- On my immediate left is Smt. Tina Trikha. Tina is an Independent Director of our Company and also the Chairperson of the Audit Committee of our Company's Board. Tina has close to two decades of experience working across companies in India, the United States and Southeast Asia. She is also a published author and an executive coach.
- Professor Jagmohan Singh Raju - Professor Raju is an Independent Director of the Company and is also the Chairman of the Nomination and Remuneration Committee of our Company's Board. Professor Raju served as the Vice Dean of Wharton Executive Education and is currently the Joseph J. Aresty Professor of Marketing at the Wharton School of the University of Pennsylvania. He leads and teaches in many

executive education programs at Wharton and also advises many leading companies around the world including start-ups initiated by Wharton students.

- Mr. Suman Kant Munjal - Mr. Suman Kant Munjal is a Non-Executive Director of the Company. He is the Executive Chairman of Rockman Industries Limited and possesses rich experience and expertise in business management.
- Air Chief Marshal B. S. Dhanoa (Retd.) - Air Chief Marshal Dhanoa is an Independent Director of the Company. With an illustrious career with the Indian Air Force. He served as the 25th Chief of the Indian Air Force from January 1st, 2017 until September 30th, 2019.
- Ms. Camille Tang - Camille Tang is an Independent Director of the Company. Camille has extensive experience innovation and intellectual property across Asia Pacific, Europe and the United States. Camille's industry experience includes wireless power technology, leadership and management education, financial derivatives and investment banking and lifestyle design.
- Mr. Rajnish Kumar - Mr. Rajnish Kumar is an Independent Director of the Company. He is the former Chairman of State Bank of India. Rajnish is a career banker with nearly four decades of service with the State Bank of India. He is credited with steering the bank successfully through very challenging times and adopting key technology transformations.
- Ms. Vasudha Dinodia - Vasudha Dinodia is a Non-Executive Director of the Company. She is the Founder and Managing Director of the boutique chocolate company Choko La. She has been a keen marketing strategist who has scaled Choko La to be a globally recognized and premier chocolate brand. She is a trend setting chocolatier and an astute businesswoman.
- Mr. Vikram Kasbekar- Vikram has been with the Company for close to 22 years and is presently an Executive Director at Hero. He has contributed significantly to the growth of the organization.
- Mr. Niranjana Gupta - Niranjana is the Chief Executive Officer and Chief Financial Officer of Hero MotoCorp.
- And, Mr. Dhiraj Kapoor, Company Secretary and Compliance Officer, Hero MotoCorp, are both present at today's meeting.
- The representatives of the statutory auditors from M/s Deloitte Haskins & Sells LLP and the secretarial auditors from M/s Sanjay Grover & Associates are present at the meeting today.
- Dhiraj, can you please confirm the quorum of this meeting?
- **Mr. Dhiraj Kapoor – Company Secretary, Hero MotoCorp Limited:**
- Yes, Chairman. The requisite quorum is present and the meeting is duly constituted.

- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**
- Dear members, as we have the requisite quorum present through video conferencing to conduct the proceedings of this meeting, I now call this meeting to order.
- The statutory registers are available at the NSDL e-voting platform for inspection electronically until the conclusion of this meeting.
- The notice of the 40th Annual General Meeting is already with you all. Therefore, I take the same as read.
- There are no adverse qualifications, observations or comments in the statutory auditors report as well as in the report of the secretarial auditors. Hence, the same are not required to be read at the meeting.
- I now invite you all to watch a brief AV before I deliver my speech.
- **[Audio-visual playing from 39.24 – 39.53]**
- **Moderator:**
- Over to you, Dr. Munjal.
- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**
- Dear shareholders, once again my *namaskar* and a very good morning to all of you. On behalf of the Board of Directors and all my colleagues at Hero MotoCorp, I am delighted to welcome you all to the 40th Annual General Meeting of our company. Once again, I hope you and all your families have been well and staying safe. Times are difficult, times are tough.
- Today, is a very special AGM as this is the centennial birth year of our Founder Chairman and my father, Dr. Brijmohan Lall Munjal. An entrepreneur par excellence, an institution builder, a philanthropist, an innovator, a statesman, a spiritual soul and above all, a proud Indian. He continues to be an inspiration to everyone in the Hero family and beyond. Also, today August 9th marks the 12th anniversary of the new solo brand identity of Hero MotoCorp. Thank you for riding with us through these years. Over the past 12 years, while the world, including the global automotive industry, has both undergone an unprecedented turmoil and productive transformation, one thing has remained constant - the market leadership of our Company. Since its inception, Hero has played a fundamental and meaningful role in driving the economic engine of India. Our Company supports over 1.1 million livelihoods through direct and indirect employment and through our supplier network. Our distribution network is the largest in the country, connecting the aspirations of millions of Indians and in building a strong Bharat. In the past decade, as India became the largest two-wheeler market in the world, we also continued to expand our operations and global footprint. From just three manufacturing facilities

in India in the year 2011, we now have eight state-of-the-art facilities while our global markets have expanded from 4 to 47 countries. We have also built a world class research, design and development ecosystem in India and in Germany.

- It fills my heart with pride, humility and gratitude when I reflect on the journey we rode together. My heartiest congratulations to each one of you. Thank you for reposing your faith and trust in us. By supporting Hero, you have supported India's growth story. Today, India is in its golden phase, aptly called *Amrit Kal* and on its way to becoming a developed economy when it celebrates its centenary year of independence in 2047. Under the transformational leadership of our honourable Prime Minister Sri Narendra Modi ji, India has emerged as an oasis of economic resurgence amid global headwinds. Since its inception in 1984, this Made in India Hero has been instrumental in providing convenient, fuel efficient mobility solutions to its customers, empowering them to move ahead in life, and in this process, has also contributed to the growth of the Indian automotive industry.
- Our advanced technology mobility solutions have continued to change the paradigm of the auto industry and powered the aspirations of millions. The success of our 'Made in India for the World' products across 47 countries is a testament to India's growing stature in the global economy. Despite the slackening demand in the two-wheeler industry, we remained focused and delivered a double digit growth over the previous year. In the process, we continued to remain the world's largest manufacturer and seller of motorcycles and scooters for 22 consecutive years. This is a testament to the trust that you and our 112 million customers have reposed on brand Hero year-on-year. Guided by our vision 'Be the future of mobility', we envisage Hero MotoCorp as a catalyst in bringing advanced mobility solutions that exceed the ever evolving requirements of a diverse set of customers.
- Over one thousand research and technology experts are currently working at our world class R&D ecosystem. Over the past three years, we have set the benchmark for the industry with an investment of approximately Rs. 20 billion towards innovation and new technology advancements. We sold 5.4 million units of motorcycles and scooters in the previous fiscal 2022-2023, an increase from approximately 4.9 million units sold in the previous year. We registered a gain in the deluxe segment of 100 and 110 CC, with an increase in the market share in the below 200 CC premium segment as well. We kept the excitement levels high across our product categories with new launches. Premiumization of our product portfolio also gained further pace as we made noteworthy progress in our partnership with the iconic American motorcycle brand, Harley-Davidson. It was a historic moment for us to host Mr. Jochen Zeitz, the Chairman, President and CEO of Harley-Davidson at our R&D facility in Jaipur in the month gone by, in fact, on July 3rd, to unveil our first co-developed motorcycle, the Harley-Davidson X440. Through the Harley-Davidson X440, which is being manufactured at our Neemrana facility, we will bring an authentic riding experience to a whole new generation of women and men who love the brand, who dreamt of riding the never ending open roads across the most beautiful terrains that India and the world has to offer. The Harley-Davidson X440 exemplifies the ideals of passion, creativity, innovation and collaboration. The Hero-

Harley motorcycle has received an overwhelming response with over 25,000 bookings as on date. We thank all our prospective customers for this very encouraging start in our premium journey with Harley.

- Building a sustainable world is a collective responsibility and we have joined forces with India's efforts towards decarbonisation through our green mobility solutions. As we take more cognizance of our carbon footprint, sustainability and a focus on environmental, social and governance will be central to all our future growth and transformation plans. FY2022-2023 ushered in a new era of sustainable and clean mobility with the launch of our first electric vehicle, Vida V1, which is now available in 37 cities across India and will further expand to over 100 cities by the end of 2023. You will be pleased to know that Vida V1 also set a performance and endurance world record for greatest distance, which was 1,780 kms (1106.04 miles) covered on an electric scooter in 24 hours. This record validates the strength of our commitment to the EV category, while solidifying India's reputation in this emerging segment. During the year, we also partnered with Zero Motorcycles, the California based manufacturer of premium electric motorcycles and powertrains, to accelerate the transition towards electric mobility in India and across our global markets. This collaboration combines our global scale and capabilities in manufacturing, sourcing and marketing with the expertise of Zero in developing powertrains and electric motorcycles.
- Continuing our efforts towards expanding the industry and aiding nation building our associate company, Hero Fincorp, supported the government's mission of financial inclusion by touching over 10 million customers. Our digitalization initiatives are playing a significant role in building operational efficiencies and expanding our customer outreach, thereby directly contributing to business growth. Our endeavour is to achieve 30% of our annual sales volumes through digital channels by the year 2030. As a responsible corporate citizen, we are constantly working to create a world that is greener, safer and equitable for the current and our future generations. Through Hero We Care, our corporate social responsibility umbrella, we are making a lasting and sustainable impact on communities around our operational areas and beyond. Our green interventions have resulted in preservation of biodiversity through large scale tree plantations and water conservation initiatives while our road safety initiatives are addressing at risk behaviours. We have also been acknowledged globally for championing sports and sportspersons. Our program, titled 'Be a Sporting Hero', encourages and promotes sports at the grassroots level through various partnerships.
- Our diversity, equity and inclusion commitments have set a target of achieving 30% gender diversity by the year 2030. I'm proud to share that we are the only two wheeler original equipment maker to be included in the Bloomberg Gender Equality Index 2023. As we move forward, we remain committed to our customers by delivering new and technologically advanced products, to our employees by providing them with a progressive, safe and exciting working environment, and to all our shareholders by delivering long term value. The recognition our Company has won in the past year renews our conviction that we are creating lasting value

through our products, services and people practices. I thank all our valued shareholders, our dealers, distributors, supply chain partners, associates, our entire workforce and their families, and our 112 million and counting customers across the world for their continued support and trust in us, our potential and our products.

- We will now be taking up the resolutions which are required to be passed by the shareholders.
- [\[Audio Visual playing from 53.29 – 53.56\]](#)
- **Moderator:**
- Over to you, Dr. Munjal.
- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**
- I would now like to brief you about the resolutions which are required to be passed today. There are five resolutions in the notice to be approved by the members at this Annual General Meeting.
 - o The first resolution is related to consideration and approval of the audited financial statements for the financial year 2022-2023. The financial statements were recommended by the Audit Committee and approved by the Board. A copy of the financial statements has already been sent to all the shareholders and is also available on the website of the Company.
 - o The second resolution is regarding confirmation of the interim dividend and declaration of final dividend. The Board, at its meeting held on May 4th, 2023, had considered and recommended a final dividend of 1750% that is Rs. 35 per equity share. This dividend, together with the interim dividend, aggregates to Rs. 100 per equity share, taking the total dividend for the financial year 2022-2023 to Rs. 100 per share that is 5000%. The payment of the final dividend will be made within the stipulated time period to the eligible members.
 - o The third resolution is regarding the reappointment of Mr. Suman Kant Munjal, Non-Executive Director of the Company, Mr. Suman Kant Munjal is retiring by rotation and being eligible, has offered himself for reappointment.
 - o The fourth resolution is regarding ratification of remuneration of cost auditors for the financial year 2023-2024. Based on recommendation of the Audit Committee, the Board of Directors appointed M/s R. J. Goel and Company as cost auditors for the financial year 2023-2024 at a remuneration of Rs. 3 lakhs. Their remuneration requires ratification from the shareholders and accordingly, the same is put forth before you.
 - o The fifth resolution is regarding the reappointment of Professor Jagmohan Singh Raju as an Independent Director of the Company. Based on the

recommendation of the Nomination and Remuneration Committee, Professor Raju has been reappointed by the Board of Directors as an independent director for a term of 5 years with effect from November 15th, 2023 to November 14th, 2028. The approval of the shareholders is required by way of special resolution and accordingly the same is put forth before you.

- We now move on to our discussions with shareholders who have registered themselves as speakers with the Company for raising their queries, or to share their views on any item of the AGM notice or on the financial statements for the financial year 2022-23. Those who have not registered themselves as speakers, can communicate and share their comments, if any, through the tab available on the screen for online communication. Before we commence the session, I request Dhiraj Kapoor – Company Secretary, to share a few guidelines for the Question & Answer session.

- **Mr. Dhiraj Kapoor – Company Secretary, Hero MotoCorp Limited:**

- Good morning everyone. Thank you to all the shareholders who have registered as speakers for the AGM. For a smooth session, I will quickly share certain norms, which must be followed by the members. The Q&A session will be anchored by the operator and he will also call the preregistered speakers to come up one by one. Members are requested to unmute their microphone before speaking and also enable their camera, if they wish to appear on the video. Members are requested to mention their name, folio, DP ID, and the location. Kindly restrict your comments to not more than 2 minutes, so that all speakers may get an opportunity to share their views. Answers to the queries raised by the shareholders will be provided once all the speaker shareholders have spoken. I now request operator to invite the speaker shareholders. Thank you.

- **Moderator:**

- Thank you sir. I now request our first shareholder, Yudhishtir Bhatia to kindly unmute your audio, switch your camera on, and express your queries or views. Kindly restrict your questions or comments to a maximum of 2 minutes.

- **Mr. Yudhishtir Bhatia - Shareholder:**

- Namaste Chairman. I have been a longstanding shareholder of Hero MotoCorp. Basically I'm from Kanpur, and I'm grateful for the opportunity given to me to speak in this meeting. To start off, I would like to congratulate Hero MotoCorp on the launch of iconic Vida. Ever since its launch, I have seen many people around me talking about it, and even planning to put down their deposit for this. I believe, this will be the benchmark for the premium segment of e-scooters in India. Hero MotoCorp has shown promising results, as always, with a growth of around 11% compared to last fiscal. Thanks to the strong domestic sales. Hero's vision focuses on sustainability in a major way. I was going through the Sustainability Report on the website, and I'm glad to know that Hero MotoCorp has done a tremendous job to achieve a milestone of 399% water positivity, and 33% carbon neutrality. Hero MotoCorp has done a lot of work for the green environment, one of them came in

the form of VIDA V1 EV. I wanted to ask about this new era of mobility that we have ventured into. The government has reduced the subsidy provided under FAME-II scheme applicable on electrical two-wheeler registered on or after June 1, 2023, from 40% to 15%. What strategies or measures are you going to implement to contradict the effects of reduced subsidies, and continue to promote that option of EVs? Are you considering any adjustment in pricing or introduction of more affordable EV models to maintain competitiveness? And also, what is the plan for the infra for the EV? Thank you very much.

- **Moderator:**

- Thank you very much Mr. Bhatia. I now invite Celestine Elizabeth Mascarenhas to share her views.

- **Ms. Celestine E. Mascarenhas – Shareholder:**

- Respected Chairman Dr. Pawan Munjal, other members of the board, my fellow shareholders, I am Mrs. Mascarenhas speaking from Mumbai. First of all, I thank the Company Secretary for sending me an Annual Report, and also registering me as a speaker at my request, and also giving me this platform, which I could unmute and speak and be seen also. I can see you'll, but you can also see me. Thank you so much to the whole team. The Annual Report is very colourful with all the motorcycles, lots of pictures, also lots of facts and figures, very informative document, and self-explanatory, and adhering to all the norms of corporate governance. Our revenue is up, PBT and PAT is up. Dividend of Rs. 100 per share is very good against an EPS of Rs. 145. We sold more than 54 lakh units. So, we can speak about our company. And not only that, our recent Harley 25,000 sold in a jiffy, that speaks about the strength we have. We have won at multiple stages. Now, next I come to... I congratulate you for all the awards and accolades received during the past years, and I know even in the future years we'll be getting. We have got very good CSR work and I really appreciate it very much.

- Now, I go to my queries. First one is about ESG. Lots of highlights are given from page 12 and 13. My query is, whether you have rated the ESG by now, and if rating has come, who is the rating agency and what rating we have achieved? What is the score? Whether Platinum Plus and above? And, whether you have listed on any ESG platform or are you going to list on an ESG platform, domestic or international or both? My next question, we have six plants. What is the capacity utilisation on an average of these plants? We have six subsidiaries. Whether all are giving profit and adding to our revenue? Are we still facing electronic component shortage, supply chain bottlenecks, semiconductor chips and other raw materials, and how are we de-risking all these risks? Sir, how many employees are in our R&D innovation centre? What is the average age of these? What is the attrition rate? If the attrition rate is high, how do you try to retain them, because they will always be grabbed by our competitors? Next is, are we using AI, ML, Blockchain, cloud computing, ChatGPT in our operations, and what is the spend on all these IT tools to make our work more comfortable?

- **Moderator:**
- Ma'am, could you kindly conclude.
- **Ms. Celestine E. Mascarenhas – Shareholder:**
- Now, I come to my personal problem of my company shares in physical. Here I beg to you to keep registrars in-house. I have sent 3-4 times for dematting, and only 10 shares, very very old, 35 years, it is out of sentimental value for our founder that I had kept this. Now, our stakes and all don't want to see the physical. Of course, I have xeroxed one copy and kept. But, till now, my shares are not dematting and for the last 4 times the cheques were returned. So, please look into this matter. I have given SR1, SR2, SR3, 13 or something, cancelled cheque, everything whatever is possible, I have done. And only 10 shares, why you'll are making me suffer? I am 72 plus. And, how can I wait like this? I am one person, there must be so many people all over India who are already old, not even knowing... it must be like that. So please, I beg of you to take special interest in this dematting of the shares. These are all old shares and at that time we didn't have all this demat.
- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**
- Thank you very much ma'am, for firstly, your very kind words
- **Moderator:**
- Thank you ma'am. Our next speaker shareholder is Mr. Praveen Kumar.
- **Mr. Praveen Kumar – Shareholder:**
- A very very good afternoon to my Respected Chairperson, well decorated esteemed board of directors and my co-fellow shareholders.
- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**
- Praveen ji, your video is not on.
- **Mr. Praveen Kumar – Shareholder:**
- I prefer audio mode sir. I can start my video later on.
- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**
- Alright.
- **Mr. Praveen Kumar – Shareholder:**
- ... well decorated esteemed board of directors and my co-fellow shareholders who have joined this meeting. Myself Praveen Kumar, joining this meeting from New Delhi. I have few observations, which I'd love to share with the entire house, but before that, I pay my tributes to our founder. Our founder for his 100th birth anniversary, Respected Mr. Brijmohan Lall Munjal sir. I'm very very indebted to our founder. He is a hero forever for us sir. The kind of journey he started and took our

company to the zenith for the entire world, I'm so proud, I'm so proud. I'm so lucky. So, my deepest respect to him. May his soul rest in peace and may his blessings always be upon us, and our company progress.

- Sir, coming to the business, very very excellent speech you delivered to us, which was very very in depth, and at the same time, very very informative. And, there was a crisp presentation in between. So, I'm very very thankful to the management, for their trust, the transparency, that you always deliver. I'm part of our company since the IPO and when we used to meet at the Air Force physically. You are so optimistic about your speech, impression with our shareholders. I have very very good memories of that, Respected Chairperson. And sir, I really salute you for your investor friendly approach. Sir, all round progress, it's a remarkable year for us. It's like cherry on the cake that on the 100th birth anniversary of our founder, we have come out with excellent results and all round progress. Sir, we have a world-class establishment, world-class R&D and we are making world-class products. Our company is not Indian, but it's truly a multinational company sir. I supported all the resolutions set out in the notice today, and there are three points which I'd love to discuss here.
- When our company is moving in the right direction, according to me, this is the platform to compliment our entire management, because you and your professional team deserve lots of prayers from the retail investors, because we are getting price appreciation since the listing of the Company, and we are getting regular dividend. So, I'm very very privileged to be part of such a great company, such a great family. We have world-class R&D, world-class products, and our strategic partnership with Harley Davidson, Zero Motorcycles from America, which is a feather on our cap. And sir, I'm very very optimistic about the EV space. We have invested heavily, and I'm sure that you'll pay a handsome return, handsome dividend in a long time to come. That's because, I'm concerned about the environment issue, green environment, which is the priority of our Respected Chairman and the entire board. I truly salute you sir. And sir, under We Care, the CSR activities, I think that was because you touched so many human lives, so many human lives, even during COVID. So, I have the deepest respect for the management, that this is a company who have a very very big heart for the nation.
- **Moderator:**
- Mr. Kumar, could you kindly conclude at the earliest?
- **Mr. Praveen Kumar – Shareholder:**
- Okay okay, just give me a minute. And sir, one more thing which is a very very important for a retail investor like me. I'm very thankful to the Marketing Team and our Respected CFO for designing our Annual Report in such a way, so it will be very very informative as far as the products are concerned, and financially, very very easy to understand. One more thing which I'd love to add here in this platform is, our Company Secretary – Mr. Dhiraj Kapoor, Mr. Ashish Mittal, I think they are the biggest assets as far as the communication is concerned. High corporate governance

standards our company is maintaining. Just a simple request from my side, with all respect to our founder and deepest respect to our Chairperson, if possible, the autograph of the Respected Chairman. If the Respected Chairperson signs and delivers that to me, I'd be very very blessed. I will keep that autograph with me, and it will be an inspiration for me for my entire life. Because, the milestone our founder achieved, I mean, that's beyond imagination. And, I'm very very thankful for this opportunity. Wish you all the luck in the world. I pray to God that he enlightens you...

- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**
- Thank you Praveen Kumar ji. Thank you so much for your very kind words and appreciation. Thank you.
- **Moderator:**
- Thank you Mr. Kumar. While we move on to our next speaker shareholder Mr. Mukesh Ajmera, a gentle reminder to kindly restrict all comments and queries to a maximum of 2 minutes.
- **Mr. Mukesh Ajmera – Shareholder:**
- Namaste, Dr. Pawan Munjal ji. I'm delighted to get reconnected with you annually, which has been happening only for the last...
- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**
- We cannot see you. Would you like to switch on your camera?
- **Mr. Mukesh Ajmera – Shareholder:**
- Yes, I'm trying to, it's not happening.
- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**
- Okay.
- **Mr. Mukesh Ajmera – Shareholder:**
- Anyway. I have tried to switch on my video, but it's not coming through.
- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**
- That's okay, please carry on.
- **Mr. Mukesh Ajmera – Shareholder:**
- First of all, being part of your family for so many decades, as you probably know since my last introduction, my respects and prayers for *Babuji*, as we all used to call him, as your family does and so does the whole fraternity of the Hero Group, all their dealers and all the people across the globe used to call him. What a great person and personality he was! He was a stature by himself. And, due to people like him, today

India is what it is. It's a purely homegrown company which they started after partition as migrants, with nearly nothing with them. And, *Babuji* and his brothers and the family, the journey they have made, now millions of people are benefitting in multiple ways, millions of stakeholders, right from the family, the employees, the dealers, the customers, shareholders and what not. So, we owe a lot to *Babuji* and the legacy of *Babuji* is being continued by yourself and your family. That is something we are very proud of, something we are very content with. And, I hope it remains so for several next decades also. As part of that, I would like to tell you that, I was proposed by *Babuji* to join Hero Mindmine at one time when it was being started, I think in Bangalore, which is where I'm calling from right now. But, at that time I used to be in Chennai, and we had a business to take care of and my parents I had to take care of after returning from the US. That's the reason I could not join Hero Mindmine, but I still have my heart with the Hero Group. And, what lovely hospitality we used to get in Ludhiana and Delhi, whenever we came there decades ago. And Pawan ji, you may not remember, but in 1981, when I returned from US the first time, you had taken me from Ludhiana to Gurgaon, which I think was under construction at that time, and I still have very good memories of that.

- I would like to make a few observations, please allow me to make them, because this is the only chance we get to meet you, though I have the desire to meet you personally some time, whenever it's possible. We are in the Guinness Book of World Records, for I think, almost 20-22 years. And, we is it that we're not capitalising on that in writing the slogan in advertisements and all kinds of promotions and communications, because that is something that, especially in a country like India, it makes a big dent and an impression on customer's minds. And it's a mean achievement to globally be a world leader for continuously over 20 years now. Hats off to Hero, which has retained its status and it has been able to not have anybody else come across and overtake it. I would also like to ask, is it possible for the company to get into the auto rickshaw business, and also affordable cars? At one time, we were toying with the idea of associating with BMW, like we are doing with Harley Davidson and others, which is fine, at the upper segment. But, in mass market, which is how Hero has started with bicycles long ago and it had overtaken everybody else, likewise, it is possible that we can look at this market, because the auto rickshaw market, as you know, is really monopolised by 1-2 players i.e. if that makes business sense to the company. And, another major area I would like to hit upon, there are two areas, please allow me to talk. One is, we have come of age, India has come of age in vehicle manufacturing. At the same time, we have the dubious distinction of having the highest road accidents in the world. I know Hero is doing a lot and many other individual manufacturing companies are doing whatever they are, on their own. But, after decades of this dubious distinction that we have, nothing much has happened on the ground reality. And I'm sure, when India can send space missions to Mars and the moon, can we not handle this? And for that, the idea is to collectively do it along with multiple agencies, multiple people. I have lot of inputs and ideas about this. If anybody is interested, I can...
- **Moderator:**

- Mr. Ajmera, could you kindly conclude at the earliest? Thank you.
- **Mr. Mukesh Ajmera – Shareholder:**
- Yes please. I have one more very important thing to mention, and that is, as one of the earlier speakers, Mrs. Mascarenhas said, regarding the shares. Probably, Dr. Munjal you must be aware, that more than 2 lakh crore Rupees of Indian public money is lying unclaimed with the government. And, this in Azaadi ka Amrit Mohotsav. Is it not a shame for the country? We have achieved so many strides, at the same time, such mundane things... People's own money or their family money, cannot reach them! I myself am a victim of my mother's shares not being transmitted to me 23 years later and I'm still struggling. That has been the mission of my life. And, one of the reasons for that is, there is no cohesive force. And corporates like yourself and others who are likeminded, who are concerned... and I know Hero is truly concerned about shareholders, because it has been the company which has given the maximum amount of dividends since long, since the beginning. And now, people are losing dividends, shares. And Mr. Rajnish Kumar might also be knowing, in bank accounts, lot of money is unclaimed, in insurance policies, all kinds of things.
- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**
- Mr. Ajmera, are you referring to Hero shares?
- **Mr. Mukesh Ajmera – Shareholder:**
- No I'm not. Fortunately not Hero.
- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**
- Let's talk about it separately then. Mukesh ji, thank you for all your good wishes, all the comments and the queries you have posed. We will revert after we've heard the other speaker shareholders. We will revert back to you. Thank you. Thank you very much.
- **Moderator:**
- Our next speaker shareholder Mr. Gautam Navdi has not joined the meeting, so we'll move on to Anirudh Kunjal.
- **Mr. Anirudh Kunjal – Shareholder:**
- Good afternoon all the board members. I'm Anirudh from Bangalore. I'm a proud shareholder of HMCL since 2021. The recent Annual Report was very well published, and I'm impressed with the headline 'Riding with India for the World'. This makes me as an Indian very proud. First of all, I would like to start by congratulating you for the recent launch of the Harley Davidson X440. It was met with a lot of anticipation in the community. And post launch, good to see a 25,000 plus bookings and the share price going up. I have one question and one suggestion regarding connected technology. In the four-wheeler industry, we all know Tesla has a vision that

resonates with the customers – it is to design a perfect, sustainable, self-driving car. I would like to know if Hero also has any specific vision for the connected two-wheeler? A related suggestion is, I see in the Annual Report page 89, there is a paragraph on road safety campaign through awareness and training. I'd like to applaud the company's CSR team for taking up this much needed cause. But, think a lot more can be done, and as the No. 1 company in India, we can take more responsibility. I also lost a friend riding a motorbike at high speed, at a junction which he should've known was a high accident junction. So relating to that, I would like to make a suggestion, that if we can bring up a functionality of making alerts to the rider for high speed or high accident junctions through real-time warnings, or maybe not allowing the rider to start the vehicle without putting his helmet on. It's a simple thing, but a purpose driven mission which we should all take up. Finally, I'd like to appreciate the Annual Report for coming on time. Plenty of rich content. Thank you to the Secretarial Team. Best wishes to the Chairman, board of this company for all the upcoming premium launches. Thank you.

- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**

- Thank you Mr. Kunjal.

- **Moderator:**

- Thank you Mr. Kunjal. Our next speaker shareholder is Chetan Chadha. Mr. Chadha, you'll need to unmute your microphone, switch your camera on and speak. Mr. Chadha, you'll need to unmute. Mr. Chadha your audio is very low.

- **Mr. Chetan Chadha – Shareholder:**

- Now you can hear me sir? Now you can see me?

- **Moderator:**

- Yes sir, we can hear and see you.

- **Mr. Chetan Chadha - Shareholder:**

- First of all, I am really grateful to the secretarial department who have given me the chance to speak with you. Sir I think this is the first ever AGM according to me, in which the annual report contains the biographical details of Bahadur Chand Munjal ji and Thakur Devi Munjal ji right from the year 1923 – 2023. This gesture of remembering your ancestors has appeared in our annual report for the first time. I appreciate you for this. Sir, the total income of 34,371 crore rupees that we made on which the profitability is around 2911 crore rupees and for an EPS of 146/- rupees we have given a dividend of rupees 100/- this annual, which is a very good step taken. As far as CSR activity is concerned, we have spent 78 crores rupees on those activities. Sir, I have a request, I believe the shareholders who have been associated with us for a long time are not even given any discount vouchers on the purchase of Hero bikes. So, I feel there should be some probability that if our company

shareholders wish to purchase any of our bikes then they will be given such discounts so that they are motivated to be associated with us for a long time and also to use our products.

- Our joint venture with Harley Davidson has also been much appreciated by all the shareholders. So, if possible, it would be great if you could arrange for a Harley Davidson Factory visit sometime after Diwali so that we get an opportunity to check their products out as well as witness the systematic way of operations of their remarkable manufacturing unit.
- It is also my suggestion to issue service center cards for our shareholders who own Hero bikes so that when they visit the centers for their vehicle servicing, they get some benefits. So, issuing a service card which is beneficial for our stakeholders could be a good idea. Because even if we opt for Annual Maintenance their servicing charges are going up gradually. Kindly consider this point so that in this way our shareholders will gain some benefit from this.
- With regards to digitalization in connection with our business diversification process, since we have all our products available with us, we are available for almost everything centrally, we own all our products and we can also help the customer in procuring a loan easily making bikes easily available on roads, so like Uber and Rapido are operating their bikes, and providing service to the customer, why can't we because Hero is a name by itself with their reach far and wide. So, what are your thoughts about this?
- And just like the other shareholders have requested a physical AGM, I second their suggestion. It is my request that henceforth you hold physical AGM's and if possible, in hybrid mode, so that the shareholders who reside outside are also able to join us.
- I have one more suggestion, when we sell our bikes, we also sell a 5-year insurance policy along with it as per the Government compliance. If Hero can take such an initiative so that the biker who is going to ride our bikes...
- **Moderator:**
- Mr. Chadha could you kindly conclude.
- **Mr. Chetan Chadha - Shareholder:**
- Only 1 more min Sir, last min. So, if we can issue an insurance card to the buyer for a period of 15 years and give him insurance for 4 – 5 lakhs, even that would be beneficial for us. I won't say much, Pravin ji gave a good suggestion to send your diary with your authorized signature to all the shareholders. I would also like to thank Mr. Ashish Mittal because for the first time I felt that I have received the AGM

report well in advance, with follow up calls to confirm receipt of the same and for providing me the link for this meeting well on time along with confirmatory calls. So, I am really grateful to him and wish to thank him and the entire secretarial team for their support and help in making it possible for me to attend this meeting. Thank you very much.

- **Moderator:**
- Thank you, Sir. We move on to our next speaker shareholder Mr. Khendraj Dhasmana. Mr. Dhasmana can kindly unmute your microphone, switch your camera on and speak. Mr. Dhasmana. Mr. Dhasmana, you are on mute mode. Okay, we will move on to our next speaker shareholder Mr. Ankur Chandha. Mr. Chandha.
- **Mr. Ankur Chandha - Shareholder:**
- Am I audible?
- **Mr. Ankur Chandha - Shareholder:**
- Good afternoon to everyone. Sir, I just want to say that our Corporate Governance is too good, so there are absolutely no issues. So as a small-time investor my only wish is that you continue with your hard work so that we get handsome returns against the investments we have made. That's all. And like the previous speaker said if you can give discounts on your bikes to the shareholders then we would be really delighted because that will definitely motivate us to focus on our product line. You can probably categorize these discounts based on the number of shares a person is holding with the company. So kindly consider this suggestion and look into this. Thank you.
- **Moderator:**
- Thank you, Ankur Chandha. Our next speaker shareholder Mr. Yousuf Younus Rangwala has not joined the meeting. So, we will move on to our next Mr. Praful Chavda. Mr. Chavda can you kindly unmute your microphone, switch your camera on and speak.
- **Mr. Praful Chavda - Shareholder:**
- Can you hear me, Sir?
- **Moderator:**

- Yes, Sir we can.
- **Mr. Praful Chavda - Shareholder:**
- Thank you, Sir. Since it took too long and had to step out, I am connecting with you from outside. Sir, I have heard the speeches of all my fellow shareholders and hence have nothing more to add. Only what I would like to know is regarding the EV vehicles, the problems associated with them, like issues with repairs concerning any of the EV vehicles, I would like to suggest that the Hero service centers all over India should be able to repair the EV's.....
- **Moderator:**
- We appear to have lost our connectivity with Mr. Chavda. We move on to Mr. Kirti Shah. Mr. Kirti Shah. I believe Mr. Shah has not yet joined the meeting so we will move on to Vasudha Vikas Dakhwe. Ma'am could you kindly unmute your microphone, switch on your camera if you so desire and speak. Ms. Dakhwe. Ms. Dakhwe could you kindly unmute your microphone. Okay I think we have a connectivity issue there. Our next speaker shareholder is Hutukshi Sam Patel has not joined the meeting so we will move on to Mr. Manas Banerjee. Mr. Banerjee, could you kindly unmute your microphone, switch your camera on and speak.
- **Mr. Manas Banerjee - Shareholder:**
- I am audible, Sir?
- **Moderator:**
- Audible and visible, Sir. Please go ahead.
- **Mr. Manas Banerjee - Shareholder:**
- Thank you, Sir. Good afternoon, Sir, respected Chairman, present board members and my fellow online shareholders. I am Manas Banerjee, joining you from Kolkata. I convey my sincere thanks to our company secretary and his entire team for sending me the hardcopy of the annual report and for registering my name as a speaker. Congratulations to the board members for the great set of numbers. Topline registered a 15.59% growth, positive growth and bottom line registering 17.69% growth on a standalone basis. Our company has been maintaining a healthy dividend payout rupee 65/- interim plus rupees 35/- final proposed in total 100/- rupees per share. Sir, Hero patronized our sports events, our company plays a big role to promote Indian Sports. Once again thanks to the board. I already supported all the resolutions by e-voting. Now I have some queries, Sir. Can you share some details on

how new launches and refreshes our company is planning this year? Next question Sir, how many days inventory are we maintaining currently? Sir on 125 cc and scooter segment as to what kind of targets with you would you be happy with our kind of market share gains? And finally, Sir, if you could just share the current production capacity that you have for the Vida? If you could possibly share about that. Thank you for patient hearing Sir and have a good day.

- **Moderator:**

- Thank you very much Mr. Manas Banerjee. Our next shareholder to speak will be Manjit Singh.

- **Mr. Manjit Singh - Shareholder:**

- Hello.

- **Moderator:**

- We can hear your Sir.

- **Mr. Manjit Singh - Shareholder:**

- Can you hear my voice?

- **Moderator:**

- We can hear your Sir.

- **Mr. Manjit Singh - Shareholder:**

- Chairman Sir, first of all good afternoon to you, all the board of directors, all the staff of Hero MotoCorp and my co-fellow shareholders. And Pradeep Dinodia Sir ji good afternoon. Munjal Sir I have been associated with your company for a very long time and your effort towards giving us good returns on a timely basis is highly appreciable. I would only like to highlight that in this period of recession countries like America also being impacted by the same companies as Google have started laying off their employees without notice. In comparison, if we see Hero MotoCorp or for that matter you, our company has been taking care of their employees to the extent that they are even giving them VRS and securing their future. This shows how good-hearted you are because you take care of your employees and their future so that they don't face any difficulties, because these people are the pillars of your

company whose hard work is giving us good returns. I would like to know how much of our total income is being spent on research and development? If you could throw some light on it. The efforts put by your entire secretarial department in making it possible for me to speak with you so effortlessly especially your company secretary and Mr. Ashish Mittal who is a part of that team for constantly checking with each shareholder whether we have received the link and testing it, I would like to thank all of them for the same. And I hope that at the end of the meet you would give these 2 pillars seated by your side a pat on their back for their marvelous work in making it possible for us to have an audience with you. Thank you, Sir, for giving me a chance to speak at your AGM.

- **Moderator:**

- I now invite Mr. Gagan Kumar to unmute your microphone, switch your camera on and speak.

- **Mr. Gagan Kumar - Shareholder:**

- Yeah

- **Moderator:**

- Yeah, we can hear you Sir.

- **Mr. Gagan Kumar - Shareholder:**

- Good afternoon, Mr. Chairman. The meeting commenced in the morning and entered the afternoon. So good afternoon to all the board of directors, Chairman Sir, and my fellow shareholders. Sir, I am Gagan Kumar joining this meeting from Delhi. I have been associated with our company for a long time and a 2/- rupee face value share at 3000/- rupee ERP rate which means I am trading at 15000/- rupees ERP rate currently. And this company is giving a healthy dividend, I feel if we consider the top 10 companies our company would be listed among them for giving such good returns to their shareholders. I would like to know whether, like the Harley Davidson X 440 which we have launched, are we planning to launch anymore such models in future? And in the EV segment to what extent would be our involvement in future? Please throw some light on this topic as the future is all going to be about Electric vehicles. Also, if we are planning to introduce any new product range? Please highlight that as well. Rest the dividend is great, company is great, and appreciation and investment is also great, so everything about this company is just great. So, I wish that the company prospers and hope for the best. I would like to thank our CFO & CS Mr. Ashish Mittal for his responsible and efficient work. Thank you very much.

- **Moderator:**

- Thank you very much Mr. Gagan Kumar. We now move on to our next shareholder who is registered Mr. Toni Bhatia. Mr. Bhatia kindly unmute your microphone, switch your camera on and speak. Mr. Bhatia. We appear to have a connectivity problem with Mr. Bhatia on the audio front. We move on to our next speaker shareholder Mr. Vimal Jain. Mr. Vimal Jain has logged out of the meeting so we will move on to Mr. Ajay Goel. Mr. Goel, we can see you, if you can kindly unmute your microphone and speak.

- **Mr. Ajay Goel – Shareholder:**

- Can you hear me?

- **Moderator:**

- Yes, we can hear you now.

- **Mr. Ajay Goel – Shareholder:**

- Namaskar Dr. Munjal and dear esteemed board of directors. I am Ajay Goel, and I am from Ballah in Haryana. I have been a shareholder for almost 10 years now. First of all, I would like to congratulate you and the entire board for launching a beautiful electric scooter Vida and Harley X440 and that too at a very competitive price. The impact of these 2 offerings to the market is already visible as a rise in share price. And Dr. Munjal recently has taken a very bold decision and given the command of company in very capable hands of Mr. Niranjana Gupta, and we really hope that Niranjana in his new role of CEO and with his vast experience as CFO will raise the company to new heights of success. Being an Indian we feel proud about the fact that an Indian brand like Hero is ranking as world no. 1 for the last 22 years. But looking at the cutthroat competition in the market and that too in the premium segment to remain no. 1 is going to be a tough task now and the quality of the product is going to play a vital role in that. So, I just wanted to know views on what measures does the company have in place to ensure consistent quality across this product line? And with the emergence of new technologies like electric vehicles, bigger engines and connecting systems also in some of the vehicles, so how does the company address quality challenges specific to these areas? So that's the only query. In the end I thank all the board members and specially you in giving me a chance to attend this AGM and interact with you. Thanks a lot once again.

- **Moderator:**

- We move on to our next shareholder, Mr. Jaydip Bakshi. Mr. Bakshi, could you kindly unmute your microphone, switch your camera on and speak.
- **Mr. Jaydip Bakshi - Shareholder:**
- Very good afternoon, Chairman, Executive Chairman, CEO and board of directors. I am Jaydip Bakshi connecting from the city of Kolkata. Firstly, I would like to pay my homage to our beloved Dr. Brijmohan Lall Munjal whose celebrating his 100th birth anniversary. Sir, in the initial spaces you have rightly shown our past experience and our footprints also and especially page 8 where memories of his personal belongings are well displayed. Sir, we are world's largest manufacturers of motorcycles and scooters for 22 consecutive years and also sales growth on a year on year basis a tradition built on quality and services.
- Kindly keep up the good work and what's our future program? Kindly also highlight this. With different difficulty as a infra development projects and road network connectivity growing with the support of the Government of India it is a good sign for our automotive industry. Sir, on page 36 our performance has been well detected and the product displayed, also the cost saving initiative is mentioned in page 108. What is our percentage of share business in market share business? Sir, with the nuclear family growing and the purchasing capacity rising in lower towns and cities our products can be well endorsed in these areas and introducing more dealers for more foot hold in these areas. What has been our business from the digital e-commerce section? And how are we placed from our peers? Highlight on the partnership with the iconic American brand Harley Davidson for our new launch? Sir, what is our CapEx program for our center for Innovation and Technology at Jaipur and skill development program for our workforce? Sir, future launches program for our E- vehicle product which will be affordable to the common man and partnership with the zero-motorcycle mentioned in page 64? What is our digitization role in our daily business and customer outreach? Sir kindly focus on green mobility and green energy by consuming less electricity and fuel. Sir, what is our business for replacement market?
- Congrats once again for the awards in page 78 and 79 and also for the CSR activity transforming lives. And sir how are we planning to utilize our reserves? Nothing more to add. I take this opportunity to thank our company secretary Mr. Dhiraj Kapoor for giving me an opportunity to express my view and to the entire secretarial department for conducting this video conference in a smooth manner. I hope under your leadership and with the trust in our brand Hero and with the vision of being the future of mobility I think we should move forward and continue rewarding the shareholders handsomely. I wish everybody a happy Independence Day in the coming week. Thank you, Sir, and all stay safe.
- **Moderator:**

- Our next shareholder who registered is Anil Babubhai Mehta has not logged in, so, we will move on to our next speaker Vinod Motilal Agarwal. Mr. Agarwal, could you kindly unmute your microphone, switch your camera on and speak.
- **Mr. Vinod Agarwal - Shareholder:**
- Can you hear me Sir?
- **Moderator:**
- We can hear you Sir.
- **Mr. Vinod Agarwal - Shareholder:**
- Respected Chairman Mr. Pawan Munjal, CEO & CFO Niranjan Gupta and our company secretary Dhiraj Kapoor, good afternoon to all. Sir, we started in the morning and now it is afternoon. My number has come late so lot of questions have already been asked and the figures are there before me, the revenues are good the PAT was good, the EPS is good, the dividend is good. I compliment you on all the awards that you have received, all those are very good Sir. Now I have 2 or 3 questions.
- One is we have launched Vida with 2 replaceable batteries, it seems so, so the batteries used to blow up sometime back Sir. So, the government of India came up with BIS standard 156 for two-wheeler batteries. Are our batteries compliant with the BIS 156 standard? Or are we still using substandard batteries at the moment? I don't know – so this is just my query. And we have expanded with the Vida V1 to 100 cities, and we did 715 kms, very good Sir. I am proud of the launch, the future is electric vehicle and I give my respects to your father Sir, Brijmohan, a refugee who was a non-entity who started from zero and built the largest two-wheeler manufacturing company in the world. It's a foresight, the vision, the integrity of the person can create certain world beating factory and I am proud of him, Sir. I wish him good. Sir, now to my other query.
- The trend is to reuse, recycle and everything into the raw material Sir. The vehicle scrappage policy is also coming. How are we placed into the vehicle scrappage policy? And we can easily design vehicle which can be dismantled with the coding of the metal and material which go into it. So that when they are dismantled the plastics and segregation of the metals, different kind of metal takes place easily if they are coded well. If they are not coded, then everything will get mixed up and recycling becomes much tougher. So as a leading manufacturer we can do coding for the materials which are going in the inputs of our vehicle as raw material. And we had a target 2 or 3 years ago 200 million vehicles by the end of the decade. Are we likely to meet that target since the off takes in the past 2 – 3 years are muted due to

Covid and even last year only 53 lakhs, we had a run rate of 7million vehicles 5 years ago. How likely are you to meet that target of 10 million vehicles per year Sir? We have only 9.5 million capacity at the moment. How will we add capacities to close those 10 million vehicle targets per year?

- And I compliment the management for all the awards mentioned on pages 78 & 79 and for the racing award in Dhaka and Abu Dhabi desserts and all those things. I wish the company all the best for coming out with better results and dividend that you have declared. 5000% is very good on a face value of 2 rupees. I wish the company all the best. Thank you. Vinod Agarwal from Mumbai.

- **Moderator:**

- Thank you, Mr. Agarwal. Our next shareholder Prabhjot Singh Sahani appears to have logged out of the meeting so we will move to Mr. Raju.

- **Mr. Raju Varma - Shareholder:**

- Hello.

- **Moderator:**

- Sir, we can hear you.

- **Mr. Raju Varma - Shareholder:**

- Okay. Namaskar Sir, I am Raju Varma shareholder from New Delhi. I thank the entire secretarial team for giving me this opportunity to speak in the 40th AGM. We have complete confidence on our management team that whatever they propose in future would be in favor of the company. And we firmly believe that the company has a bright future. I wholeheartedly accept all the resolutions put forth by the company. Chairman Sir your speech is so transparent that most of queries get answered there itself and my previous fellow holders have also spoken a lot. So, I will not repeat anything. I wish to thank Mr. Ashish Mittal for sending me the annual report on time and for confirming me as a speaker. I also request you to hold future meetings in the same mode so that people from any place can get connected with you. I wish you all the best for the well-being of the company. Thank you.

- **Moderator:**

- Thank you, Mr. Varma. We move onto our next speaker Mr. Krishan Lal Chaddha. Mr. Chaddha, could you kindly unmute your microphone, switch your camera on and speak.

- **Mr. Krishan Lal Chaddha – Shareholder:**

- Chairman Sir, can you hear me?

- **Moderator:**

- Yes, Sir, we can hear and see you.

- **Mr. Krishan Lal Chadda - Shareholder:**

- Greetings to the board of directors and Chairman Sir, I am Krishan Lal Chadda joining you from Delhi. This dividend that you have given the shareholders whether they are big or small gives them a sense of strength. Many of the speakers have said a lot of things but I have a request that you should think about giving us bonus. Shareholders should get bonus so that they can plan ahead for the future. I thank all the members of the board, all of you are working hard. I would like to thank the ones who are responsible for arranging for this meeting.
- Thank you very much.

- **Moderator:**

- Thank you, Mr. Chaddha. We move onto our next speaker, Mr. Surinder Singh. Mr. Singh, could you kindly unmute your microphone and speak?

- **Mr. Surinder Singh – Shareholder:**

- Am I audible?

- **Moderator:**

- Yes, sir, you are audible and visible.

- **Mr. Surinder Singh – Shareholder:**

- Namaste, Dr. Munjal and the entire board. I am Surinder Singh joining from Rewadi, Haryana.

- Pawanji, thanks for the enlightening speech and sharing about the company plans. In the interest of time, I am directly coming to my two queries. Sir, if we see the legacy Hero is the onetime premium segment creator and a leader through glorious products like CBZ and Karizma. But somehow, we have lost that advantage in between. Now, HD X440 as such has been launched from 4th July and we see the excellent reviews and potential in this product. Customers are very much excited to

buy this aspirational product and 25,000 plus advance bookings are evidence for it. We are hopeful that X440 is going to be the game changer for Hero.

- My question to you is what measures we are taking that X440 becomes a longtime hero in the premium segment like Splendor in the community and we will not lose the path the way CBZ and Karizma did in the past.
- My second question is that there is a lot of talk happening about green technology and alternate fuels. How our R&D is prepared for green hydrogen technology and other alternate fuels adoption? Please throw some light on it.
- In the end I wish to express my sincere thanks to the secretary for timely sharing of annual report and giving me this opportunity to speak. I have happily supported all the resolutions mentioned in the annual report through e-voting.
- Thank you very much again.
- **Moderator:**
- Thank you, Mr. Singh. We move onto Mr. Naresh Upreti. Mr. Upreti, could you kindly unmute your microphone and camera on and speak? Yes, we can see you.
- **Mr. Naresh Upreti – Shareholder:**
- Am I audible?
- **Moderator:**
- And hear you as well.
- **Mr. Naresh Upreti – Shareholder:**
- Myself Naresh Upreti one of your company's shareholders for the last so many years and joining this virtual call from New Delhi.
- Respected Chairman sir and board of directors, good afternoon. The results of the company for last year FY22-23 are appreciable. Total two wheelers sold around 54 lakhs touching NAT sales of 33,805.65 crores, and earned a net profit of Rs. 2,910.58 crores that to in a very competitive environment.
- I convey my sincere thanks to you and the management of the company for paying FY22-23 a total dividend of Rs. 1,998.33 crores at the rate of 5000% to the shareholders.
- Chairman sir, on 1st July 2023 we have celebrated 100th birth centenary of our company's late Chairman Emeritus Shri Brijmohan Lall Munjalji. And as a shareholder I was overwhelmed to see his picture on the front page of a daily newspaper The Times of India with a headline 'The Hero of India' which was very touching and emotional. And this shows our company's great cultural values.

- Now, I have one query to ask, my query is with regard to Vida V1 and Vida V1 Pro electric scooters. How they are performing, and how much volumes we are getting and any update on some other EV models in future with lesser price range.
- Lastly, sir, I want to endorse all the resolutions passed in today's meeting and also want to convey my sincere thanks to the company's management for giving me this wonderful opportunity to express my views in front of the chairman and board of directors of the company. All the best for future endeavours, thanks and best regards.
- **Moderator:**
- Thank you, Mr. Upreti. Our next shareholder who registered, Mr. V. Ravichandran has logged out of the meeting. So, with that all shareholders registered to speak at this AGM and did log in have been given an opportunity to express themselves. Before we proceed we will play some audio visuals at this time.
- [\[AV 01:54:46 to 1:59:25\]](#)
- **Moderator:**
- Over to you, Dr. Munjal.
- **Dr. Pawan Kant Munjal – Executive Chairman, Hero MotoCorp Limited:**
- Dear shareholders, I would like to thank all the speaker shareholders who came up, spoke to us, thank you very much for all your very kind words, your good wishes for the Company. Many of you remembered Chairman Emeritus on his centenary birth year, thank you very much for your respects for him.
- Some of you had various queries, most of you had gone through the annual report word by word. I am personally very impressed by the quality of queries and questions some of you raised, very interesting. And I am also thankful to many of you for your suggestions, some very good and valid suggestions which we have taken on board, we will discuss amongst the management team and take those which really make a lot of business sense for the organization. Many of you spoke of the very high dividend the Company has been paying, clearly it has been now two decades plus that the Company has maintained its track record of paying over 60% payout ratio on the dividend front. As you just heard recently the previous year gone by we have paid 5000% dividend, Rs. 100 against a Rs. 2 share.
- There are a few queries that I would want our Chief Executive Officer, Niranjana Gupta, to answer all of you.
- **Mr. Niranjana Gupta – CEO & CFO, Hero MotoCorp Limited:**
- Thank you, Chairman.
- Good afternoon all our shareholders, again just reiterating what our Chairman just said, very thankful for so much interest shown and for lots of valuable suggestions and the questions that you have posed.

- Let me start first and I have bucketed the answers into few topics, let me start first with ESG because that's very important for us, we have talked about that. We have a very ambitious target for 2030 like making it carbon neutral, 500% of water. In terms of the ranking we feature in almost 4 or 5, we are 'A' rated in MSCI Index, we are the only two wheelers who are part of the Bloomberg BI Index, we are ranked in Dow Jones SI Index as well and as well as Sustainalytics. We are progressing on that front, but we say we have lots of steps to go, miles to go before we achieve. But clearly the focus of the entire Company is on driving our ESG targets.
- ESG brings me to questions on EV and on green vehicles which a lot of you asked about. Firstly, again Vida V1 and Vida V1 Pro that we have launched is just the beginning. We have already announced our scale up of the plans. We are not just going to go into 20 cities/30 cities but we are going to 100 cities before the end of this calendar year leveraging the power of Hero because what we are saying is that we will leverage synergies, but move with speed and achieve scale. In terms of the government frame subsidy which you talked about again on EV, look I think it is a responsibility of each of the businesses and overall industry to make the business models viable sans subsidy. Subsidy anyway is supposed to live for a shorter term. So, our teams are working on the cost reduction, cost optimization and localization in order to ensure that the products are affordable even without subsidy and to that extent after we have achieved the task of the 100 cities roll-out we will be coming up with products which will in the mid and affordable segment as well.
- In terms of our capacities on EV, capacities are fungible as the demand builds up. Given again it leverages the power of Hero. We have got a plant, we have got land, building, utilities everything so for us scaling up is much easier. Currently it is getting manufactured in our plant at Tirupati and we can scale up as required based on the demand building.
- There is a lot of interest on premium our foray into Harley Davidson X440, you all would have seen the news yesterday, 25000 plus bookings, we are delighted, we are delighted with the way the model has been received by all the customers. We actually had to close the bookings. We will reopen the bookings after some period of time.
- Some of you have expressed interest in visiting the factory, let's see we have taken your suggestion on board.
- And again building onto that, we will be launching more and more premium because you asked about how we will maintain the lead or create the lead in that segment. It is not just about one model, you will see excitement every quarter a new premium model getting launched. Not just the models, we are going to build around retail experience where we have talked about exclusive premium stores which will be built to create imagery as well as uplifting of the retail experience in our current Hero dealership. So, all round effort is being done with a very thought-out strategy to win in premium segment.

- We talked about road accidents and safety, a very, very important topic that is safety. And clearly we as part of our CSR programmes have been focusing on safety and safety training parks. We will be enhancing that. All suggestions taken on board, a lot of suggestions on again limiting the speed or actually warning signals in the scooters, very valuable suggestions because safety of the riders is our foremost priority, safety at plants, safety of employees, safety of the riders is of utmost importance. We will take those suggestions on board and enhance and amplify the work that is already being done.
- In terms of the questions around R&D, and I have clubbed all of them together. As we know that post the separation with our erstwhile JV partners, in the last 7-8 years we've built R&D which is of world class. I don't think there are many examples of an R&D of world class scale being built in such a short period of time. We have got 1000 plus employees there. We have extended our arm to Tech Centre, Germany. We spend almost 760 crores which is 2.2% of revenue and we keep building. Our Vida V1 is launched from our inhouse R&D. Our Harley Davidson X440 again has been developed in our own R&D centres. Clearly, our R&D centres have come of age and there won't be any shortage of the resources and capital in terms of further building our development and research capability as that remains our key priority.
- Of course, as we move forward more and more of spends will move towards EV and premium segment.
- Some of the suggestions also were around and a lot of interest around digital. We are making a lot of foray in terms of our digitalization across the value chain. So, if you go back to our operations - building on Industry 4.0, building on AI/ML, data streaming, it allows us to take online live decisions as far as our manufacturing operations are concerned, and that is getting scaled up across the plants.
- Coming to front end again what we are doing and you asked about how much of sales, what we are focusing on is the entire digital journey because it is not just about the sales, a lot of customers, they visit the website, Digital First, and then they want to experience the product visiting our stores as well. So, the entire journey is getting revamped as we speak. In fact, the testimony is that 60% almost of our Harley Davidson bookings of 25000 have come through online bookings. Equally Vida V1 which we talked about almost 70 to 80% of the sales happen through online.
- As we move more and more, we will see a full integration and therefore you can call it phygital or hybrid or whichever terminology used, but digital will acquire basically seamlessly integrate into the physicality of our sales to give world class experience to all our customers.
- There were some questions around production capacity, yes we are fully invested as far as our capacities are concerned. Current capacity utilization is around 60%. We need to be also cognizant that last 2-3 years have been impacted, the entire industry by Covid as well as the BS6 transition and the cost increases, the volumes are coming back, the outlook is positive for India as an economy for the GDP growth. The government's capex program which has been scaled up in the last two years will

start resulting in growth and employment as we move forward and more of the semi-rural and urban sector, that will augur well for the industry in terms especially two wheeler sector which will then increase volumes and therefore enhance capacity utilization.

- Added to that of course is our big foray into premium segment and products that we are launching also in 125 cc that will ensure market share gain and therefore capacity utilization will go up. So, the good thing about this is that we don't need to invest any further as we utilize this capacity and therefore focus will be building capacities on the EV side as we actually move our capex more to EV and premium.
- There were questions around inventory, we manage with a very lean inventory always. Your Company has been known for that to have negative working capital, very efficient inventory management, raw materials. We work around 3 days of inventory and as far as finished goods is concerned in the market we manage between 4 to 6 weeks of inventory. So, lean management, negative working capital we are always cognisant of that. In terms of partnerships, we believe in fact we have nurtured partnerships and collaborations in the past as well. Most of our suppliers and our dealer partners have been there for years, they have prospered, they have grown with us. Even our R&D partners, our design partners and equally as we move forward we do believe that collaboration and partnerships will be the way forward to win in this new world. And our zero partnership has started very well, the program management is happening between the two companies and in fullness of time you will see the product on ground just like we launched Harley Davidson X440 within 3 years of the partnership signing with the iconic brand.
- You also questioned about the BIS standards, yes, we ensure always that we adopt the standards well in time or even before time, even when BS6 happened we did launch some models ahead of timeline and even when BIS standards have happened we have ensured that on the timeline of 1st April we have transitioned all our EV batteries to the BIS standards. We are always compliant as far as all the government standards are concerned on the products either on time or before that.
- We are, of course, working on green technology, ethanol and alternative flex fuel as well which was validly raised by you, as part of our entire mission to [a] ensure that the emissions of the ICE side of the business is reduced and therefore more green fuels are used and equally focused on EV as part of our program.
- So, again I would like to thank you very much for all the questions. We have noted a lot of suggestions including your suggestions on bonus shares, your suggestions on unclaimed dividend of the shares and of course the teams will work on it, we will discuss internally and then take appropriate actions.
- Thank you and good afternoon, namaskar, and namaste to everyone.
- Thank you. Back to you, Chairman.
- **Dr. Pawan Munjal – Executive Chairman, Hero MotoCorp Limited:**

- Thank you, Niranjana, for letting all our shareholders know what the Company is doing in various areas. I am sure majority of the queries have been answered.
- The Company had provided remote e-voting facility to the members to vote between 9 am of August 5th, 2023, until 5 pm on August 8th, 2023, in proportion to their shareholding as on the cut-off date of August 2nd, 2023. Now in order to provide the facility to those shareholders who have not cast their vote through remote e-voting, the e-voting is open at the meeting and will close after 30 minutes.
- Mr. Devesh Kumar Vashisht, Managing Partner at M/s. DPV & Associates, LLP, Company Secretaries is appointed as the scrutinizer for voting by the shareholders. His decision will be final with regard to validity and results of the voting through remote e-voting and e-voting during the meeting. On the receipt of the final report from the scrutinizer the results of the voting along with remote e-voting will be announced within two working days of conclusion of the meeting. The results of voting will be displayed at the registered office and will also be placed on the website of the Company once they are declared. As all the items of business as per the AGM notice have been taken up, the proceedings of the AGM have been concluded and I declare the meeting closed.
- Thank you for joining us today, namaskar.
- **End of transcript**