



38th Annual General Meeting of Hero MotoCorp Limited

04th August 2021

- Operator:

- Dear shareholders, good evening. Welcome to the 38th Annual General Meeting of Hero MotoCorp Limited. For smooth conduct of the meeting, the members will be on mute mode. Audio and video will be switched on only when they will speak at the AGM as per the pre-registration. Please note as per the 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 – Chairman of Hero MotoCorp Limited.

- Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:

- Thank you. Namaskar, good evening ladies and gentlemen. I would like to extend a very warm welcome to you all at the 38th Annual General Meeting of our Company. I hope that all of you, your families and all your loved ones are staying safe and healthy. In order to ensure the safety of all the stakeholders, this annual general meeting is being 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 all efforts feasible under the current circumstances to enable the all of you 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 my pleasure to now introduce you to all the Board Members and other officials present at this meeting.
- Mr. M. Damodaran, is an Independent Director of the Company. He is also the Chairman of the Audit Committee. Mr. Damodaran has held a number of important positions in the central and state governments of India and also in India's financial sector. He is presently a coach, a consultant and a mentor and serves on the Boards of some leading companies. Mr. Damodaran is joining this meeting from Delhi.
- Mr. Pradeep Dinodia, is a Non-Executive Director. He is the Chairman of the Stakeholders' Relationship Committee and Risk Management Committee. Mr. Dinodia 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. He is also joining this meeting from Delhi.
- Ms. Tina Trikha, is an Independent Director of the Company. A published author and an executive coach, Tina currently serves as head of communications and talent development for SeaLink Capital Partners, an India focused private equity firm. Tina is joining this meeting from Dubai.

- 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 for almost three decades now. Suman is joining this meeting from Delhi.
- Professor Jagmohan Singh Raju, is an Independent Director. He is also the Chairman of the Nomination and Remuneration Committee. Prof. Raju is the Vice Dean of Executive Education and 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 advises many leading companies around the world. He is joining this meeting from the United States of America.
- Air Chief Marshall B.S. Dhanoa was appointed as an additional and Independent Director with effect from 1st of October 2020. He has had an illustrious career with the Indian Air Force and has served at various ranks. He served as the 25th Chief of the Indian Air Force from January 1, 2017 to September 30, 2019. He is joining this meeting from Mohali.
- Mr. Vikram Kasbekar, is with the Company for the past 16 years and is presently an Executive Director and the Chief Technical Officer at Hero. Vikram is joining this meeting from Gurugram.
- Ms. Neerja Sharma, Company Secretary and Chief Compliance Officer and Mr. Niranjan Gupta, Chief Financial Officer are both present and have joined this meeting from the registered office of the Company. The representatives of the statutory auditors, Mr. Manish Gupta from M/s BSR & Co. LLP, and the secretarial auditors Mr. Devesh Kumar Vasisht from M/s Sanjay Grover & Associates are both present at this meeting. Neerja, can you please confirm the quorum for this meeting.
- **Ms. Neerja Sharma – Company Secretary and Chief Compliance Officer:**
- Mr. Munjal, the quorum is present and the meeting is duly constituted.
- **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**
- Thank you Neerja. 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 till the conclusion of this meeting. The notice of the 38th Annual General Meeting is already with you, 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 all of you to watch a brief AV before I make my speech.
- *AV played for approx. 3 minutes*
- **Operator:**
- Over to you Dr. Munjal.

- **Dr. Pawan Munjal – Chairman &CEO, Hero MotoCorp Limited:**
- Thank you again. Dear shareholders, my namaskaar once again, and I hope that all of you all and all your loved ones are keeping well and staying healthy. My warmest welcome to all of you at our second digital virtual annual general meeting. I sincerely hope that our next annual general meeting will be in-person where we can physically see each other. None of us could have imagined that in 2020 when we had our first virtual AGM, that one year later today, we will still be at our homes working remotely and connecting digitally. Yet the important point is that we are all coping well with this pandemic and doing our best to ensure that we stay safe in what can only be described as the worst crisis of our times. Be that as it may, when I reflect back on the year that went by, I am also filled with grief and compassion as we saw several of our family, friends and acquaintances succumb to and struggle with this evolving virus. My heartfelt condolences to everyone who had a bereavement in the family and among friends during this period. Please join me for a minute silence in remembrance of everyone who has departed.
- Thank you. Through a huge effort of collaboration and constant communication, we at Hero MotoCorp were able to emerge from the first wave of the pandemic to ensure business continuity, which in turn also powered the economy. Even now, as we come out of the much worse second wave, we are confident of business stability, growth, and the well-being of all our people. Our Company's ability to judiciously continue operations, maintain fiscal prudence, further strengthened bonds with all stakeholders and be future ready truly defined us as an organization. Moving forward, we are witnessing a significant decline in daily Covid cases and with mass vaccination efforts, I am confident that we will soon be reaching enhanced business performance and a more upbeat economic upswing.
- Dear shareholders, our Company has always been at the forefront of providing mobility to the aspiring millions around the world. On January 21st 2021, we achieved the momentous milestone of 100 million cumulative production and sales. This landmark is a testament to the success of our inherent capabilities, quality engineering, operational excellence, and sustainable practices. In the next few days, in fact five days to be exact from today, we will be celebrating 10 years of the launch of brand Hero, which transitioned from Hero Honda to Hero. I am sure many of you would remember we had this global launch of our new brand Hero in its new brand identity on August 9th 2011 at the O2 Arena in London. I know that many of you were also the present with us at the O2 Arena. It was a bold and courageous decision for us to separate from our erstwhile JV and technology partner, and venture into an independent journey to pursue our dreams and our vision to become a technology driven global brand.
- Most of you have been part of this journey. You have witnessed the many successes of our Company, which have been achieved by everybody together, all the landmarks it has created, and the new records it has set. In this past decade so much has transformed at Hero MotoCorp. We are continuing to evolve rapidly to become a global brand born out of India. I am delighted to share with you that amidst all these changes one thing, one thing has not changed in our Company, which is we have remained constant in our market leadership. Thanks to the hard work commitment

and dedication of all our stakeholders, employees, dealers, supply chain partners, technology and design partners, investors and very importantly, you our valued shareholders, our Company Hero MotoCorp is still the market leader by a fair margin. Thank you. Thank you for reposing your trust and faith in our Company. Drawing inspiration from our momentous milestones, our Company is preparing itself for the future. We already have ambitious goals in place and in keeping with our vision, be the future of mobility, we will be setting the trends of the future.

- Dear shareholders, to build the technologies of the future we must be prepared today. So our teams are consistently exploring options and developing the optimum solutions that will power the mobility of the future. We are simultaneously creating products for the short term business sustenance and collaborating with the external ecosystem for ensuring delivery of technologically advanced products for our customers year after year. Our association with Harley-Davidson is already putting the building blocks in place for the premiumization of our brand and products as we put in place premium retail experiences and premium ownership models. Coincidentally, Monday August 9th, the 10th anniversary of the launch of the new brand identity of Hero will also mark the commencement of the sales of Pan-American 1250, the new Harley-Davidson motorcycle from our network of 12 Harley Davidson dealers across the country, and I know that the booking has been tremendous so far. On the electric mobility front too, our partnership with the Bengaluru based Ather Energy and Gogoro Inc. of Taiwan are enabling us to explore multiple opportunities in the electric mobility space. Our association with Gogoro will be one of global significance as we will take the electric vehicle battery swapping technology and network to our international markets as well. The future is exciting. It will be electric. It will be modular. It will be beyond the technologies of today and our Company will lead this migration at the appropriate time.
- Dear shareholders, I had announced our new global business strategy called R4 – Revitalized, Recalibrate, Revive and Revolutionize in January 2021 and since then the results of our renewed focus are very clearly visible. We ended the fiscal 21 with our highest ever exports in any single month and since then have registered a consistent growth every month. This is a clear indication that the Company is poised to step into the next growth phase of our global business. Our entry into Mexico with Grupo Salinas has formed one of the largest retail sales channels in that country. Our expectation is that Mexico will become a key international market for us in the foreseeable future. We have strengthened our operations in Nigeria and have launched a new product called the Hunter in that market. We have appointed new distributors in Honduras and Nicaragua, small markets but important markets. Our goal is to increase our market share in the existing markets by delivering superior products and enhanced customer experiences. Our Company has always been a customer centric organization. This year, we launched a host of important new products and created novel sales and after sales initiatives. We ensured a safe and convenient purchase and ownership experience for our customers which included home delivery of their motorcycles and scooters at their doorsteps.
- Dear shareholders, as you know our Company believes in creating lasting relationships. So, during this year we ensured an extra special focus on putting people first. We delivered performance based annual appraisals increments and

promotions during 2020, as well as 2021. At the same time, we have been enhancing our focus on nurturing our existing talent pool, identifying future leaders and promoting them for greater opportunities within the organization. We are also reinvigorating and reorganizing our organizational structures. We are ensuring the safety and wellbeing of everyone in our Hero MotoCorp family. As things stand today, our vaccination drive is ongoing and more than 96% of the employees and workers have been vaccinated with the first dose. Even now, we are continuing with many of our efforts like setting up Covid care facilities in different parts of the country and we will maintain our efforts in this direction till the situation improves significantly. For the larger community and environment too, our Company continues to make conscious choices and remains the leader in serving extended communities in and around our entire ecosystem. A testament to our efforts was the listing of our Company in the prestigious Dow Jones Sustainability Index. We know where we have come from and we know where we are going. Dear shareholders, the future is here and we are ready for it. Our Company has set ambitious goals for itself and a very clear roadmap for achieving those goals. For the near and medium terms, we will deliver products that are relevant to the overall sustainability of the Company. I have already announced 10 new products every year until the year 2025, including an enhanced focus on scooters and premium motorcycles. In the long term, our programs on future mobility, including EVs and modular mobility are also underway. So, as I said before, our 200 millionth product may very well not be an ICE motorcycle or scooter. ICE meaning internal combustion engine. We aim to reach there during this decade with all of your continued support.

- I extend my gratitude to the members of the Board and my leadership team for their guidance and dedicated efforts. Once again, I thank our customers, you our shareholders, our investors, business partners, and other stakeholders, especially the Government of India and all the administrations who help and support us for their continued support and trust in Hero MotoCorp. Stay safe, stay healthy. Thank you.
- **Operator:**
- We will now play a brief AV for us before we continue with the proceedings of the AGM.
- *AV played for approx. 2 minutes*
- **Operator:**
- Over to your Dr. Munjal.
- **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**
- Thank you. I would now like to brief you about the resolutions, which are required to be passed today. There are eight resolutions in the notice to be approved by the members at this annual general meeting.
 - The first resolution is related to consideration and approval of the audited financial statements for the financial year 2020-21. 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.

- The second resolution is regarding confirmation of interim dividend and declaration of final dividend. The Board at its meeting held on May 6th, 2021 had considered and recommended a final dividend of 1,250% that is Rs. 25 per equity share and a special dividend of 500% that is Rs. 10 per equity share. This dividend together with the interim dividend aggregates to Rs. 90 per equity share and special dividend of Rs. 15 per equity share, taking the total dividend for the financial year 2021 to Rs. 105 per share, that is 5,250%. A special dividend has been declared to mark the achievement of the historic milestone of achieving 100 million cumulative production and sales of our motorcycles and scooters. The payment of this dividend will be made within the stipulated time period to the eligible members.
- The third resolution is regarding the reappointment of Mr. Pradeep Dinodia. He is a Non-Executive Director of the Company. Mr. Pradeep Dinodia is retiring by rotation and being eligible has offered himself for reappointment.
- The fourth resolution is regarding the ratification of remuneration of cost auditors for the financial year 2021-2022. Based on recommendations of the Audit Committee, the Board of Directors appointed M/s R J Goel & Co. as cost auditors for the financial year 2021-22 at a remuneration of Indian INR 300,000. Their remuneration requires ratification from the shareholders and accordingly, the same is put forth before you.
- The fifth resolution is regarding the appointment of Air Chief Marshal Birendar Singh Dhanoa (Retd.) as an Independent Director of the Company. Based on the recommendation of the Nomination and Remuneration Committee, Mr. Dhanoa was appointed by the Board of Directors as an additional and Independent Director with effect from October 1st, 2020 for a term of five years, subject to the shareholders' approval. He fulfils the criteria of independence as specified in the Companies Act and Listing Regulations. His appointment as an Independent Director requires approval from the shareholders and accordingly, the same is put forth before you.
- For the sixth and the seventh resolutions of the AGM notice, I would like to entrust the conduct of the proceedings of the AGM to Mr. Damodaran and request him to take the chair.

- **Mr. M. Damodaran – Independent Director, Hero MotoCorp Limited:**

- Thank you Chairman. The sixth resolution is regarding the reappointment of Dr. Pawan Munjal as a Whole-time Director of the Company. The present term of Dr. Munjal will expire on September 30th, 2021. Based on the recommendation of the Nomination and Remuneration Committee, Dr. Munjal has been reappointed by the Board of Directors as a Whole-time Director designated as Chairman and CEO for a term of five years from the expiry of his present term of office with effect from

October 1st 2021 till September 30th 2026. His reappointment requires approval from the shareholders and accordingly the same is put forth before you.

- Resolution number seven is regarding the approval of the terms and conditions and the payment of remuneration to Dr. Pawan Munjal as a Whole-time Director of the Company. Based on the recommendation of the Nomination and Remuneration Committee, the Board has approved the terms and conditions and remuneration of Dr. Munjal as a Whole-time Director of the Company. Complete details have been provided in the AGM notice. This resolution requires approval from the shareholders and accordingly, the same is put forth before you. Now I would like to invite Dr. Pawan Munjal to take the chair and continue with the proceedings of the AGM.

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

- Thank you Mr. Damodaran. The eighth resolution is regarding the extension of benefits of the Employee Incentive Scheme - 2014 to the eligible employees of the subsidiary companies. The Company's Employee Incentive Scheme - 2014 was approved by the shareholders in the year 2014 and such approval also included offering benefits to the employees of the subsidiary companies. However, the Company did not pass a separate resolution for extending the benefits to the subsidiaries. Now, in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014, a separate resolution 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 2020-21. 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 Neerja Sharma, Company Secretary to share a few guidelines for the Q&A session.

- **Ms. Neerja Sharma – Company Secretary & Chief Compliance Officer, Hero MotoCorp Limited:**

- Good evening everyone. Thank you to all the shareholders who have registered for this AGM as speaker shareholders. For a smooth session, I will quickly share certain norms that we will have to adhere to. The Q&A session will be anchored by the operator and she 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 number, DP and Client ID and location. Kindly restrict your comments to not more than three minutes so that all the 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 the operator to invite the speaker shareholders. Thank you.

- **Operator:**

- Thank you Ms. Neerja. I request Mr. Mukhwant Singh Gill to please unmute your audio and video and ask your questions or share your views. I request you to restrict your questions or comments to three minutes, please.
- **Mr. Mukhwant Singh Gill – Shareholder:**
- Sat sri akal Pawan Munjal ji and to the entire Board. Sir, my name is Mukhwant Singh Gill and I am speaking from Pune. And I have recently invested into Hero MotoCorp as a pride investor. I would like to share the reason why I invested in this particular brand Hero MotoCorp. First of all, I would like to congratulate you and the entire Board for achieving the 100 million sales mark. It is a really proud moment for all of us as an Indian brand and we have remained no. 1 Company for the last 20 years. Sir, I would like to tell you something and share with you that during Covid, the way the Company launched different digital mediums through which the customers are able to buy their favourite Hero products, and the sales numbers kept coming in and it was getting added into the Company's numbers.
- Another thing is when I was going through the annual report, I saw that in spite of the pandemic and lockdown our sales numbers, the segment wise market share has increased especially in premium. And being a youngster, I have always observed what we do in the Premium segment and the kind of products that we launch. And I have complete faith that the increase that has happened in every segment, it will propel the trust the customers has on Hero and also the visibility of Hero products on the roads. Lastly I would like to say that, whenever we hear you speak be it on any platform or forum it is really delightful and we feel motivated to see that you have a vision for our Company to be the future of mobility, and you have also shared your thoughts on how to reach new heights too. Even now when you were presenting your speech, you said a lot of good things especially about keeping in mind the future of mobility what you are planning to do. What I feel is that Hero MotoCorp will achieve greater heights the way we have done strategic partnerships with Gogoro, then Ather Energy and the other tie-ups that I read in our annual report. And the main focus is to bring India and Hero MotoCorp into the map of future mobility on a global level. So thank you very much for the opportunity. Pawan ji, I have two questions for you. Sir, the first one is regarding the R&D facility at Munich. We don't know so much about it in India. Can you tell us if you are developing any new technology or new engine maybe EV based or ethanol based? Please throw some light on it. The second question is, the battery swapping tie up with Gogoro, how will it benefit the Indian ecosystem? Thank you very much sir.
- **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**
- Thank you Mukhwant Singh Gill ji, thank you very much for appreciating our Company. I shall give you the answers after all speakers have finished speaking. Thank you.
- **Operator:**
- Thank you. I now request Mr. N. Ramani to please unmute your audio and video and ask the questions or share your views. I request you to restrict your questions or comments to three minutes, please.

- **Mr. N. Ramani – Shareholder:**

- Good evening, Chairman, Board members and my fellow shareholders, I am Ramani. I have joined from Bangalore. I am very happy and proud to be a shareholder of Hero MotoCorp Limited since 13 years. I appreciate Hero MotoCorp for arranging this AGM, even in this pandemic time by using virtual mode. I thank you for giving me this opportunity to attend this meeting and also to speak. Also my sincere thanks and appreciation to Hero MotoCorp for announcing 5250% total dividend, even in this pandemic period and my special appreciation to Dr. Pawan Munjal for leading Hero MotoCorp to achieve 100 million two-wheeler sales. It is a fantastic achievement, and I wish Hero MotoCorp achieves many such milestones in the coming period. I am happy to see a lot of images of Hero MotoCorp in social media, also getting to know from my relatives and friends about an improved visibility of Hero MotoCorp in social media. However, I would expect a little more visibility from Hero MotoCorp in this front. Dr. Munjal I would like to ask two questions, if you would kindly permit me. The first one is, during pandemic time online sales got picked up everywhere. Hero MotoCorp also launched HGP mart, an online platform. I would like to know about your sales figures out of this initiative, and also about your strategy on promotion of this initiative in online platform.

- My second question is, I am from South and I am seeing a very exciting competition presence here. So for South India, what are all the steps taken by Company to tackle such an aggressive competition, especially on network presence? These are my two questions, sir. Earlier in South, there was no plant from Hero MotoCorp but now I am happy to see that you have added a plant in South at Chittoor. I thank you for this, and I wish you all the very best for many more such achievements for the coming period. Thank you. Thank you so much.

- **Operator:**

- Thank you. I now request Mr. Mukesh V Ajmera to please unmute your audio and ask your question or share your views. I request you to restrict your questions or comments to three minutes, please.

- **Mr. Mukesh V Ajmera – Shareholder:**

- Namaste, Dr. Pawan ji, Suman ji, Board of Directors and entire Hero family. Let us pray for millions of departed souls in India and across the globe in this worst pandemic in human history, affecting only human beings out of 84 lakh life species on Earth and it has been unleashed by humans themselves. Hearty congratulations to Hero MotoCorp, you Pawan ji, the founding fathers and every person who contributed in achieving this milestone of reaching 100 million bikes.

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

- Mukesh ji, would you like to switch on your video so we can see you?

- **Mr. Mukesh V Ajmera – Shareholder:**

- Not now, please. I am not ready for the video. I will have you see me later.

- **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**
- Okay. Carry on please.
- **Mr. Mukesh V Ajmera – Shareholder:**
- It is indeed a great delight to talk to you Pawan ji. Since my family had been closely associated with your family for over 60 years, as one of the oldest dealers of Hero, and you had taken me to first Hero Honda factory in Gurgaon in early eighties, when I had met you three-four times those days. This is the first time I am participating in the AGM, thanks to the virtual possibility. Last year, I could not for some technical or whatever other reasons. My father and your father, Shri Brijmohan Babuji and Shri Om Prakash ji had a very special bond and relationship since late fifties. Your family's warm and cordiality was beyond words. Even in those days, including your hospitality whenever we came to Ludhiana leaving a lifelong mark in our hearts, and was the benchmark for any corporate to emulate. Hero's philosophy, extremely cordial relationship and remembering all dealers and their family members' names too, was out of this world. Babuji was very fond of and periodically asked for me. This was true with all the stakeholders, employees, suppliers, dealers, and all others including investors that was very gratifying and a benchmark for other companies and groups. It is these qualities and uniqueness of personal touch with all the dealers along with consistent unflinching customer centric business model that had won Hero group the collaboration of Honda amongst several leading business house contenders at that time, the JV of which lasted 25 years. Hero Moto being world's number one two-wheeler Company and Guinness Book of world record holder consistently for several years has been a pride for India and all of us with whom we have been associated from our childhood, and we grew up with the name Hero.
- Hero is one of two-three companies, I give example of along with Infosys, Mahindra group etc. for its quality and class of customer service, which is what it has brought to this level where it is over several decades, and it is being the best home grown global companies with excellent stakeholder values, business models, and philosophy, a national pride and India's global brand equity. I used to go on Expo tours to several countries, including to Latin America and many other places and, along with my products, I also used to sell Hero because people used to talk about Hero and I used to say that we are also their associates. It was a very big moment for me at that time. I have a request for you. For Hero's leadership to do much more in area of road safety, with highest road accidents in India, in the world. Despite whatever is being done over the years, the ground reality is disastrous and horrible. Along other vehicle manufacturers and road users of all kinds, I urge you to make result oriented plans and involve all those who matter, which would drastically reduce this grim reality to make Indian roads safe for such a large country. I can contribute to this initiative also.
- As a roadmap ahead, I would like to find out can we get into reverse integration of equipment and components required for all types of electric vehicles and alternate energy sources as that is going to be the future. At one time, Hero was to enter car making. Do we have any plans to get into it anytime at all? Pawan ji, whenever there is an opportunity, I would like to definitely meet with you and other Hero family

members and revive the old ties that our parents had for decades. There are many different areas I can contribute in various initiatives of the group. At one time, I was almost involved with Hero Mindmine when it was started in Bangalore through Babuji. Pawanji, whenever there is an opportunity I would like to meet with you, another Hero family members, as I said. There are many different areas I can contribute. I had done a project in America when I used to be there many years ago, with Huffy and Hero. At one time, I was almost involved with Hero Mindmine, as I said. I wish you and all your family members and the entire Hero fraternity and the Company's colleagues very healthy and safe life ahead. Thank you very much.

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

- Thank you very much Mukesh Ajmera ji for all those very kind words. You are absolutely right. One of the very strong pillars on which this organization and everybody in this organization stands is relationships. And this is as you know continuing from the inception of the group of Hero Cycles. Our forefathers have instilled this in all of us and the future generations as well. Very happy to hear that you were involved with Hero for the Huffy cycles. Yes, that is a long time back. We would love to meet you whenever things get better. When travel is safe and you come over to Delhi, or when we are traveling to Bangalore, we will definitely find the opportunity. You touched upon a very-very sensitive and a very critical topic of road safety. It is really-really unfortunate that in our country the number of accidents, unfortunate accidents and disastrous accidents is so-so very large in number that many of us must get involved in ensuring that our roads become safer, people drive safely. People know how to ride. You know, that as a Company, we have established many safety riding training schools across the nation, and we take very regular classes for people where they are imparted this training. This is clearly not enough. We are a very-very large nation, huge population, many more people have to get involved. And thank you for your offer for getting involved in road safety.

- On the EVs and the car making front...car making, I wish you were right that we were getting into cars, but so far there has never been any plan. If and when the opportunity comes across, maybe we will look at the four wheels as well. I would be talking more about EVs going forward. As I said, in my speech there is enough and more work going on within the Company together with the partners, with the entire ecosystem on the electrification of Hero. Thank you again.

- **Operator:**

- Thank you. We request our speaker shareholders to please restrict your questions and comments to three minutes. Our next speaker, shareholder Ms. Hutokshi Sam Patel is also joining us through audio conferencing. Ms. Patel, may I please request you to unmute your audio and ask your question or share your views, restricting your questions or comments to three minutes, please.

- **Ms. Hutokshi Sam Patel – Shareholder:**

- Good evening to all of you. Respected Chairman Dr. Pawan Munjal, our Chairman and CEO, Mr. Suman Munjal the Director, Mr. Kasbekar, the Executive Director and CTO, our CFO, Mr. Niranjan Gupta, our lady on the Board, Neerja Sharma, Company

Secretary. First I would like to thank at this 38th AGM of the Company. I am given this opportunity to speak through VC. I thank the secretarial department, especially Mr. Deepak Malik and Dhiraj Kapoor. Mr. Deepak Malik had been very-very helpful and very patient in solving all my annual report problems. A very-very helpful employee and very good employee of the Company. Thank you very much, Deepak. You have been very helpful and very knowledgeable about the Company also.

- The annual report drafted by the Company is also very good. It is excellently well drafted annual report. All the disclosures are very well informed. I also congratulate for your 100 million product roll out from your Haridwar plant. Hero MotoCorp has been India's leading two wheeler Company with over 75 million two wheelers sold out till today. I congratulate the Company and all its workers for the same. It is the world's third largest motorcycle manufacturer in the world. Sir, any plans by the management to increasing the stake in the Company? Also I would like to know if Hero management is increasing...you all have any stake in the Hero Electric, or is it in the same Company, Hero Electric? Your Hero Maestro Electric, it is really attractive and very good one. Is it out in the Bombay market and for how much it is and where it could be obtained from? Sir you have hundred million cumulative products this year, that is in 2021. 10 years of launching Hero, just five days from now it will be 10 years of the launch of Hero. I am sure of it. I congratulate the Company for the same and especially you Mr. Pawan Munjal. You have been 20 years, straight forward as a market leader, making Hero as the world's number one. Your audio video had been very-very informative and I really could have very good knowledge about the Company. Being in Bombay, I really appreciate this way. OAVC has been very helpful to know this Hero of the Company right from my house. I would not have come to know all these years. It is only from last year that I have come to know about this Hero and many other companies through which we could not be present personally, which were out of Bombay.
- Sir you have come out with 102 patents filed, 20 new models have launched. Any more this year you are planning? I am really interested in knowing why the promoter is not increasing the stake in the Company? When your two wheelers are so very good, any plans for the four wheelers in future, especially in Bombay and Delhi market? Sir, any safety riding schools you have in Bombay from the Hero Moto? Any safety riding schools, if it is there?
- **Operator:**
- We urge and request our dear shareholders to please restrict your questions and comments to three minutes.
- **Ms. Hutokshi Sam Patel – Shareholder:**
- You have been constantly paying the dividend. This Company is paying dividend constantly year after year. Even in this pandemic time, you have paid us a dividend. This year you have paid a dividend of 105. Last year it was 90, the year before last it was 87. Thank you very much for this. Even in the crucial times, the Company has done well and given us a good dividend. We are very happy about it. I wish the

Company and all the employees of the Company, all the very best and wish you good luck for the future. From Bombay I wish you good luck.

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

- Thank you very much Ms. Patel for your very kind words. And I am very happy to know that you are getting full cooperation, help and support from our teams. They are in Delhi and other parts of the country. Just two corrections for you, Ms. Patel. While you said that we have cumulatively produced and sold a hundred million in January this year, you also talked about 75 million. Our number now is way beyond a hundred million. Also, the Company has been now the number one Company around the globe across the world for 20 years. So we are not number three. We are number one. Rest later. Thank you.

- **Operator:**

- Thank you. Our next speaker shareholder is Mr. Yudhishter Bhatia. May I request you Mr. Bhatia to please unmute your audio and ask your questions or share your views, restricting it to three minutes, please.

- **Mr. Yudhishter Bhatia – Shareholder:**

- Namaste Chairman, fellow Board members and my fellow shareholders. I am a very long standing shareholder of Hero MotoCorp. Basically I am from Kanpur and I always wanted to attend this meeting at Delhi and meet a great leader like Dr. Pawan Munjal in person. But due to distance I could not attend this meeting. So thanks for connecting this meeting virtually and giving me an opportunity to talk to Dr. Munjal. First of all, I congratulate Hero MotoCorp for completing 100 million milestones. In this pandemic while companies are struggling to survive, Hero MotoCorp has given good results as always. We got good dividend on time. Thanks to your vision and leadership. Company vision has also included sustainability and has a great focus on sustainability. I was going through sustainability report on the website, and I am glad to know that Hero MotoCorp has done a great job for sustainability like 330% water positivity and 30% carbon neutrality. That is the need of the hour. For the society also, Hero MotoCorp has done a lot of work for bringing initiatives, doing CSR initiatives. You know some of the cities are high pollutant cities in India like Delhi and Kanpur. My city is also one of those cities. So my question, rather suggestion is that to mitigate ever looming air pollution in these cities. Can Hero as a responsible corporate take some sustainable measures like mapping of air quality, solution for prevention, air purification system, etc. So my suggestion is that Hero, as a great corporate should adopt a city to curb the air pollution and take the full responsibility for the air pollution of some of the cities. Thank you.

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

- Thank you very much Yudhishter Bhatia ji. Very valid suggestion from you on tackling the air pollution. It is truly a menace. Now in so many of our cities and towns, it is definitely and surely impacting the health of not just us people but also our future generations. The Company is very-very involved in sustainability and climate change, and also very keenly working around managing and tackling air

pollution. We have various projects, various initiatives going on in the organization. I am sure we will see the fruits sooner rather than later. Thank you.

- **Operator:**

- Thank you. Our next speaker shareholder is Mr. Naresh Kumar Bansal. Requesting you to please unmute your audio and ask your questions or share your views, restricting them to three minutes, please.

- **Mr. Naresh Kumar Bansal – Shareholder:**

- Namaste Dr. Pawan ji, Namaste Hero Board members. I belong to a small district, Karauli in Punjab. I had invested my money in Hero, a long time ago, which has made me a Hero today. I started with only 100 shares and now, I hold 3000 shares which is a result of your good thinking. Shriman Pawan ji, it is a very proud moment for us that a Punjabi, an Indian is ruling the world and has established a name. A few months before, Hero achieved the 100 million milestone which is the result of your hardwork. It is a matter of immense pride and happiness for all of us. Pawan ji, I would like to ask you two questions.

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

- Absolutely. Please ask.

- **Mr. Naresh Kumar Bansal – Shareholder:**

- You have declared a special dividend. However, out of greediness, we are asking if we could get a bonus on this achievement of 100 million. I hope you will honour. As a member of the Hero family, I would like to know your strategy of placing yourself in the entire world and when. When will you rule the entire globe, like you have done in India. I would like to know your invaluable thoughts. Thank you Pawanji.

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

- Thank you so much Naresh ji. It felt good to hear Punjabi. You are from Karauli and you hold 6000 shares, we don't know whether you bought these in Rs. 10 or Rs. 2. No matter you bought these shares at what price but like you are saying, you are very happy and the dividend that you are receiving every year, your status and your family's status, I am very hopeful that because of Hero and the association with Hero, the status would have improved. Many congratulations to you. For the query raised by you for bonus, we will place the same before the Board at the appropriate time and every year we have been getting this suggestion. You know, the Company has been investing its funds on a regular basis in various projects, and going forward, there are many new initiatives coming up, especially in electrification and modular mobility. So the Company is definitely going to be utilizing a lot of those funds in new projects going forward. Nevertheless, we do always welcome the suggestions from our shareholders which are discussed in the management meetings, and then also discuss with the Board. Thank you again.

- **Operator:**

- Thank you. I now request Mr. Tony Bhatia to please unmute your audio and ask your questions or share your views. Please restrict them to three minutes.
- **Mr. Tony Bhatia – Shareholder:**
- Respected Chairman sir, Board of Directors and my shareholder friends. Sir, first of all I would like to welcome Air Chief Marshal Dhanoa sir onto this Board. I am sure that his experience will be useful for this Company. Now I am coming to that point. Sir you have crossed 100 million sales. For that I would like to congratulate you, the Board and all the employees. Such a marvelous point Mr. Chairman. The overall results of our Company is good. There is some down trend in two-three points due to Corona or Covid, whatever it maybe. I am going to read out a few lines.
- Sales volumes in lakhs - 58 lakhs, total income Rs. 31,380 crores. The profit after taxes, lower although lower, Rs. 2,964 crores, EPS 140 per share and dividend 105 per share. That is a good dividend. And reserve and surplus we have got Rs. 15,158 crores. Sir, Respected Chairman Sir, on this matter, I would like to say that, which my fellow shareholder/brother have also said, please think about bonus at an appropriate time. Now in four decades, our Company have got a global leadership. I would like to appreciate the Board and all the employees for their effort who made this happen. Our Company is today number one Company as you mentioned in your speech, in the world. This is a good point and I really appreciate it. Today our market share is 68%. Such a marvelous point, we have got 68% market share.
- I will take only two minutes more, respected Chairman. Our Company has captured the new market to the maximum extent. It is such a good sign. I appreciate it and our Company is exporting to 40 countries. Our Company is earning foreign exchange for the country, for this I would like to praise you for that Mr. Chairman. The partnership that we are doing with Harley –Davidson, this Company is going on the right track. I appreciate it. Corporate governance is shown in such a good manner for that credit goes to our CFO, our Company secretary and secretarial staff, we have shown in such a good manner corporate governance. CSR activities, 90% of the employees are all vaccinated, I will praise you for that, Chairman sir. There are many more points and I am not going to read the whole story on CSR points. You have also got a lot of awards for which you, your entire board and all your employees have contributed greatly and I will praise you all. And without taking much of your time, once again I wish thank respected Madam CS, the secretarial department and Karvy which is renamed as Fintech, altogether gave me this opportunity to be on the video conferencing. And I support the balance sheet and God bless you, Mr. Chairman, thank you, sir.
- **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**
- Thank you very much, Tony Bhatia ji, for your kind words, thank you.
- **Operator:**
- Thank you. Our next speaker, Mr. Chairman, is Mrs. Celestine Elizabeth Mascarenhas. Mrs. Mascarenhas, may I request you to unmute your audio and ask your questions, restricting them to 3 minutes.

- **Mrs. Celestine Mascarenhas – Shareholder:**
- Hello, can you hear me?
- **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**
- We can hear you.
- **Mrs. Celestine Mascarenhas – Shareholder:**
- Yes, very good. Respected Chairman and CEO, Dr. Pawan Munjal, other very honourable directors on the dais on the virtual meeting and my fellow shareholders, my name is Mrs. C.E. Mascarenhas and I am speaking from Mumbai. First of all, I will thank the Company Secretary, Madam Neerja Sharma and her team for sending me an e-AGM notice and adhering to my request to speak at the AGM and express my views, thank you so much, and also the Zoom platform we are very comfortable with the Zoom platform because that platform is such that we are using in our friend circle and prayer groups and all. Now our working is very good and what is more is dividend of 105 which is really in these days of Covid crisis we are really grateful to you and the management. Sir, we are the largest motorcycle and scooter manufacturing in the world for the last 4 decades, and we are resting on 5 pillars, people, products, stewardship, efficiency, responsible value chain. I am so proud to be a shareholder, I am shareholder from many years, I have even shares in physical, I am very proud to be a shareholder of this Company. I congratulate for all the awards, I will not speak. Even the CSR work, I appreciate all that. Now a few questions, we have plants in Gurgaon, Dharuhera, Neemrana, Haridwar and even foreign, Bangladesh, Colombia and Germany. Sir, in this lockdown last year how many days they were closed or how many months and did it affect the sales that time. We have this brand, Hero, which will complete 10 years on 9th August which is a most powerful brand. Have we done valuation of this brand, Hero? Hero means really Hero, Hero is a word which is really very superb. So have we done brand valuation of this Hero? Next is we are going to launch I heard in your chairman speech, that we are going to launch on that day Pan-America 1250, this vehicle, this motorcycle how much margin we will be getting. Then I heard from your speech also Hunter which is in Nigeria, how many of these two wheelers are already sold and what is the demand level in Nigeria and elsewhere and I also understand that this vehicle is also delivered at the doorstep which is very good. My next question is from your speech only I could understand that you have announced 10 new products every year. I would like to know what is the capex for the next 10 years and how our Company will be funding that whether it will be internal accruals. Many of the questions were asked by my fellow shareholders and I was hearing your answer, I was very happy because it was my dream to come to Delhi and be a part, because being in Bombay somehow there were a lot of meetings and this virtual meeting gave me a good occasion to see all of you and to hear from you, I am so happy that sometimes prosperity sort of comes in adversity. So this is exactly we are, I am concentrating more on meetings which are outside Bombay, I feel very nice that with this virtual we are able to interact. So I have supported all the regulations, I wish our Company, our team all the best. Sir, we will have a big celebration, do remember Bombay shareholders also, you can send some token to us as launching and

completion of 10 years of Hero. With this I thank you very much and wish you good health.

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Thank you very much, Madam Celestine Mascarenhas, for all those kind words. Let me assure you as I said in my speech also, people's health and safety comes absolutely first of all for us. When the pandemic hit us, we were the first ones to shut all our establishments across the world even before the government of India announced the lockdown and we were also the first ones to open up and start production and start sales. Of course, we lost production and sales when all the plants were shut but our recovery was also extremely fast, thank you again.

– **Operator:**

– Thank you. We now have Mr. Vineet Luthra with us, requesting you to please unmute your audio and ask your questions and share your views, please restrict them to 3 minutes.

– **Mr. Vineet Luthra – Shareholder:**

– Am I audible?

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Yes, we can hear you.

– **Mr. Vineet Luthra – Shareholder:**

– Good evening, Chairman, I am Vineet Luthra, one of the oldest shareholders of the Company. Firstly, I would like to thank the management of the Company for giving me a chance to appear before the board, and also thank the management for handling the financials of the Company very well that even during Covid, the Company has performed well, and managed to overcome the pandemic situation. Really great leadership, Pawanji. I can see in the annual report the performance of the Company went well and especially I am happy to see that reserves have grown and not depleted, that is upto 15158 crores page 54 which marks that the Company is stable and investors' money is also safe. Also my heartiest congratulations for the roll out of 100 million bikes. If you allow me, I would like to ask you two questions.

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Absolutely please go ahead.

– **Mr. Vineet Luthra – Shareholder:**

– The first question is what are the capital expenditure plans for the next three years and what are the plans for the expenditure especially on EV projects. And secondly, what measures were taken for cost optimization during first and second wave of Covid which must have impacted the Company's sales number. I hope the Company will keep on bringing new models in the market as per the requirement of the

customers, and the Company will remain number one for many, many more years to come. All the best and thank you.

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Thank you very much, Shri Vineet Luthra ji, thank you for being with the Company since the very beginning as you said and we hope that you will stay with the Company for ever, thank you.

– **Operator:**

– Thank you. I now request Mr. Yusuf Yunus Rangwala to please unmute your audio and ask your questions or share your views, restricting them to 3 minutes.

– **Mr. Yusuf Yunus Rangwala – Shareholder:**

– Yeah, can you hear my voice?

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– We can hear you, yes.

– **Mr. Yusuf Yunus Rangwala – Shareholder:**

– Good evening, I am very happy with our dynamic, Dr. Pawan, namaskar, sir Dr. Pawan.

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Namaskar, Yusuf ji.

– **Mr. Yusuf Yunus Rangwala – Shareholder:**

– Your speech was very good. You mentioned that the next year will be 10th on 10th August, it is my humble request that whatever celebrations you have for the 10th year, we stay in Bombay we cannot come to Delhi, if there is any celebration, then please remember us. We are always there in your heart while you are in our heart. You have surprised the shareholders by your balance sheet, you have given us a huge dividend, it is a world record like Kohli. I have a humble request that we should make Mr. Vikram Kohli our brand ambassador, this is my suggestion. And if he becomes our brand ambassador then our scooters will sell fast. I would also like to know that just like Activa, what are the new products like Activa that are made by Hero Honda. We use Hero Honda in our family, it is such a wonderful scooter and there are no complaints about it. Hero Honda means an award, after buying a Hero Honda a person does not face any problem. The scooter continues to give performance for many years. A person ages but nothing happens to the scooter. This is a Japanese technology and the Company showcases that. I thank our Company Secretary, Neerja Sharma. I wanted to know if she can share the Delhi number with me after this meeting is over, that is a humble request from me that same can share on my mobile. Sir, you have a factory at Gurgaon, if it is possible please share a video with me on the mobile. If you cannot arrange for a factory visit then I don't have any complaints, please send the video to me on my mobile so that I can see while sitting

at home how the factory is. I visited the Bajaj Auto one, I am a shareholder there also. Our Company is number one. What is the similarity of the bike that is made by Hero Honda and the one made by Bajaj Auto. [Audio lost]

– **Moderator:**

– Mr. Yusuf, we cannot hear your audio, please unmute your audio and ask your questions.

– **Mr. Yusuf Yunus Rangwala – Shareholder:**

– Yes, sir, my question is only there, nothing more to add, my good wishes are there with you.

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Thank you very much, sir, thank you very much, Rangwala ji, for your very beautiful comments. You are right, the Company is giving a huge dividend. Since so many years the dividend policy of the Company has been consistent and it is very good. I think you must have wanted to mention Virat Kohli instead of Vikram Kohli. Virat Kohli is attached with the Company as a brand ambassador. The second thing that you mentioned was Hero Honda, Hero Honda existed 10 years ago and from Hero Honda it became Hero, and the Japanese technology it has now become Indian technology for which we are very proud and this is the technology that we have now taken globally and this is the technology which is leading from the front globally. Thank you for your comments.

– **Operator:**

– Thank you. Following the restriction of the time of 3 minutes, we now have Mr. Yashpal Chopra, I request you to unmute your audio and ask your questions and share your views.

– **Mr. Yashpal Chopra – Shareholder:**

– Am I audible, sir.

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Yes, Chopra ji, we can hear you.

– **Mr. Yashpal Chopra – Shareholder:**

– Sir, I would just like to compliment the entire team because management under you those are the most eminent professionals of the world and I must for a very [Audio problem].

– **Operator:**

– Sir, we have a lot of background sound coming from your end, we request you to please have some silence around you and please continue asking your question.

– **Mr. Yashpal Chopra - Shareholder:**

- I must compliment the entire management for getting us a grand performance even inspite of very harsh time of Covid even when our plant was shut down for some days, in spite of all that our Company has given a grand performance, and our Company is a hero for the last 30 years whereas the life of a hero in a film industry is not more than 5 to 7 years. So this is a matter of pride that we are number one in the world. With that intention, I am very happy to congratulate you, and I pray to God that you proceed on this path and maintain this heroship for the times to come. And when somebody asked me for the parameter of investment, I just say go for ITC, I stands for Integrity and our Company is following that policy of integrity/honesty and that is a very big thing and that is a reputation which enlightens us, which rather teaches even our coming generation that how important that is. Because of that integrity, you are making a new collaboration in the far off different countries and all that, so that is importance of that. And second is T – Transparency so your transactions are all transparent and people are proud of that. And C is Concern, concern for your employees that shows the dedication and spirit of the employees, they are morally very much in high spirits that is why even in spite of this Covid those people worked very hard with all the precautions from Covid and gave fantastic results. Then the concern is for the investors that dividend that you have declared, and every year there is a growth in Company and that shows your concern for the investor. And my second and last C is meant for strategy for the government, you are so much concerned for the government that our foreign exchange is just contributing a lot to adding exchequers in the foreign currency. So our country is very proud of you and particularly the Haryana government I think you are the heroes of Haryana because they are the main persons who are getting maximum benefit of employment and all that.
- **Operator:**
- Dear shareholders, as we have more shareholders waiting in queue, we sincerely request you to please conclude your speech.
- **Mr. Yashpal Chopra - Shareholder:**
- Before I conclude I must compliment our corporate governance under the guidance of our CFO, and our RTA, KFIN for giving me a chance to speak and to express my sentiments though I could have spoken even longer but as you wish me to speak, my last query is as you are going to make a celebration after 10 days, do you intend to call any of your supporting shareholders, would you be inviting them to join your function, that is the only query from my side. So best of luck.
- **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**
- Thank you very much, Yashpal ji, thank you very much. I really like your ITC, as you can see in the Company, we are already following all these principles, and very, very strictly and very religiously. On the celebrations, 10 year celebrations unfortunately because of the current situation, these are not physical celebrations, these are going to be virtual celebrations. Thank you again.
- **Operator:**

- Thank you. We are diligently following our time limit of 3 minutes per speakers/shareholder. I now request Ms. Pritam Kaur Dang to please unmute your audio and ask your questions and share your views. Ms. Pritam, please unmute your video and your audio and continue asking your question. Ms. Pritam Kaur Dang has dropped from our connection. We will now move on to Mr. Manjit Singh. Mr. Manjit Singh, we request you to please restrict your comments to 3 minutes and request you to unmute your audio and video and ask your questions.
- **Mr. Manjit Singh – Shareholder:**
- Can you hear me, Mr. Munjal?
- **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**
- Yes, we can hear you, but we cannot see your face, we can only see the fan.
- **Mr. Manjit Singh – Shareholder:**
- That's okay, as long as you can hear me. Sir, good evening.
- **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**
- Good evening.
- **Mr. Manjit Singh – Shareholder:**
- I welcome the board members, and the shareholders and all the employees. Sir, I wish to ask about the healthy amount that you are planning to invest in R&D for the next 5 to 7 years, please let us know about your views on that. And you have launched for sales improvement, some schemes during the period of 1st August to 8th August in order to increase sales, and if anyone books in that period, the delivery will be made on the 9th of August. In our meeting it is declared that we are old shareholders, when you write Hero MotoCorp then please write 'since' along with that, because our Company is old and we are celebrating 10 years after getting split from Honda. And even a local sweet shop of which the owners have split, like the brothers and nephews have left and gone, they put the date when they started the shop, so with Hero MotoCorp name please mention 'since'. You want to improve sales in electric vehicles. You are taking sitting fees also, you are taking commission also, that is all the directors, no problem, you have the shareholders' approval for that whereas your holding in the Company is only 35%. Please look into increasing promoter holding also. I suggest that you take double commission on scooty and electric vehicle but you should promote the shares. We should have a name in the market and not be known only for motorcycles because the vehicle that is used by the middle income family is the scooty. We have not been able to increase our sales with scooty since we have de-merged, and we have launched new products after 2011 but we are not getting sales, please let us know what are the improvements being done to increase the sale. Our profits are also decreasing, operating profit is also going down. And it is a coincidence that you have scheduled this meeting in August so we have the sale figures of July and the Company shows a reduction in sales in the July figures also. We have definitely reached a milestone but once you become a champion it is very necessary that you remain a champion. Please keep in

mind regarding the decrease in sales figures. Regarding new brand ambassador, it is fine, you can sign on whoever you want. But with the Tokyo Olympics going on, you will see that there are new players who emerge from there who will become our heroes, so you can give some new hero a chance to be a brand ambassador whoever wins an Olympic medal for India. It is not necessary that it should be a male player, there are female athletes who are doing well there and making a name for our country. The 40 countries that you are supplying your two wheelers, where you mentioned about the location of the plant which is in Gujarat, so if the plants are based on the coastline, this will help us when you export. And besides the 1st to 8th August scheme, what else will you be doing during Diwali, please let us know. We will like if you increase your promoter holding, and just stop all this sitting fees and commission.

– **Operator:**

– Sir, we request you to please limit yourself to 3 minutes.

– **Mr. Manjit Singh – Shareholder:**

– No, madam, you have to pay attention to this, this sitting fees and all is wrong, this and the commissions have to be stopped.

– **Operator:**

– I request you, sir, there are many speaker shareholders.

– **Mr. Manjit Singh – Shareholder:**

– Everyone is facing problems since the last 18 months so please stop your sitting fees and commission.

– **Operator:**

– Thank you, sir.

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Thank you, Manjit ji, for your suggestions.

– **Operator:**

– We will now connect with the next speaker, Ms. Purnima Dogra, unfortunately her connection has dropped. So moving on, we now have Mr. Santosh Bhutani, request you to please restrict your comments to 3 minutes, sir, and request you to unmute your audio and ask your question.

– **Mr. Santosh Bhutani – Shareholder:**

– Namaskar, Chairman sir and board members and management team. First of all, I would like to thank the management for responding to my queries which I have sent through mail and to CS and the team for giving me an opportunity in this platform. Sir, I want to know your comments on few points, number one, your medium and long term strategy on the challenges. Number two, your future plan to revive the

shareholder in the form of better dividend as done by your Company in FY2021. Sir, next one is growth level in turnover and profitability, your comments on this point. Sir, is there any amount lying balance which is to be transferred to educational fund. What steps Company is taking to address this issue and informing the member who could not encash their dividend last 7 years. Next, your future step to strengthen the asset quality and capital improvement in order to strengthen the balance in the coming time. How are you addressing the present issue? Sir, I would appreciate if you could briefly reply and I would wish the Company all the very best, thank you, sir.

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Thank you very much, Mr. Santosh Bhutani.

– **Operator:**

– Thank you. We now have with us Mr. Vinod Motilal Agarwal. I request you to unmute your audio and video and ask your questions, restricting them to 3 minutes please.

– **Mr. Vinod Motilal Agarwal – Shareholder:**

– Respected Dr. Munjal ji, I am speaking from Mumbai, I am Vinod Agarwal a shareholder. I have noted some observations from your annual report. Sir, last year you had delivered 58 lakhs of vehicles, earlier 2 years ago it was 78 lakhs vehicles sold, and you are targeting for the other 100 million by the end of this decade, that means for the 10 crores you will need to sell 100 lakhs vehicles every year. Now from 58 lakhs to 100 lakhs, 10 million is the capacity there? What is the game plan to enhance 100 lakh vehicles sales per year? Sir, you also mentioned about Ather and Gogoro e-vehicles for the future vehicles you are planning for this, Ather is for the battery part of it and Gogoro is for the EV part of it. Since you are spending 1832 crores you have spent for the past 3 years on R&D and 540 crores last year on R&D, I would also suggest you take up a pilot and you are looking into future mobility, look at the drone, manmade drone possibility for future mobility on a pilot basis, may not be futuristic, it is also a futuristic mobility scheme. These are shown in consumer electronic shows in Los Angeles every year, if you could get certain things, may be on pilot basis, very small scale, and maybe launch 200 million vehicles of drone that also will be leading light going into the future. It is future technology you will be able to show there. And you got plans covering South America, Colombia, with the plant in Colombia I assume, and you set up Mexico entering Mexico and 40 countries you are already present. Sir, how are you servicing Nigeria Hunter, is it from domestic manufacturing in India or from other markets, like Bangladesh, from where are you exporting to Nigeria. Sir, we are a debt free Company which is good. Sir, you mentioned that the Hero brand you have launched only 10 years ago. Sir, Hero brand existed much before that, it started in 1947 when your grandfather immigrated into India and they started that cycle business. And your brother has launched his book 'Char Bhaiyon ki Kahani', Sunil Munjal. He says the history of the Hero ventures in detail, it is a very nice book, worth reading book and i am concluding okay.

– **Operator:**

- Shareholder, as you have exceeded the time limit of 3 minutes, I request you to please conclude your speech right now.
- **Mrs. Vinod Motilal Agarwal – Shareholder:**
- I am concluding, one second. Sir, do take on a lady sportsperson for the Pleasure Scooter, these two wheelers are mostly driven by women, motorcycles are driven by men you can take some actor for motorcycles for Hero, Harley Davidson and all. But for the scooty part take a woman as a brand ambassador.
- **Operator:**
- Thank you, Mr. Agarwal, we have many shareholders waiting for their turn.
- **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**
- Thank you very much, Vinod Agarwal ji, some of your suggestions are very apt, the one about the drones, yeah, Nigeria clearly India is much closer to Nigeria than Bangladesh. We are exporting components from here to Nigeria and then assembly is done in Nigeria. About the brand Hero, yes, the brand Hero cycles and parts was launched long, long ago, many decades ago, but the brand Hero for motorcycle and scooters was launched 10 years ago, August 9th 2011, which is what we are celebrating on the 9th of August, thank you.
- **Operator:**
- Thank you. I request Mr. Chetan Chadha to kindly unmute and ask your question. Please restrict your question and comments to 3 minutes.
- **Mr. Chetan Chadha – Shareholder:**
- I am really thankful to the management and welcome to the board of directors who have joined the AGM. Sir, this is the 100 million selling timing we are celebrating. This is we have also given the request about the joining the AGM in the last year, but for the miscommunication of the share department with me I have not joined in the AV portal. In this year, sir on page 9 I am coming to the point, I do not wish to repeat the questions which the earlier shareholders have asked. On page 9 of the annual report we have written 63 crore rupees higher over export sales of spare parts. This is a good sign of the management. But if you look at the sales volume of last year which was 78 lakhs, this year it has reduced to 58 lakhs. Due to this our profitability has been impacted. Instead of 3385 crores, this year we have got a profitability of 2964 crores which is equal to FY15. That means our criteria has dropped down and has become equal to 2015. What are the decisions the management is taking to improve this please let us know in detail. If we talk about return on equity ratio in FY12 it was Rs. 65.64 paise, which in FY 20 has become Rs. 26.92 paise which I think is 20%, what is the reason for this decrease, please let us know about this also. Harley Davidson which is our own branded product, in which we have a 38% stake, the 1 lakh manufacture in the Hosur plant, can you let us know about the sales impact in the yearly sales in detail. What are our sales and what is the pendency outstanding. On page 50, other income 778 crores has reduced to 580 crores, which is 200 crores less in the financial year, and this is one of the major reasons for the fall

in our profitability. Total expenses we have increased that for the past one year, last year it was 25718 crores this year we have increased it to 27480 crores, 707 crores we have borne a lot in expenses which shows an effect on profitability. If we talk about comprehensive income we have not got much benefit on that, and there is a drop in that. If we talk about the IPF Education Fund....

– **Operator:**

– Mr. Chadha, you have exceeded the time limit of 3 minutes please. We have other shareholders waiting in the queue.

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

– Madam, I am only asking the relevant questions.

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Okay, Mr. Chadha ji, please carry on. Thank you very much, Chetan Chadha ji for your suggestions and your queries we will very shortly get back to you.

– **Operator:**

– We now have Mr. Vimal Jain, requesting you to unmute your audio and ask your question and share your views. Please restrict them to 3 minutes.

– **Mr. Vimal Jain – Shareholder:**

– Hello, am I audible?

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Yes, Mr. Vimal Jain ji, we can hear you.

– **Mr. Vimal Jain – Shareholder:**

– Good evening, respected Chairman sir, all the board of directors, entire management team and fellow shareholders. Earlier shareholders have spoken a lot and praised the Company a lot. I would like to ask a few small questions. My first question is our Company planning to do something for mass travelling and mass vehicles also because as an Indian at present I see that in future, people are still buying traditional ICE engines, but in the future I see that with the rapidly only two things seem to be very much suitable either mass transportation of electric vehicles in India. So I would like to know what is the progress our Company has made in these two areas and what have you thought about it for the future. One more question I have is that for the last many years though the Company is progressing rapidly every year, and thank you once again for giving a handsome dividend also, but since the past so many years the Company share price has been stable and in fact has also come down. What are the reasons or shortcomings which we cannot overcome? Our competitor's shares are at sky rocketing prices, why can our Company not be the same. And last I would like to thank you all for allowing me to interact and join the e-meeting and to put forward my questions thank you. One more thing, as many of the

shareholders mentioned, I would also like to say that you have given us a very good dividend bonus also. Thank you.

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Thank you, Vimal ji for your suggestions and your questions. Thank you again.

– **Operator:**

– Thank you. I now request Mr. Ajay Goyal to please unmute your audio and ask your questions and share your views, restricting them to 3 minutes.

– **Mr. Ajay Goyal – Shareholder:**

– Thank you, am I audible?

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Yes, Ajay ji, we can hear you.

– **Mr. Ajay Goyal – Shareholder:**

– Namaskar, Pawan ji, and members of the board. I am Ajay Goyal, I am from Ambala and I am a shareholder of Hero for the last 10 years. First of all, I would like to congratulate you for achieving the feat of selling 100 million bikes which is a record performance. And I really feel privileged and proud to be part of such a great world number one Company shareholder. I was going through the annual report which we received digitally and it has been beautifully designed. All the information has been captured very correctly in the corporate governance report and the board report. I support all the resolutions mentioned in the AGM notice. And as annual reports says that Hero took 36 years to be first 100 million but I am sure that next 100 million will be achieved in less than 10 years. Pawanji, Hero did a great job in supporting mankind during hard times of pandemic be it providing safety PPE Kits, sanitizers, food to the needy, mobile ambulances or hospital support in Haridwar, you were everywhere. And I also heard that Hero was the first to close its facilities during pandemic keeping safety of its employees on the first place. I salute you for this. And one compliment for you, I like this dashing look, it is very good.

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Thank you very much.

– **Mr. Ajay Goyal – Shareholder:**

– Yeah, you look so good in this new look. My question I think you have already answered, but still I would like to ask about Hero strategy on EV that will Hero be launching more vehicles with ICE engines only or soon there will be a launch of some electric bike which the loyal customer of Hero is looking forward to. If yes, then how it will be technologically different from EV by Ola or any other competitor. That's all from my side, thank you.

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

- Thank you very much. Let me very quickly say that the strategy going forward for the Company is clearly multi-fold. While I talked about the electrification and the modular mobility the Company will also continue with the ICE vehicles that is internal combustion engine vehicles. We have recently spent a lot of money on converting from BS4 to BS6 on various safety norms. There is work also going on around the ethanol, use of flexi fuel, so we will continue with both, ICE engines as well as electrification. There is a huge amount of work going on, on electrification, so as we go forward over the next 3-5-7-10 years, the bigger stress in terms of time and investment will obviously go on electrification and alternate fuels. Having said that ICE engine vehicles will also contribute. Thank you.
- **Operator:**
- Thank you, everyone. All the registered shareholders have shared their comments, and we don't have any more speaker shareholders. Before we proceed we will play a short AV at this moment.
- **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**
- May I answer the queries please, let me answer, while I answered most of them, but I do want my colleagues here, Niranjana is here, Vikram Kasbekar is here. So there were some interesting points raised and some queries raised. So, Vikram, I would like you to speak about the tech center in Europe in Munich. Mr. Gill asked this right in the beginning, he wanted to know about the electrification, about ethanol, about Gogoro. And there was as you could see there were various other queries and questions around our spends in R&D. So between you and Niranjana if you can talk about the capex going forward, whether on electrification or on R&D, there was, Niranjana, some requests/queries like always around the bonus. I already talked about the safety aspect. Niranjana, about the HGP Mart, I am sure people would be keen to know what we did around there. Yes, somebody was very appreciative about us putting up our factory in southern part of India, which is Chittoor which is up and running now. I already spoke about the air pollution where the Company is very involved. There was something about the strategy but it was going to take a very long time if I started talking about the medium term and the long term strategy of the Company. We keep talking about it in our annual report and also whenever we are addressing the media. Niranjana, on cost optimization that was an interesting one which I am sure they would like to know. Then about the sales promotion going on currently from the 1st to 8th of August for the 9th of August. If I have missed out anything then maybe between the two of you and Neerja the three of you would cover these queries, go ahead please.
- **Mr. Niranjana Gupta – Chief Financial Officer, Hero MotoCorp Limited:**
- Vikram, you want to go first, and then I can take on.
- **Mr. Vikram Kasbekar – Executive Director & CTO, Hero MotoCorp Limited:**
- Good evening, Board members and dear shareholders. The purpose of starting the Tech Center Germany was to absorb the best of technology available in Europe that is the reason that whatever new products that we are going through particularly the

premium vehicles, concept and the mule as we call it, the first proto is developed in Germany. And also the EV, the batteries and the various technologies that come through for the new technologies, those are being developed in Germany. So we have a group of a very compact group of engineers, and the best of the European designs which are prevalent there, those are the ones which we are incorporating in our products. So it is a seamless integration between the Tech Center Germany and India and that is comprising of the full R&D work that is going on. As far as Gogoro is concerned, the Gogoro concept is on battery swapping and we are also making our own electric vehicles, there are multiple areas that we are working on. And Ather is also one thing which investment has been done but that's a separate product which is already in the market place, whereas we are going to launch with our Hero product very soon. There's already an announcement that will come early next year. Then Gogoro will also be launching very soon. Niranjana?

– **Mr. Niranjana Gupta – Chief Financial Officer, Hero MotoCorp Limited:**

- Pawanji, with your permission I will address a few of the queries which have been raised around financials and some others. So first of all on the financials of full year '21, it is important to note that the Company grew in revenues by 7% year on year basis, despite the full year FY'21 being impacted by pandemic where almost the first quarter was lost due to pandemic. Second, if we look at profit even the profit before tax despite just 3 quarters being available was actually equal to the previous year, financial year '20. The difference that you see is because of the exceptional income that was there in the financial year '20. And to top it all we actually improved market share. So this was a year that we gained market share by 140 basis point and in that light let me also add that there were a couple of questions around south market share, which actually in the FY21 improved by more than 100 basis points. And also on scooters we gained market share which were the couple of points that were made by some of our shareholders. On the expenses, some of the comments on increase, primarily it is BS6 versus BS4 transition which is better emission norms, which contributes to the environment that was the reason for the increase in expenses. On the material side while the Company did a lot of savings programs which was on the overheads, other expenses if we see our actually percentage revenue has come down from 11.6% to actually 10.1%. So we saved 150 basis points in other expenses of the Company through huge amount of savings programs. Even in material cost, our Leap Through Savings Program delivered 200 basis points versus the previous year's where it is delivering only 50 basis points. The Company really accelerated savings programs to offset the impact of pandemic and the impact of cost and while doing that with philosophy of care because we ensured that all jobs are retained, all salaries are paid, increments are paid and promotions are done as our chairman has already spoken about. The other income drop which was pointed out was more because of the mark to market on the bond deals as we know that the interest rates and the bond deals came down, still we delivered much better than the peer group corporate treasuries and much better than the GSEC 2 year comparison on that. On the HGP Mart it is off to a great start, there are more than 20,000 bookings that we have already done and that's an initiative that we are going to take it forward as more and more things move online. There was also a question around the IPF Fund and unclaimed dividend, we do not have anything pending all more than 7 years get transferred immediately on time, and unclaimed dividend

amount is there in the Schedule 17 which is 49 crores which is there. The capex, Vikram touched upon that. Our chairman had announced more than 10,000 crores investment behind brand, R&D plans, renovation, modernization, EV, all the initiatives over the next 5 to 7 years, and we are doing judicious and proper investments to ensure our growth in future. On the bonus part of it, Pawan ji, you have addressed it already. On the dividend, we are among the highest paying dividend Company. This year we have declared dividend of 105 per share, we declare more than 60% of our profits through dividend, so I think overall our policy is stable, consistent and progressive. And of course, the suggestion of bonus has been taken by you on record and that will be discussed at an appropriate time.

– **Dr. Pawan Munjal – Chairman & CEO, Hero MotoCorp Limited:**

– Thank you, Vikram, and thank you, Niranjana. And once again my sincere thanks to all the shareholder speakers. Your very kind words, the praise you have bestowed upon all of us, the Company, me and all the leaders in the Company it is all very, very encouraging and inspiring for all of us. Thank you again.

– Moving on the Company had provided remote e-voting facility to the members to vote between 9 am of July 31st until 5 pm of August 3rd, 2021, in proportion to their shareholding as on the cut-off date of July 28th 2021. 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 Vasishth, Partner at M/s. Sanjay Grover & Associates, Company Secretaries, is appointed as 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 receipt of the final report from the Scrutinizer, the results of the voting along with remote e-voting will be announced within 2 working days of conclusion of the meeting. The results of voting will be displayed at the registered office and will 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, I wish you all a safe and healthy future. Namaskaar.

– **Operator:**

– Dear, members, e-voting is now open all members participating in the AGM and who have not cast their votes yet, are requested to cast their vote. Thank you.