

October 23, 2019

Asst. Vice President, Listing Deptt.
National Stock Exchange of India Ltd.,
Exchange Plaza, Plot C-1, Block G,
Bandra Kurla Complex, Bandra (E),
MUMBAI - 400 051
Scrip Code: HEROMOTOCO

The Secretary,
BSE Limited
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001
Scrip Code: 500182

Sub: Compliances under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Re.: Outcome of Board Meeting held on October 23, 2019

Dear Sirs,

The Board of Directors at its meeting held today, viz. October 23, 2019, has considered and approved the following matters:

1. The unaudited standalone and consolidated financial results for the quarter and half year ended September 30, 2019. A copy of the said results and limited review report alongwith the press release being issued by the Company in this regard, is enclosed.
2. Appointment of Ms. Tina Trikha as an Additional and Independent Director, with immediate effect, for a tenure of five years. In this regard, we wish to confirm that Ms. Trikha is not disqualified/debarred from being appointed to the office of Director by virtue of any order of SEBI or any such other authority. The disclosure pursuant to Regulation 30 of the Listing Regulations is enclosed as Annexure A.
3. Dissolution / closure of its wholly-owned subsidiary, HMCL (NA) Inc., in United States of America. The disclosure pursuant to Regulation 30 of the Listing Regulations is enclosed as Annexure B.
4. Closure of non-operative branch in Kenya and opening of a new branch in London to cater to key business geographies.
5. Shifting of registered office of the Company within Delhi from its current location i.e. 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi - 110057.

The meeting of the Board of Directors commenced at 2:00 p.m. and concluded at 4:55 p.m.

Kindly take the aforesaid information on your records.

Thanking you,

For Hero MotoCorp Ltd.


(Neerja Sharma)
Company Secretary & Chief Compliance Officer



Encl.: As above

Hero MotoCorp Ltd.

Regd. Office: 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi-110057, India
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HeroMotoCorp.com CIN: L35911DL1984PLC017354 PAN: AAACH0812J

B S R & Co. LLP

Chartered Accountants

Building No. 10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: +91 124 719 1000
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To
Board of Directors of Hero MotoCorp Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Hero MotoCorp Limited ("the Company") for the quarter ended 30 September 2019 and year to date results for the period from 01 April 2019 to 30 September 2019 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 101248W/ W-100022

Jiten Chopra

Partner

Membership No.: 092894

UDIN: 19092894AAACTS274

Place: Gurugram
Date: 23 October 2019



HERO MOTOCORP LIMITED

Statement of Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2019

(Rupees in Crore)

		Quarter ended			Half Year ended		Year ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
1	No. of Two wheelers sold	1,691,420	1,842,920	2,134,051	3,534,340	4,240,680	7,820,745
2	Income						
	(a) Revenue from operations	7,570.70	8,030.27	9,090.94	15,600.97	17,900.76	33,650.54
	(b) Other income	207.83	218.83	223.66	426.66	339.39	691.25
	Total Income	7,778.53	8,249.10	9,314.60	16,027.63	18,240.15	34,341.79
3	Expenses						
	[a] Cost of materials consumed	5,378.71	5,671.74	6,403.82	11,050.45	12,535.51	23,346.10
	[b] Change in inventories of finished goods and work-in-progress	(252.97)	(79.82)	(104.14)	(332.79)	(70.84)	(28.38)
	[c] Employee benefits expense	468.88	467.67	434.13	936.55	847.25	1,730.24
	[d] Finance costs	7.67	4.37	2.14	12.04	4.25	8.60
	[e] Depreciation and amortisation expenses	203.43	236.10	151.78	439.53	299.95	602.01
	[f] Other expenses	874.96	812.69	978.42	1,687.65	1,832.84	3,672.49
	Total Expenses	6,680.68	7,112.75	7,866.15	13,793.43	15,448.96	29,331.06
4	Profit before exceptional item and tax (2-3)	1,097.85	1,136.35	1,448.45	2,234.20	2,791.19	5,010.73
5	Exceptional item						
	Income- refer note 2	-	737.48	-	737.48	-	-
	Expense- refer note 3	(60.11)	-	-	(60.11)	-	-
6	Profit before tax (4+5)	1,037.74	1,873.83	1,448.45	2,911.57	2,791.19	5,010.73
7	Tax expense						
	Current tax	215.11	623.72	468.14	838.83	884.25	1,601.02
	Deferred tax	(52.17)	(7.23)	4.03	(59.40)	21.49	24.84
	Total Tax Expense	162.94	616.49	472.17	779.43	905.74	1,625.86
8	Profit after tax (6-7)	874.80	1,257.34	976.28	2,132.14	1,885.45	3,384.87
9	Other comprehensive income /(expense) [net of tax]						
	Items that will not be reclassified to profit	(10.21)	(7.85)	(3.18)	(18.06)	(6.36)	(17.81)
	Items that will be reclassified to profit or	-	-	-	-	-	-
10	Total comprehensive income (8+9)	864.59	1,249.49	973.10	2,114.08	1,879.09	3,367.06
11	Paid-up equity share capital	39.95	39.95	39.94	39.95	39.94	39.95
	Face value of the share (In Rupees)	2.00	2.00	2.00	2.00	2.00	2.00
12	Total Reserves	-	-	-	-	-	12,817.17
13	Earning per equity share on profit after tax (face value Rs. 2/- each) [In Rupees]						
	Basic	43.80	62.95	48.88	106.75	94.40	169.48
	Diluted	43.80	62.95	48.88	106.75	94.40	169.47

Hero MotoCorp Ltd.

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Notes:-

- 1 The above results for the quarter and half year ended September 30, 2019 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their meeting held on October 23, 2019. These results have been subjected to limited review by the statutory auditors.
- 2 The Company had deposited and created provision for "National Calamity contingent Duty" ('NCCD') including applicable cess in its Haridwar plant during prior years, while contesting the same on the ground that NCCD is in nature of excise duty and should be covered by Area based exemption. Pursuant to favourable order from Hon'ble supreme court , the provision has been reversed as exceptional item in the quarter ended June 30, 2019.
- 3 During the current quarter ended September 30, 2019, the Company has introduced a voluntary retirement scheme (VRS) and the Company has considered a provision of Rs. 60.11 crores for employees who have accepted to be part of VRS as exceptional item in the standalone financial results.
- 4 The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised Provision for Income tax for the quarter and half year ended 30 September 2019 and re-measured its Deferred tax assets /liabilities basis the rate prescribed in the said section. The impact of this change will be recognised over the period from July 01, 2019 to March 31, 2020.
- 5 With effect from April 1, 2019, the Company has adopted IND AS-116 using the modified simplified approach and accordingly previous period information has not been reinstated. Under this approach, the Company has recognised lease liabilities and corresponding equivalent right-of-use assets .
In the standalone financial results for the current quarter and half year ended September 30, 2019, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The application of IND AS-116 did not have any significant impact in the financial results of the Company.
- 6 Based on the guiding principles given in Ind AS-108 on 'Operating Segments', the Company's business activity fall within a single operating segment, namely automotive segment. Accordingly, the disclosure requirements of Ind AS 108 are not applicable.
- 7 On April 26, 2019, the Board of Directors had recommended a final dividend of Rs. 32 per equity share (face value of Rs. 2 per equity share) for the financial year ended March 31, 2019, which has been approved by the shareholders in the Annual General Meeting held on July 29, 2019 . Accordingly, Rs. 639.13 crores (excluding dividend distribution tax) was appropriated as distribution to equity shareholders during the quarter ended September 30, 2019.
- 8 The above results of the Company are available on the Company's website www.heromotocorp.com and also on www.bseindia.com and www.nseindia.com.

For and on behalf of the Board of Directors



PAWAN MUNJAL
Chairman, Managing Director & CEO
DIN : 00004223

New Delhi
October 23, 2019

Unaudited Standalone Statement of Assets and Liabilities

Rupees in crores

Particulars		As at September 30, 2019	As at March 31, 2019
		Un-Audited	Audited
ASSETS			
1	Non-current assets		
	(a) Property, plant and equipment	4,446.70	4,477.53
	(b) Capital work-in-progress	726.83	360.67
	(c) Right of use assets	453.83	-
	(d) Intangible assets	129.47	141.05
	(e) Intangible assets under development	209.31	181.19
	(f) Financial assets		
	(i) Investments	2,967.08	2,801.51
	(ii) Loans	63.08	59.96
	(g) Income tax assets (net)	115.83	839.26
	(h) Other non-current assets	333.46	664.38
	Total Non - Current Assets	9,445.59	9,525.55
2	Current assets		
	(a) Inventories	1,222.58	1,072.37
	(b) Financial assets		
	(i) Investments	4,022.33	3,167.10
	(ii) Trade receivables	3,411.66	2,821.57
	(iii) Cash and cash equivalents	588.37	40.68
	(iv) Bank balances other than (iii) above	96.65	95.78
	(v) Loans	25.82	25.03
	(vi) Others	757.08	653.89
	(c) Other current assets	202.68	239.22
	Total Current Assets	10,327.17	8,115.64
	Total Assets	19,772.76	17,641.19
EQUITY AND LIABILITIES			
1	Equity		
	(a) Equity Share capital	39.95	39.95
	(b) Other equity	14,170.61	12,817.17
	Total Equity	14,210.56	12,857.12
2	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Lease Liability	152.03	-
	(b) Provisions	120.34	117.20
	(c) Deferred tax liabilities (net)	477.11	536.51
	Total Non - Current Liabilities	749.48	653.71
3	Current liabilities		
	(a) Financial liabilities		
	(i) Lease Liability	34.62	-
	(ii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	3,866.81	3,355.28
	(iii) Other financial liabilities	312.36	220.87
	(b) Other current liabilities	538.36	495.18
	(c) Provisions	60.57	59.03
	Total Current Liabilities	4,812.72	4,130.36
	Total Equity and Liabilities	19,772.76	17,641.19



Unaudited Standalone statement of cash flows

	Rs. in crores	
	Half year ended September 30, 2019	Half year ended September 30, 2018
	Unaudited	Unaudited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit after tax	2,132.14	1,885.45
Adjustments for:		
Add: Depreciation and amortisation expense	439.53	299.95
Tax expense	779.43	905.74
Loss on property, plant and equipment sold/discarded	3.02	3.37
Finance cost	12.04	4.25
Employee Stock Compensation Cost	6.65	3.88
	<u>1,240.67</u>	<u>1,217.19</u>
Less: Interest income on financial assets carried at amortised cost	167.58	139.94
Dividend income	67.45	52.85
Profit on sale of investments	279.58	253.50
Loss on investments carried at fair value through profit or loss	(116.59)	(121.14)
Profit on sale of property, plant and equipment	0.19	0.08
	<u>398.21</u>	<u>325.23</u>
Operating profit before working capital changes	<u>2,974.60</u>	<u>2,777.41</u>
Changes in working capital:		
Adjustment for (increase)/decrease in operating assets:		
Inventories	(150.21)	(134.88)
Trade receivables	(590.09)	(1,265.61)
Loans-Current	(0.79)	0.85
Loans-Non-Current	(3.12)	(5.21)
Other financial assets	(103.19)	(151.89)
Other current assets	33.30	(9.70)
Other non-current assets	24.52	(3.29)
	<u>(789.58)</u>	<u>(1,569.73)</u>
Adjustment for increase/(decrease) in operating liabilities:		
Trade payables	511.53	1,051.67
Other financial liabilities-Current	3.40	1.78
Other current liabilities	43.18	(192.03)
Short-term provisions	1.54	2.26
Long-term provisions	(20.98)	(5.15)
	<u>538.67</u>	<u>858.53</u>
Cash generated from operating activities	2,723.69	2,066.21
Less: Direct taxes paid (net)	109.33	786.83
Net cash generated from operating activities	<u>2,614.36</u>	<u>1,279.38</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment and intangible assets including capital advances	(647.71)	(416.43)
Proceeds from sale of property, plant and equipment	0.68	0.90
Sale of investments	22,465.79	21,060.06
Purchase of investments	(23,311.60)	(20,623.82)
Investment in associates	-	(249.15)
Investment in subsidiaries	(12.00)	(3.93)
Interest income on financial assets carried at amortised cost	166.35	138.78
Dividend income	67.45	52.85
Net cash (used) in investing activities	<u>(1,271.04)</u>	<u>(40.74)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(12.04)	(4.25)
Repayment of lease liabilities	(16.30)	-
Dividends paid	(639.13)	(798.85)
Tax on dividend	(128.16)	(164.20)
Net cash (used) in financing activities	<u>(795.63)</u>	<u>(967.30)</u>
D. INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	<u>547.69</u>	<u>271.34</u>
Cash and cash equivalents at the beginning of the period	40.68	34.38
Cash and cash equivalents at the end of the period	588.37	305.72

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To
Board of Directors of Hero MotoCorp Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Hero MotoCorp Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive income of its associates for the quarter ended 30 September 2019 and year to date results for the period from 01 April 2019 to 30 September 2019 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 30 September 2018 and the corresponding period from 1 April 2018 to 30 September 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review since the requirement of submission of quarterly consolidated financial results has become mandatory only from 1 April 2019.
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Subsidiaries

- HMC MM Auto Limited;
- HMCL (NA) Inc.;
- HMCL Americas Inc.;
- HMCL Netherlands B.V.;
- HMCL Colombia S.A.S;
- HMCL Niloy Bangladesh Limited; and
- Hero Tech Center Germany, GMBH

B S R & Co. LLP

Associates

- Hero FinCorp Limited; and
- Ather Energy Private Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial information of six subsidiaries included in the Statement, whose interim financial information reflect total assets of Rs. 762.44 crores as at 30 September 2019 and total revenues of Rs. 263.90 crores and Rs. 533.79 crores, total net profit after tax of Rs. 21.33 crores and Rs. 17.20 crores and total comprehensive income of Rs. 27.73 crores and Rs. 19.97 crores, for the quarter ended 30 September 2019 and for the period from 01 April 2019 to 30 September 2019, respectively, and net cash outflow of Rs. 26.62 crores for the period from 01 April 2019 to 30 September 2019, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net loss after tax of Rs. 20.71 crores and Rs. 39.49 crores and total comprehensive loss of Rs. 20.71 crores and Rs. 39.49 crores for the quarter ended 30 September 2019 and for the period from 01 April 2019 to 30 September 2019, respectively, as considered in the Statement, in respect of one associate, whose interim financial information have not been reviewed by us. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Certain of these subsidiaries are located outside India whose financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's Management has converted the financial information of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent company's management. Our opinion in so far as it relates to the financial information of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Parent Company and reviewed by us.

Our conclusion on the Statement is not modified in respect of the above matters.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 101248W/ W-100022



Jiten Chopra

Partner

Membership No.: 092894

UDIN: 19092894AA AACU 2857

Place: Gurugram
Date: 23 October 2019



HERO MOTOCORP LIMITED

Statement of Unaudited Consolidated Financial Results for the quarter and half year ended September 30, 2019

(Rupees in Crore)

	Quarter ended			Half year ended		Year ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
[a] Revenue from Operations	7,660.60	8,185.97	9,168.24	15,846.57	18,081.51	33,972.23
[b] Other income	164.56	224.44	211.31	389.00	328.56	686.73
Total Income	7,825.16	8,410.41	9,379.55	16,235.57	18,410.07	34,658.96
2 Expenses						
[a] Cost of materials consumed	5,410.12	5,711.18	6,464.90	11,121.30	12,625.63	23,503.46
[b] Change in inventories of finished goods and work-in-progress	(265.37)	(25.92)	(121.58)	(291.29)	(76.11)	(59.04)
[c] Excise duty on sales	0.33	0.31	0.38	0.64	0.67	1.41
[d] Employees benefits expenses	477.83	482.69	446.17	960.52	870.26	1,778.03
[e] Finance cost	13.79	10.98	8.34	24.77	16.78	37.18
[f] Depreciation and amortisation	209.71	242.46	157.34	452.17	310.87	624.44
[g] Other expenses	893.42	844.59	982.58	1,738.01	1,862.85	3,729.94
Total Expenses	6,739.83	7,266.29	7,938.13	14,006.12	15,610.95	29,615.42
3 Profit from ordinary activities before share of Profit / (Loss) of associates, exceptional item and tax (1-2)	1,085.33	1,144.12	1,441.42	2,229.45	2,799.12	5,043.54
4 Profit/ (loss) from associates						
Share in net profit / (loss) of associates	14.00	8.29	12.54	22.29	18.06	60.76
5 Profit from ordinary activities, exceptional item and before tax	1,099.33	1,152.41	1,453.96	2,251.74	2,817.18	5,104.30
6 Exceptional item						
Income (refer note 2)	-	737.48	-	737.48	-	-
Expense (refer note 3)	(60.11)	-	-	(60.11)	-	-
7 Profit before tax (5+6)	1,039.22	1,889.89	1,453.96	2,929.11	2,817.18	5,104.30
8 Tax expense						
Current tax	217.70	628.95	468.85	846.65	886.29	1,608.81
Deferred tax	(62.26)	4.25	3.12	(58.01)	24.16	29.14
Total tax	155.44	633.20	471.97	788.64	910.45	1,637.95
9 Net Profit after tax (7-8)	883.78	1,256.69	981.99	2,140.47	1,906.73	3,466.35
10 Other comprehensive income /(expense) (net of tax)						
Items that will not be reclassified to profit or loss	(10.54)	(8.09)	(3.58)	(18.63)	(6.76)	(18.43)
Items that will be reclassified to profit or loss	6.40	(3.62)	12.01	2.78	14.89	3.45
11 Total comprehensive income for the period (9+10)	879.64	1,244.98	990.42	2,124.62	1,914.86	3,451.37
12 Net Profit / (loss) attributable to						
a) Owners of the Company	879.45	1,252.22	976.95	2,131.67	1,897.39	3,444.09
b) Non controlling interest	4.33	4.47	5.04	8.80	9.34	22.26
13 Other comprehensive income attributable to						
a) Owners of the Company	(7.19)	(10.12)	3.96	(17.31)	2.36	(16.32)
b) Non controlling interest	3.05	(1.59)	4.47	1.46	5.77	1.34
14 Total comprehensive income attributable to						
a) Owners of the Company	872.26	1,242.10	980.91	2,114.36	1,899.75	3,427.77
b) Non controlling interest	7.38	2.88	9.51	10.26	15.11	23.60
15 Paid-up equity share capital						
Face value of the share (Rs.)	39.95	39.95	39.94	39.95	39.94	39.95
	2.00	2.00	2.00	2.00	2.00	2.00
16 Total Reserves	-	-	-	-	-	13,080.46
17 Basic & diluted earning per equity share on Net profit from ordinary activities after tax (face value Rs. 2/- each)(In Rupees)						
Basic	44.25	62.92	49.17	107.17	95.47	172.45
Diluted	44.25	62.92	49.17	107.17	95.47	172.44

Hero MotoCorp Ltd.

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HeroMotoCorp.com CIN: L35911DL1984PLC017354 PAN: AAACH0812J

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Notes:-

- 1 The above consolidated results for the quarter and half year ended September 30, 2019 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their meeting held on October 23, 2019. The consolidated financial results for the quarter and half year ended 30 September 2018, were not subjected to limited review by Statutory Auditors of the Company.
- 2 The Company had deposited and created provision for "National Calamity contingent Duty" ('NCCD') including applicable cess in its Haridwar plant during prior years, while contesting the same on the ground that NCCD is in nature of excise duty and should be covered by Area based exemption. Pursuant to favourable order from Hon'ble supreme court, the provision has been reversed as exceptional item in the quarter ended June 30, 2019.
- 3 During the current quarter ended September 30, 2019, the Group has introduced a voluntary retirement scheme (VRS) and the Company has considered a provision of Rs. 60.11 crores for employees who have accepted to be part of VRS as exceptional item in the consolidated financial results.
- 4 With effect from April 1, 2019, the Group has adopted IND AS-116 using the modified simplified approach and accordingly previous period information has not been reinstated. Under this approach, the Group has recognised lease liabilities and corresponding equivalent right-of-use assets.
In the consolidated financial results for the current quarter and half year ended September 30, 2019, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The application of IND AS-116 did not have any significant impact in the consolidated financial results of the Group.
- 5 Particulars of subsidiaries and associates as on September 30, 2019
 - a) Subsidiaries (held directly) - HMCL (NA) Inc, HMCL Netherlands B.V., HMC MM Auto Limited, HMCL Americas Inc., Hero TechCenter Germany GmbH
 - b) Subsidiaries (held indirectly) - HMCL Colombia S.A.S., HMCL Niloy Bangladesh Limited (subsidiaries of HMCL Netherlands B.V.)
 - c) Associates - Hero FinCorp Limited & Ather Energy Private Limited
- 6 On April 26, 2019, the Board of Directors had recommended a final dividend of Rs. 32 per equity share (face value of Rs. 2 per equity share) for the financial year ended March 31, 2019, which has been approved by the shareholders in the Annual General Meeting held on July 29, 2019. Accordingly, Rs. 639.13 crores (excluding dividend distribution tax) was appropriated as distribution to equity shareholders during the quarter ended September 30, 2019.
- 7 The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised Provision for Income tax for the quarter and half year ended 30 September 2019 and re-measured its deferred tax assets/liabilities basis the rate prescribed in the said section. The impact of this change will be recognised over the period from July 01, 2019 to March 31, 2020.
- 8 Based on the guiding principles given in Ind AS-108 on 'Operating Segments', the Group business activity fall within a single operating segment, namely automotive segment. Accordingly, the disclosure requirements of Ind AS 108 are not applicable.
- 9 The above consolidated results of the Group are available on the Company's website www.heromotocorp.com and also on www.bseindia.com and www.nseindia.com

For and on behalf of the Board of Directors



PAWAN MUNJAL
Chairman, Managing Director & CEO
DIN : 00004223

New Delhi
October 23, 2019

Hero MotoCorp Ltd.

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Unaudited Consolidated Statement of Assets and Liabilities

Rupees in crores

	Particulars	Consolidated	
		As at September 30, 2019 Un-Audited	As at March 31, 2019 Audited
	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	4,663.31	4,792.50
	(b) Capital work-in-progress	757.20	384.85
	(c) Right of Use of Assets	564.92	-
	(d) Intangible assets	146.15	159.86
	(e) Intangible assets under development	219.68	187.97
	(f) Equity accounted investment in associates	1,837.63	1,705.89
	(g) Financial assets		
	(i) Investments	1,257.63	1,234.06
	(ii) Loans	63.43	60.12
	(iii) Others	47.24	33.82
	(h) Income tax assets (net)	128.65	855.62
	(i) Other non-current assets	346.18	676.46
	Total Non - Current Assets	10,032.02	10,091.15
2	Current assets		
	(a) Inventories	1,360.65	1,249.53
	(b) Financial assets		
	(i) Investments	4,037.27	3,173.88
	(ii) Trade receivables	3,381.71	2,745.11
	(iii) Cash and cash equivalents	744.85	208.12
	(iv) Bank balances other than (iii) above	96.66	95.78
	(v) Loans	25.89	25.08
	(vi) Others	759.40	654.19
	(c) Other current assets	232.35	261.52
	Total Current Assets	10,638.78	8,413.21
	Total Assets	20,670.80	18,504.36
	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share capital	39.95	39.95
	(b) Other equity	14,429.58	13,080.46
	Total Equity attributable to owners of the Company	14,469.53	13,120.41
2	Non-controlling interests	134.37	116.11
	Total Equity	14,603.90	13,236.52
	LIABILITIES		
3	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	27.89	124.84
	(ii) Lease Liability	246.95	-
	(b) Provisions	121.38	120.94
	(c) Deferred tax liabilities (net)	555.33	612.88
	Total Non - Current Liabilities	951.55	858.66
4	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	208.84	183.68
	(ii) Lease Liability	41.18	-
	(iii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	3,941.10	3,438.24
	(iv) Other financial liabilities	319.71	226.73
	(b) Other current liabilities	540.47	500.82
	(c) Provisions	64.05	59.71
	Total Current Liabilities	5,115.35	4,409.18
	Total Equity and Liabilities	20,670.80	18,504.36

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Unaudited consolidated statement of cash flows

PARTICULARS	Rs. in crores	
	Half year ended September 30, 2019	Half year ended September 30, 2018
	Unaudited	Unaudited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit after tax and share in profit/(loss) of associates	2,140.47	1,906.73
Adjustments for:		
Add: Depreciation and amortisation expense	452.17	310.87
Tax expense	788.64	910.45
Loss on property, plant and equipments sold/discarded	3.02	3.37
Finance cost	24.77	16.78
Foreign currency translation (net)	13.22	3.74
Employee Stock Compensation Cost	6.65	3.88
	<u>1,288.47</u>	<u>1,249.09</u>
Less: Interest income on financial assets carried at amortised cost	174.34	142.40
Dividend income	31.87	40.64
Profit on sale of investments	279.60	253.50
Loss on investments carried at fair value through profit or loss	(118.91)	(120.89)
Share of profit in associates	21.75	17.65
Profit on sale of property, plant and equipments	0.19	0.05
	<u>388.84</u>	<u>333.35</u>
Operating profit before working capital changes	3,040.10	2,822.47
Changes in working capital:		
Adjustment for (Increase)/decrease in operating assets:		
Inventories	(111.12)	(145.71)
Trade receivables	(636.60)	(1,308.47)
Loans-Current	(0.81)	1.76
Loans-Non-Current	(3.31)	(7.71)
Other financial assets	(102.80)	(148.59)
Other current assets	25.93	(18.88)
Other non-current assets	24.53	(3.27)
	<u>(804.18)</u>	<u>(1,630.87)</u>
Adjustment for increase/(decrease) in operating liabilities:		
Trade payables	502.86	1,069.42
Other financial liabilities-Current	(21.83)	(8.02)
Other current liabilities	39.65	(184.09)
Short-term provisions	4.34	6.39
Long-term provisions	0.44	1.42
	<u>525.46</u>	<u>885.12</u>
Cash generated from operating activities	<u>2,761.38</u>	<u>2,076.72</u>
Less: Direct taxes paid (net)	114.15	789.42
Net cash generated from operating activities	2,647.23	1,287.30
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment and intangible assets including capital advances	(689.30)	(437.40)
Proceeds from sale of property, plant and equipment	0.72	1.07
Deposits more than 12 months and other than cash and cash equivalents	(13.42)	(26.39)
Sale of investments	22,467.33	21,067.25
Purchase of investments	(23,323.60)	(20,627.75)
Dividend income received from associates	20.55	-
Investment in associates (net of dividend received)	-	(249.15)
Interest income on financial assets carried at amortised cost	170.70	140.43
Dividend income	31.87	40.64
Net cash (used) in investing activities	(1,335.15)	(91.30)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(24.89)	(16.84)
Repayment of lease liabilities	(4.72)	-
Dividend paid	(639.13)	(798.85)
Tax on dividend	(132.72)	(167.62)
Additions to minority interest	8.00	2.62
Repayment of non current borrowings	(7.05)	(16.00)
Proceeds from current borrowings	25.16	102.98
Net cash (used) in financing activities	(775.35)	(893.71)
D. INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	536.73	302.29
Cash and cash equivalents at the beginning of the period	208.12	130.61
Cash and cash equivalents at the end of the period	<u>744.85</u>	<u>432.90</u>

New Delhi, October 23, 2019

HERO MOTOCORP REPORTS REVENUE OF RS. 7571 CRORE AND PAT OF RS. 875 CRORE IN Q2 FY'20

Overview | Standalone results for Q2 (July-September) FY'20

- Volumes of 1,691,420 units in Q2 FY'20
- Net Revenue from Operation - Rs. 7571 Crore
- Earnings Before Interest, Tax, Depreciation, & Amortization (EBITDA) for the Quarter stood at Rs. 1101 Crore reflecting 14.5% EBITDA margin (vs. 14.4% in Q1' FY'20 & 15.2 % in Q2 FY'19)
- Profit Before Tax (PBT) - Before exceptional item at Rs. 1098 Crore and after exceptional item at Rs. 1038 Crore
- Net Profit After Tax (PAT) - Rs. 875 Crore

Hero MotoCorp, the world's largest two-wheeler manufacturer, today reported its financial performance for the second quarter (July-September 2019) of the financial year 2020.

The Company's Revenue from Operations for the quarter stood at Rs. 7571 Crore vs Rs. 9091 Crore in Q2 FY'19 and Profit before Tax (PBT) before exceptional item at Rs. 1098 Crore vs Rs. 1448 Crore in Q2 FY'19. Profit after Tax (PAT) stood at Rs. 875 Crore vs Rs. 976 Crore in Q2 FY'19.

EBITDA margin for the quarter stood at 14.5%.

Consolidated Revenue and PAT stood at Rs. 7661 Crore and Rs. 884 Crore respectively for the quarter.

The Company's Revenue from Operations for half year stood at Rs. 15,601 Crore vs Rs. 17,901 Crore in previous year. PBT after exceptional item stood at Rs. 2,912 Crore vs Rs. 2,791 Crore in previous year. PAT stood at Rs. 2,132 Crore vs Rs. 1,885 Crore in previous year.

Consolidated Revenue and PAT for the half year ended September 2019 was Rs. 15,847 Crore vs Rs. 21,400 Crore in the previous year.

"Our retail sales during the ongoing festive season have been quite steady so far, thanks to the new motorcycles and scooters that we have launched recently, and our slew of innovative schemes for customers. We hope to keep the momentum during the upcoming Dhanteras and Diwali festivals. We have launched five new products - including three new premium motorcycles and two scooters - in the first five months of the financial year, at a time when companies are holding back new product launches and investments. The initial market response to these products - the XPulse

twins and the Xtreme 200S motorcycles and the Maestro Edge 125 FI – India's first scooter with Fuel Injection technology – and the Pleasure+ 110 scooter – has been quite encouraging."

- Niranjan Gupta, Chief Financial Officer, Hero MotoCorp

"Growth of the industry is driven by first time customers. We have therefore, aggressively pursued this segment of customers through various innovative financing options, both in terms of affordability and convenience. This has helped us to expand our customer base during the ongoing festive season. We are also gearing up for the market launch of our first BS-VI motorcycle soon after the festive season, which will mark the commencement of the sequential transition to our BS-VI range over the next few months."

- Sanjay Bhan, Head – Sales, Aftersales and Parts, Hero MotoCorp

Highlights of the Quarter (July – September 2019)

Diversity and Inclusion	<ul style="list-style-type: none"> - The Company continued to move forward on its 'Diversity' journey and surpassed a significant milestone by inducting its 1000th woman employee
Customer Engagement Initiatives	<ul style="list-style-type: none"> - Hero MotoCorp achieved a new benchmark in customer service in the two-wheeler industry, by commencing delivery of new motorcycles and scooters to customers at their doorstep - Xtracks Experience continued, reaching Chennai and Bengaluru. The one-of-a-kind 'XTracks' provides riders an exciting opportunity to experience the country's most accessible adventure bike - all new XPulse 200 – in a specially-curated thrilling off-road zone - The Company announced special benefits for its customers in the flood affected regions of Kerala, North Karnataka & South Maharashtra, to ensure seamless mobility for people in these regions and to help accelerate the ongoing rehabilitation initiatives
Achievement in the field of Sports	<ul style="list-style-type: none"> - Dr. Pawan Munjal was inducted into the Asia Pacific Golf 'Hall of Fame'. It is the highest honor in the Asia Pacific Golf industry that was bestowed upon one of India's most illustrious captains of industry and a great supporter of sports around the globe - Hero MotoSports Team Rally emerged victorious at the 2019 Pan Africa Rally. This was the team's first Rally win for the season. Team Rider Joaquim Rodrigues 'JRod' was crowned the winner

Press Release

Corporate Social Responsibility (CSR) Initiatives.	<ul style="list-style-type: none">- Hero MotoCorp partnered with Swarna Bharat Trust to set-up a world-class Training Centre in Andhra Pradesh. Honorable Vice-President M. Venkaiah Naidu inaugurated the facility- Hero MotoCorp organized a massive tree plantation drive in Dehradun district of Uttarakhand - with over 35,000 families planting over 2.1 lakh trees – which has been verified by the 'Asia Book of Records and 'India Book of Records' and has been officially registered as a new record
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For more information:

www.heromotocorp.com | FB: /HeroMotoCorpIndia | Twitter: @HeroMotoCorp

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S. No.	Particulars	Disclosures
1.	Reason for change viz. appointment, resignation, removal, death or otherwise	Appointment
2.	Date of appointment / cessation & term of appointment	Ms. Tina Trikha has been appointed as an Additional Director on the Board of the Company. She will be an Independent Non-Executive Director in terms of Companies Act, 2013 and Listing Regulations, with a tenure of 5 years, subject to approval of shareholders at the next Annual General Meeting. The effective date of appointment is October 23, 2019.
3.	Brief profile	Ms. Tina Trikha has close to two decades of experience working with companies in India, the United States, and South-East Asia. A published author and an executive coach, she currently serves as head of communications and talent development for Sealink Capital Partners, a private equity firm based in Mumbai. Previously she was Vice President of corporate planning and strategy at Godrej Industries Limited. Prior to that, Ms. Trikha was responsible for strategic planning and business development at Scholastic, a book publisher and distributor in New York. Her previous roles also included providing financial and strategic advice to companies as a consultant with McKinsey & Company in New York and as an investment banker with Credit Suisse in New York and Hong Kong. Ms. Tina Trikha holds a Bachelor's degree in Economics from Massachusetts Institute of Technology and a Master's degree in Business Management from the Wharton School of Business, University of Pennsylvania.
4.	Disclosure of relationships between directors	Ms. Tina Trikha is not related to any Director of the Company.



S. No.	Particulars	Disclosures
1.	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year	Turnover / Revenue – Nil Loss – Rs. 0.01 crore Net worth – Rs. 0.04 crore HMCL (NA) Inc. is a wholly-owned subsidiary of Hero MotoCorp Ltd.
2.	Date on which the agreement for sale has been entered into	N.A.
3.	The expected date of completion of sale / disposal	The process of dissolution is expected to be complete in the next six months.
4.	Consideration received from such sale / disposal	N.A.
5.	Brief details of buyers and whether any of the buyers belong to the promoter / promoter group / group companies. If yes, details thereof	HMCL (NA) Inc. will initiate the process of dissolution with the Delaware Secretary of State, hence there will be no buyers. N.A.
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length".	Yes, HMCL (NA) Inc. being a wholly-owned subsidiary, is a related party by definition. The Company being the sole shareholder has authorised the dissolution. Arm's length principle is not applicable.
7.	Additionally, in case of slump sale, indicative disclosures provided for amalgamation / merger, shall be disclosed by the listed entity with respect to slump sale.	N.A.


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