

July 25, 2018

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

The Secretary,  
**BSE Limited**  
25<sup>th</sup> 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 July 25, 2018**

Dear Sirs,

The Board of Directors at its meeting held today, viz July 25, 2018, has considered and approved the following matters:

1. The unaudited financial results for the quarter ended June 30, 2018. A copy of the said results and limited review report is enclosed.

Press Release being issued by the Company in this regard, is also enclosed.

2. Investment of INR 130,00,04,640 (Rupees One Hundred and Thirty Crore, Four Thousand, Six Hundred and Forty only) through CCDs (Compulsorily Convertible Debentures) in Ather Energy Private Limited. The investment is subject to execution of definitive documents and completion of certain conditions customary to a transaction of this nature. The disclosure pursuant to Regulation 30 of the captioned SEBI Regulations is enclosed.
3. Participation in the Rights issue of Hero FinCorp Limited ("HFCL"). The existing shareholding (viz 41.03%) of the Company in HFCL will only change, if other shareholders do not subscribe in full, in the Rights issue. The detailed disclosure as required under Regulation 30 will be made, if required, post closure of Rights issue of HFCL.

The meeting of the Board of Directors commenced at 1.30 p.m. and concluded at 5.30 p.m.

Kindly take the aforesaid information on your records.

Thanking you,

**For Hero MotoCorp Ltd.**



**(Neerja Sharma)**  
Company Secretary

Encl: a/a.

**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

**Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

<p>Name of the target entity, details in brief such as size, turnover etc.</p>	<p>Target Company- Ather Energy Private Limited (<b>Ather</b>)</p> <p>Ather, an existing Associate company of Hero MotoCorp Limited (<b>HMCL</b>), is engaged in the business of designing and manufacturing smart electric vehicles and associated charging infrastructure.</p> <p>It has yet to commence commercial production.</p>
<p>Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”</p>	<p>Yes, the investment is being made in the Associate company and will therefore be a related party transaction.</p> <p>No promoter/ promoter group/ group companies have any interest in the entity in which the additional investment is being made.</p> <p>The investment is proposed to be made on an arm’s length basis.</p>
<p>Industry to which the entity being acquired belongs</p>	<p>Design and manufacture of smart electric vehicles and associated charging infrastructure.</p>
<p>Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)</p>	<p>As the market leader and a global automotive major, Hero MotoCorp takes the lead in many areas that benefit the environment, customer and the industry. Adoption of environment-friendly fuel is a priority for Hero MotoCorp, as is propagating sustainable manufacturing through green facilities. Hero MotoCorp intends to enhance its participation in the EV space by partnering with Ather in addition to pursuing its internal EV program.</p>
<p>Brief details of any governmental or regulatory approvals required for the acquisition</p>	<p>No regulatory approval is required</p>
<p>Indicative time period for completion of the acquisition</p>	<p>By August 31, 2018 (Tentative)</p>

Nature of consideration - whether cash consideration or share swap and details of the same	Cash
Cost of acquisition or the price at which the shares are acquired	<p>INR 130,00,04,640</p> <p>(Rupees One Hundred Thirty Crores, Four Thousand, Six Hundred and Forty only)</p>
Percentage of shareholding / control acquired and / or number of shares acquired	<p>Investment is being made towards acquisition of 66,320 (Sixty Six Thousand Three Hundred and Twenty) Compulsorily Convertible Debentures (CCDs).</p> <p>Prior to the proposed investment, HMCL's shareholding in Ather is 32.31% of the paid-up share capital of Ather (29.94% on a fully diluted basis).</p> <p>Post the investment, upon conversion of the CCDs, HMCL's shareholding in Ather shall increase. The post conversion shareholding of HMCL in Ather is indeterminate today since the conversion price of the CCDs would be determined basis the valuation of Ather in the subsequent funding round undertaken by Ather.</p>
Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	<p>Ather is a private limited company which was incorporated in India on October 21, 2013. It is engaged in the business of designing and manufacturing smart electric vehicles and associated charging infrastructure. To start with, Ather would design, manufacture and sell electric scooters in Bangalore. In future it may expand into other two wheeler lines as well as cities in India.</p> <p>Ather is yet to commence commercial production.</p>



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# B S R & Co. LLP

Chartered Accountants

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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

We have reviewed the accompanying statement of unaudited standalone financial results of Hero MotoCorp Limited ("the Company") for the quarter ended 30 June 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that the figures for the 3 months ended 31 March 2018 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year was only reviewed and not subjected to audit.

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 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*  
Firm registration No.: 101248W/W-100022



**Jiten Chopra**  
Partner  
Membership No. 092894

Place: New Delhi  
Date: 25 July 2018

## HERO MOTOCORP LIMITED

Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2018

(Rupees in Crores)

		Quarter ended			Year ended
		June 30, 2018	March 31, 2018 Refer Note 7	June 30, 2017	March 31, 2018
		Un-Audited	Audited	Un-Audited	Audited
<b>1</b>	<b>No. of Two wheelers sold</b>	<b>2,106,629</b>	<b>2,001,595</b>	<b>1,853,647</b>	<b>7,587,154</b>
<b>2</b>	<b>Income</b>				
	(a) Revenue from operations	8,809.82	8,564.04	8,621.83	32,871.82
	(b) Other income	115.73	166.50	131.70	525.82
	<b>Total Income</b>	<b>8,925.55</b>	<b>8,730.54</b>	<b>8,753.53</b>	<b>33,397.64</b>
<b>3</b>	<b>Expenses</b>				
	[a] Cost of materials consumed	6,131.69	5,721.05	5,475.71	21,857.79
	[b] Change in inventories of finished goods and work-in-progress	33.30	72.03	(72.70)	(23.15)
	[c] Excise duty on sales	-	-	641.33	641.33
	[d] Employee benefits expense	413.12	380.86	373.67	1,540.13
	[e] Finance costs	2.11	1.54	1.58	6.25
	[f] Depreciation and amortisation expenses	148.17	148.34	132.95	555.60
	[g] Other expenses	854.42	1,019.51	907.91	3,575.53
	<b>Total Expenses</b>	<b>7,582.81</b>	<b>7,343.33</b>	<b>7,460.45</b>	<b>28,153.48</b>
<b>4</b>	<b>Profit before tax (2-3)</b>	<b>1,342.74</b>	<b>1,387.21</b>	<b>1,293.08</b>	<b>5,244.16</b>
<b>5</b>	<b>Tax expense</b>				
	Current tax	416.11	380.87	355.05	1,446.95
	Deferred tax	17.46	38.94	23.99	99.85
	<b>Total Tax Expense</b>	<b>433.57</b>	<b>419.81</b>	<b>379.04</b>	<b>1,546.80</b>
<b>6</b>	<b>Profit after tax (4-5)</b>	<b>909.17</b>	<b>967.40</b>	<b>914.04</b>	<b>3,697.36</b>
<b>7</b>	<b>Other comprehensive income /(expense) [net of tax]</b>				
	Items that will not be reclassified to profit or loss:-	(3.18)	(2.03)	(3.52)	(4.71)
	Items that will be reclassified to profit or loss:-	-	-	-	-
<b>8</b>	<b>Total comprehensive income (6+7)</b>	<b>905.99</b>	<b>965.37</b>	<b>910.52</b>	<b>3,692.65</b>
<b>9</b>	<b>Paid-up equity share capital</b>	39.94	39.94	39.94	39.94
	Face value of the share (In Rupees)	2.00	2.00	2.00	2.00
<b>10</b>	<b>Total Reserves</b>	-	-	-	11,728.94
<b>11</b>	<b>Earning per equity share on profit after tax (face value Rs. 2/- each) [In Rupees]</b>				
	Basic	45.52	48.44	45.77	185.14
	Diluted	45.52	48.44	45.77	185.13

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**Notes:-**

- 1 The above results for the quarter ended June 30, 2018 have been reviewed and recommended by the Audit Committee in their meeting held on July 24, 2018 and approved by the Board of Directors in their meeting held on July 25, 2018. These results have been subjected to limited review by the statutory auditors.
- 2 With effect from April 1, 2018, the Company has adopted IND AS-115 ('Revenue from contracts with customers') using the cumulative effect method and accordingly these financial results are prepared in accordance with recognition and measurement principles laid down in IND AS-115. There were no adjustments required to the retained earnings as at April 01, 2018. Also, the application of IND AS-115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results of the Company.
- 3 After applicability of Goods and Services Tax- ('GST') w.e.f July 01, 2017, sales are required to be disclosed net of GST . Accordingly, the figures of revenue from operations for the quarter ended June 30, 2018 are not comparable with the corresponding previous period.
- 4 During the quarter ended June 30, 2018 , the Company has invested Rs. 3.93 crores as part of capital contribution in subsidiary company i.e. HMC MM Auto Ltd taking cumulative investment to Rs. 30.00 crores.
- 5 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.
- 6 The Board of Directors in their meeting held on May 02, 2018 considered and recommended a final dividend @ 2000% i.e Rs. 40 per equity shares of Rs. 2.00 each for the financial year 2017-18, which has been approved by the shareholders in the Annual General Meeting held on July 24, 2018. The total equity dividend to be paid is Rs. 963.05 crores (including dividend distribution tax thereon of Rs. 164.20 crores.)
- 7 The figures of quarter ended March 31, 2018 are the balancing figures between the audited figures in respect of full year and the unaudited published figures up to the third quarter ended December 31, 2017
- 8 The above results of the Company are available on the Company's website [www.heromotocorp.com](http://www.heromotocorp.com) and also on [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**For and on behalf of the Board of Directors**



**PAWAN MUNJAL**  
Chairman, Managing Director & CEO  
DIN : 00004223

New Delhi  
July 25, 2018



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New Delhi, July 25, 2018

**HERO MOTOCORP REGISTERS HIGHEST-EVER QUARTERLY  
SALES OF 2.1 MILLION UNITS IN Q1 FY '19**

**REPORTS REVENUE OF RS 8810 CRORE;  
PAT OF RS 909 CRORE**

- Record Quarterly Sales – 2,106,629 units in Q1 FY'19, registering a strong double-digit growth of 13.6%
- Revenue (adjusted for excise in previous quarter) growth of 10.4%, with EBITDA margin of 15.6%
- Seven lakh plus sales in two consecutive months of Q1: May 2018 (706,365 units) and June 2018 (706,242)

*"At Hero MotoCorp, we are constantly striving to build a green and sustainable planet with our state-of-the-art, world-class manufacturing facilities and a range of technologically-superior and eco-friendly motorcycles and scooters. Fostering the spirit of innovation is now a way of life within the entire organization. Our record sales performances, quarter after quarter, have been a reflection of all these initiatives that we have undertaken at Hero MotoCorp. It is in keeping with our commitment to shape a better future that we are also developing smart and connected two-wheelers.*

*"The Indian economy continues to grow in the face of global headwinds from several fronts. However, the industry has been adversely impacted by the volatility in commodity prices driven by global trends. Despite these challenges, the industry will maintain the growth momentum during the rest of the fiscal, with consumption expected to remain high on the back of a normal monsoon and the upcoming festive season. At Hero MotoCorp, we are geared up to ride the positive momentum with new premium motorcycles and scooters, lined up for launch in the coming months."*

**Pawan Munjal**  
**Chairman, Managing Director & CEO, Hero MotoCorp**

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Continuing its strong sales growth momentum and further augmenting its market leadership, **Hero MotoCorp**, the world's largest single two-wheeler manufacturer, has registered the **highest-ever quarterly sales of 2,106,629 units** in the first quarter of the fiscal (April-June 2018).

The record sales translate to a **robust 13.6% growth** over the corresponding period of the previous fiscal, when the Company sold 1,853,647 units (Q1 FY '18).

The Company reported Revenue from operations of Rs. 8,810 Crore, as compared to Rs 7,981 Crore (Net of excise duty of Rs 641 Crore) in the corresponding Quarter last year (April-June 2017). EBITDA margin stood at 15.6% vs 16.2% in Q1 of last year. Profit after tax (PAT) for the quarter stood at Rs. 909 Crore vs. Rs 914 Crore in the corresponding Quarter last year (April-June 2017).

EBITDA margin was impacted by commodity costs, although offset to a large extent by pricing and continuing cost management. The impact on the PAT in the Quarter has been on account of the tax benefits coming to an end in Q4 FY'18 at the Company's manufacturing facility at Haridwar.

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**For more information:**

[www.heromotocorp.com](http://www.heromotocorp.com) / FB: /HeroMotoCorpIndia / Twitter: @HeroMotoCorp

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