

May 10, 2017

**National Stock Exchange of India Ltd.**

Exchange Plaza, Plot C/1, G Block  
Bandra Kurla Complex, Bandra (E),  
MUMBAI - 400 051  
Scrip Code: HEROMOTOCO

**BSE Limited**

25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
MUMBAI - 400 001  
Scrip Code: 500182

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

**Re.: Outcome of Board Meeting held on May 10, 2017**

Dear Sir/Madam,

The Board of Directors at its meeting held today, viz. May 10, 2017, have considered and approved the following matters:

1. The audited standalone and consolidated financial results for the year ended March 31, 2017. A copy of duly signed audited financial results, along with audit report and declaration in respect of audit reports with unmodified opinion under Regulation 33 of Listing Regulations, is enclosed.

Press release for the quarter and year ended March 31, 2017, is also enclosed.

2. Convening of 34<sup>th</sup> annual general meeting (AGM) of the Company on Friday, July 14, 2017.
3. Recommendation of final dividend subject to approval of members @1500% viz. Rs. 30/- per equity share for financial year 2016-17. The dividend, if declared at the ensuing AGM, will be paid by August 10, 2017.
4. Book closure from Tuesday, July 4, 2017 to Friday, July 14, 2017 (both days inclusive) for the purpose of AGM and determining entitlement of the members to the final dividend (if declared at the AGM).
5. Appointment of M/s. BSR & Co. LLP, as statutory auditors in place of existing auditors M/s. Deloitte Haskins & Sells, subject to approval of members at the ensuing AGM.

The meeting of the Board of Directors commenced at 2.30 p.m. and concluded at 5.45 p.m.

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  
Tel. +91-11-26142451, 46044100, Fax +91-11-26143321, 26143198  
HeroMotoCorp.com CIN: L35911DL1984PLC017354 PAN NO.: AAACH0812J

## **INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF HERO MOTOCORP LIMITED**

1. We have audited the accompanying Statement of Standalone Financial Results of **HERO MOTOCORP LIMITED** ("the Company"), for the year ended March 31, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
  - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and Total comprehensive income and other financial information of the Company for the year ended March 31, 2017.



4. The Statement includes the results for the Quarter ended March 31, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No. 015125N)



**Jaideep Bhargava**  
Partner  
(Membership No. 090295)

**GURUGRAM, May 10, 2017**



## INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF HERO MOTOCORP LIMITED

1. We have audited the accompanying Statement of 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 of its associates for the year ended March 31, 2017 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 4 below, is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of the subsidiaries, and associate referred to in paragraph 4 below, the Statement:



- a. includes the results of the following entities:

**Subsidiaries**

HMCL (NA) Inc., HMCL Americas Inc., HMCL Netherlands B.V. and HMCL Colombia S.A.S. and HMCL Niloy Bangladesh Limited (subsidiaries of HMCL Netherlands B.V.),

**Associates**

Hero FinCorp Limited and Ather Energy Private Limited;

- b. is presented in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
- c. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, Total comprehensive income and other financial information of the Group for the year ended March 31, 2017.
4. We did not audit the financial statements of HMCL (NA) Inc., HMCL Americas Inc., HMCL Netherlands B.V., HMCL Colombia S.A.S. and HMCL Niloy Bangladesh Limited, included in the consolidated financial results, whose financial statements reflect total assets of Rs. 435.94 crores as at March 31, 2017, total revenues of Rs. 167.04 crores, total net loss after tax of Rs. 71.49 crores and total comprehensive loss of Rs. 76 crores for the year ended on that date, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net loss of Rs. 1.27 crores and total comprehensive loss of Rs. 1.34 crores for the year ended March 31, 2017, as considered in the consolidated financial results, in respect of its associate Ather Energy Private Limited, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, 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.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

(Firm's Registration No. 015125N)



**Jaideep Bhargava**

(Partner)

(Membership No.90295)

Gurugram, May 10, 2017

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# HERO MOTOCORP LIMITED

Regd. office :- 34, Community Centre, Basant Lok , Vasant Vihar, New Delhi-110057  
Statement of Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2017

(Rupees in Crores)

S. No.	Particulars	Standalone				Consolidated		
		Quarter ended		Year ended		Year ended		
		March 31, 2017	December 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
		Audited (Refer note 9)	Unaudited	Audited	Audited	Audited	Audited	Audited
1	No. of Two wheelers sold	16,21,805	14,73,548	17,21,240	66,64,240	66,32,322		
2	<b>Income</b>							
	[a] Revenue from Operations	7,488.08	6,898.64	8,111.17	30,846.12	30,700.88	30,958.19	30,715.33
	[b] Other income	118.23	131.88	116.76	522.43	422.43	521.95	412.83
	<b>Total Income</b>	<b>7,606.31</b>	<b>7,030.52</b>	<b>8,227.93</b>	<b>31,368.55</b>	<b>31,123.31</b>	<b>31,480.14</b>	<b>31,128.16</b>
3	<b>Expenses</b>							
	[a] Cost of materials consumed	4,568.72	4,227.20	4,900.84	18,948.64	19,321.72	18,993.87	19,357.96
	[b] Change in inventories of finished goods and work-in-progress	167.40	(103.92)	62.73	63.17	(11.88)	96.74	(49.86)
	[c] Excise duty on sales	572.88	534.04	606.00	2,371.13	2,258.18	2,373.23	2,258.21
	[d] Employees benefits expenses	328.07	374.27	351.47	1,396.01	1,315.93	1,432.49	1,339.46
	[e] Finance cost	1.48	1.52	1.22	6.05	4.89	27.28	14.61
	[f] Depreciation and amortisation expenses	135.30	124.36	114.74	492.73	437.64	502.25	443.25
	[g] Other expenses	893.45	787.75	1,000.95	3,432.36	3,361.96	3,485.89	3,411.86
	<b>Total Expenses</b>	<b>6,667.30</b>	<b>5,945.22</b>	<b>7,037.95</b>	<b>26,710.09</b>	<b>26,688.44</b>	<b>26,911.75</b>	<b>26,775.49</b>
4	<b>Profit from ordinary activities before share of Profit / (Loss) of associates (2-3)</b>	<b>939.01</b>	<b>1,085.30</b>	<b>1,189.98</b>	<b>4,658.46</b>	<b>4,434.87</b>	<b>4,568.39</b>	<b>4,352.67</b>
5	<b>Profit/ (loss) from associates</b>							
	Share in net profit / (loss) of associates	-	-	-	-	-	54.92	34.33
	Gain on dilution of interest in an associate	-	-	-	-	-	262.09	-
6	<b>Profit from ordinary activities before tax</b>	<b>939.01</b>	<b>1,085.30</b>	<b>1,189.98</b>	<b>4,658.46</b>	<b>4,434.87</b>	<b>4,885.40</b>	<b>4,387.00</b>
7	<b>Tax expense</b>							
	Current tax	164.80	265.26	257.83	1,082.08	960.88	1,082.24	960.91
	Deferred tax	56.46	47.99	98.86	199.26	313.80	256.86	313.80
		<b>221.26</b>	<b>313.25</b>	<b>356.69</b>	<b>1,281.34</b>	<b>1,274.68</b>	<b>1,339.10</b>	<b>1,274.71</b>
8	<b>Net Profit from ordinary activities after tax (6-7)</b>	<b>717.75</b>	<b>772.05</b>	<b>833.29</b>	<b>3,377.12</b>	<b>3,160.19</b>	<b>3,546.30</b>	<b>3,112.29</b>
9	Other comprehensive income /(expense) (net of tax)	(3.56)	-	0.41	(14.08)	(2.37)	(18.71)	(3.42)
10	<b>Total comprehensive Income for the period (8-9)</b>	<b>714.19</b>	<b>772.05</b>	<b>833.70</b>	<b>3,363.04</b>	<b>3,157.82</b>	<b>3,527.59</b>	<b>3,108.87</b>
11	<b>Net Profit / (loss) attributable to</b>							
	a) Owners of the Company	717.75	772.05	833.29	3,377.12	3,160.19	3,584.27	3,141.98
	b) Non controlling interest	-	-	-	-	-	(37.97)	(29.69)
12	<b>Other comprehensive income attributable to</b>							
	a) Owners of the Company	(3.56)	-	0.41	(14.08)	(2.37)	(16.71)	(2.56)
	b) Non controlling interest	-	-	-	-	-	(2.00)	(0.86)
13	<b>Total comprehensive Income attributable to</b>							
	a) Owners of the Company	714.19	772.05	833.70	3,363.04	3,157.82	3,567.56	3,139.42
	b) Non controlling interest	-	-	-	-	-	(39.97)	(30.55)
14	<b>Paid-up equity share capital</b>							
	Face value of the share (Rs.)	39.94	39.94	39.94	39.94	39.94	39.94	39.94
		2.00	2.00	2.00	2.00	2.00	2.00	2.00
15	<b>Total Reserves</b>				<b>10,071.35</b>	<b>8,794.47</b>	<b>10,275.57</b>	<b>8,794.17</b>
16	<b>Basic &amp; diluted earning per equity share on Net profit from ordinary activities after tax (face value Rs. 2/- each)(In Rupees)</b>	35.94	38.66	41.73	169.12	158.26	179.49	157.34

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## Statement of Assets and Liabilities

(Rupees in Crores)

Particulars		Standalone		Consolidated	
		As at March 31, 2017 Audited	As at March 31, 2016 Audited	As at March 31, 2017 Audited	As at March 31, 2016 Audited
<b>ASSETS</b>					
1	<b>Non-current assets</b>				
	(a) Property, plant and equipment	4,310.73	3,465.46	4,495.03	3,654.64
	(b) Capital work-in-progress	270.72	288.34	386.50	325.23
	(c) Intangible assets	84.86	118.89	103.82	129.07
	(d) Intangible assets under development	194.33	317.06	194.46	328.14
	(e) Financial assets				
	(i) Investments	1,349.00	1,111.91	1,522.31	1,029.51
	(ii) Loans	23.13	26.70	23.13	26.70
	(iii) Others	25.23	23.20	25.39	23.38
	(f) Income tax assets (net)	331.94	227.54	332.50	227.72
	(g) Other non-current assets	651.14	842.54	658.35	848.09
	<b>Total Non - Current Assets</b>	<b>7,241.08</b>	<b>6,421.64</b>	<b>7,741.49</b>	<b>6,592.48</b>
2	<b>Current assets</b>				
	(a) Inventories	656.31	672.98	708.58	761.99
	(b) Financial assets				
	(i) Investments	4,540.85	3,469.11	4,544.06	3,471.57
	(ii) Trade receivables	1,561.87	1,282.80	1,551.75	1,282.07
	(iii) Cash and cash equivalents	15.40	26.95	74.06	74.68
	(iv) Bank balances other than (iii) above	121.33	104.41	121.33	104.41
	(v) Loans	21.73	23.12	21.73	23.21
	(vi) Others	24.35	22.28	25.17	23.31
	(c) Other current assets	511.34	549.57	523.83	562.09
	<b>Total Current Assets</b>	<b>7,453.18</b>	<b>6,151.22</b>	<b>7,570.51</b>	<b>6,303.33</b>
	<b>Total Assets</b>	<b>14,694.26</b>	<b>12,572.86</b>	<b>15,312.00</b>	<b>12,895.81</b>
<b>EQUITY AND LIABILITIES</b>					
1	<b>Equity</b>				
	(a) Equity share capital	39.94	39.94	39.94	39.94
	(b) Other equity	10,071.35	8,794.47	10,275.57	8,794.17
	<b>Total equity</b>	<b>10,111.29</b>	<b>8,834.41</b>	<b>10,315.51</b>	<b>8,834.11</b>
2	<b>Minority interest</b>			67.38	54.63
<b>LIABILITIES</b>					
3	<b>Non-current liabilities</b>				
	(a) financial liabilities-borrowings	-	-	207.90	145.98
	(b) Provisions	75.30	67.60	75.62	67.80
	(c) Deferred tax liabilities (net)	414.34	222.53	468.90	221.77
	<b>Total Non - Current Liabilities</b>	<b>489.64</b>	<b>290.13</b>	<b>752.42</b>	<b>435.55</b>
4	<b>Current liabilities</b>				
	(a) Financial liabilities				
	(i) Borrowings			40.08	84.06
	(ii) Trade payables	3,247.27	2,650.56	3,266.20	2,675.34
	(iii) Other financial liabilities	352.77	265.70	371.21	276.02
	(b) Other current liabilities	454.28	502.40	456.63	506.30
	(c) Provisions	39.01	29.66	42.57	29.80
	<b>Total Current Liabilities</b>	<b>4,093.33</b>	<b>3,448.32</b>	<b>4,176.69</b>	<b>3,571.52</b>
	<b>Total Equity and Liabilities</b>	<b>14,694.26</b>	<b>12,572.86</b>	<b>15,312.00</b>	<b>12,895.81</b>



Notes:-

- These results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2016, the Company has for the first time adopted Ind AS with
- The Board at its meeting held on May 10, 2017 considered and recommended a final dividend @ 1500% i.e. Rs. 30 per equity share of Rs. 2.00 each for the financial year 2016-17. The dates of the Book Closure for the entitlement of such dividend and Annual General Meeting shall be decided and informed in due course of time. This dividend together with the interim dividend @ 2750% i.e. Rs. 55 per equity share of Rs. 2.00 each already paid to the members would aggregate to @4250%.
- Standalone and consolidated total comprehensive income and equity reconciliation to those reported under previous Generally Accepted Accounting Principles (GAAP) are summarised as below:

Particulars	(Rupees in Crores)		
	Standalone		Consolidated
	Quarter ended March 31, 2016	Year ended March 31, 2016	Year ended March 31, 2016
Profit after tax as reported under previous GAAP	814.16	3,132.37	3,089.67
Impact of measuring investments at Fair Value through Profit or Loss (FVTPL)	10.99	28.42	28.42
Impact of revenue deferral	13.64	1.10	1.10
Impact of measuring derivative contracts at Fair Value through Profit or Loss (FVTPL)	3.61	3.41	3.41
Reclassification of actuarial (gain)/loss in respect of defined benefit plan to "Other Comprehensive Income"	(0.62)	3.63	3.63
Share of profit in associates	-	-	(6.13)
Other adjustments	0.09	3.73	3.66
Tax adjustments	(8.58)	(12.47)	(12.47)
Profit after tax as reported under Ind-AS	833.29	3,160.19	3,112.29
Other comprehensive income (net of tax)	0.41	(2.37)	(8.42)
Total comprehensive income as reported under Ind-AS	833.70	3,157.82	3,103.87

Particulars	(Rupees in Crores)	
	Standalone	Consolidated
	As of March 31, 2016	As of March 31, 2016
Equity as reported under previous GAAP	7,944.75	7,952.68
Add: Proposed dividend (including tax thereon)	769.09	769.09
Add: Impact of measuring investments at Fair Value through Profit or Loss (FVTPL) (net of tax)	192.94	192.94
Add: Impact of discounting of provisions as per IND-AS 37 (net of tax)	11.01	11.01
Add: Impact of measuring derivative financial instruments at fair value (net of tax)	4.05	4.05
Less: Impact of revenue deferral on future performance (net of tax)	(87.43)	(87.43)
Less: Impact in investment in associate	-	(8.30)
Add: Other adjustments	-	0.07
Equity as reported under Ind-AS	8,834.41	8,834.11
Comprising:		
Paid up equity share capital	39.94	39.94
Total Reserves	8,794.47	8,794.17

- As the Group business activity falls within a single primary business segment viz 'Two-wheelers, its parts and ancillary services' and is a single geographical segment, the disclosure requirements of Ind-AS 108 "Operating Segments", are not applicable.
- Revenue from operations reported in the above financials for the quarter ended March 31, 2017 is netted off by Rs.193.28 crores being discount allowed to domestic customers during March 2017 for sale of BS-III compliant two-wheelers.
- Particulars of subsidiaries and associate as on March 31, 2017:
  - Subsidiaries (held directly) - HMCL (NA) Inc., HMCL Netherlands B.V., HMC MM Auto Limited, HMCL Americas Inc.
  - Subsidiaries (held indirectly) - HMCL Colombia S.A.S., HMCL Nilay Bangladesh Limited (subsidiaries of HMCL Netherlands B.V.)
  - Associates - Hero FinCorp Limited & Ather Energy Pvt Ltd (effective January 3, 2017)
- During the year, the Company has invested Rs. 50.79 crores and Rs. 6.60 crores as part of capital contribution in HMCL Netherlands B.V. and HMC MM Auto Ltd, respectively, the subsidiary companies. Further, the Company has invested in associate companies Rs. 36.40 crores, as part payment of total investment of Rs. 104.43 crores in preferential allotment of Hero FinCorp Limited; and Rs.180.52 crores in Ather Energy Pvt Ltd, a technology start-up engaged in the business of designing and manufacturing smart Electric vehicles and associated charging infrastructure. The subsidiaries and associate would act towards furtherance of business interest of the Company.
- Previous periods / year's figures have been regrouped/ reclassified wherever necessary, to make them comparable.
- The figures of the last quarter 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.
- The above results for the quarter and year ended March 31, 2017 have been reviewed and recommended by the Audit Committee meeting held on May 9, 2017 and approved by the Board of Directors in their meeting held on May 10, 2017. These results have been subjected to audit by the statutory auditors.
- 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

PAWAN MUNJAL  
Chairman, Managing Director & CEO  
DIN: 00004223

New Delhi  
May 10, 2017

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New Delhi, May 10, 2017

**HERO MOTOCORP RECORDS ALL-TIME HIGH 6.66 MILLION UNITS IN VOLUME SALES IN FY'17; SURPASSES LANDMARK 70 MILLION UNITS IN CUMULATIVE PRODUCTION POSTS ROBUST NET PROFIT OF RS 3,377.12 CRORE IN FY'17; GROWTH OF 6.86% OVER FY'16**

**REPORTS TOTAL INCOME OF RS 31,368.55 CRORE ON STANDALONE BASIS AND RS 31,480.14 CRORE ON CONSOLIDATED BASIS IN FY'17**

**ANNOUNCES DIVIDEND OF 4250% {incl. INTERIM DIVIDEND OF 2750%} FOR FY'17**

- 
- **TO INVEST CAPEX OF RS 2500 CRORES IN NEW PRODUCT DEVELOPMENT, DIGITISATION, PHASE-WISE CAPACITY EXPANSION & UPGRADATION OF PLANT MACHINERY UPTO FY'19**
  - **LINES UP HALF A DOZEN NEW PRODUCT LAUNCHES THIS FISCAL (FY'18)**



**Pawan Munjal**  
Chairman, MD & CEO  
Hero MotoCorp Ltd.

"The FY'17 marked yet another year of significant milestones in both domestic and international markets.

I am proud to announce that during the fiscal, Hero surpassed the landmark 70 million units in cumulative sales since its inception - a reflection of sustained popularity of hero products among customers.

Most significantly, in FY'17 we introduced three new motorcycles – Splendor iSmart 110, Achiever and Glamour – completely designed and developed by our engineers at the Centre of Innovation and Technology (CIT) – firmly establishing Hero's in-house R&D capabilities. New world-class product development will continue to be a priority with enhanced focus on the scooters and the premium segments.

While Hero continues to be the dominant market leader and most popular motorcycle brand in India, in FY' 17 fiscal we made some key inroads into global markets, including the launch in Argentina and Nigeria. Our new manufacturing facility in Bangladesh will also commence operations in FY'18.

In the domestic market, we have maintained our market leadership in a volatile and intensely competitive environment. The four new products that we introduced in the month of March – Glamour, new Maestro Edge, Duet, and the 10<sup>th</sup> Anniversary Pleasure – are going add to our sales performance this year. With half a dozen new launches slated for FY'18, we will go for aggressive market share gains.

We have planned a CAPEX of around Rs 2500 Crores up to FY'19 towards new product development, digitization, phase-wise capacity installation & expansion at our existing facility at Gujarat and our upcoming plants at Andhra Pradesh & Bangladesh. The CAPEX also includes investments towards upgradation & modernization of plant machinery

With all these initiatives, we will further consolidate our leadership in FY'18, without compromising on the bottom line and our margins through judicious utilization of our resources and rationalization of costs."

## Financial Results **April 1, 2016 - March 31, 2017, FY'17**

- Total two-wheeler sales for the year at 66,64,240 units
- Stand alone Revenue from operations for the financial year at Rs. 30,846.12 Crore (vs. Rs. 30,700.88 Crore in previous year) and Total Income of Rs 31,368.55 Crore (vs. Rs 31,123.31 Crore in previous year)
- Consolidated Revenue from operations Rs. 30,958.19 Crores (vs. Rs 30,715.33 Crore in previous year) and Total Income of Rs 31,480.14 Crores (vs. Rs 31,128.16 Crores previous year)
- Earnings Before Interest Depreciation Tax & Amortization (EBIDTA) for the year 15.03% (vs. 14.51% in previous year) on stand alone basis and 14.78% (vs. 14.32% in previous year) on consolidated basis.
- Stand alone Profit Before Tax (PBT) stands at Rs. 4,658.46 Crore (vs. Rs. 4434.87 Crore in previous year) and Profit After Tax (PAT) at Rs. 3377.12 Crore (vs. Rs 3160.19 Crore in previous year);
- Consolidated Profit Before Tax (PBT) stands at Rs. 4885.40 Crore (vs. Rs 4387.00 Crore in previous year) and Profit After Tax (PAT) at Rs. 3546.30 Crore (vs. Rs 3112.29 Crore in previous year)
- Dividend of 4250%, including the interim Dividend of 2750% announced earlier.

Proactively managing its margins, **Hero MotoCorp Ltd. (HMCL)**, the world's largest two-wheeler manufacturer, today reported a profit after tax (PAT) of Rs. 3377.12 Crore (vs. Rs 3160.19 Crore in previous year) and EBIDTA stood at 15.03 % (vs. 14.51% in the previous year)

Riding on its highest-ever sales of 66,64,240 units in a financial year (FY), the Company registered revenue from operations of Rs. 30,846.12 Crore and Total Income of Rs. 31,368.55 Crore for FY 2016-17, as compared to Rs. 30,700.88 Crore and Rs. 31,123.31 Crore respectively in in FY'16.

## Financial Results **Q4 (Jan 2017-Mar 2017), FY'17**

- At Hero MotoCorp, environmental protection has always been given precedence over temporary financial benefits. In keeping with that spirit, the Company had taken a proactive approach towards the launch of BS IV-compliant vehicles, and liquidated large BS III inventory, leading up to March 29th. In the last two days of the month, the Company took some tactical steps to assist its dealers and incentivise the customers with an objective to liquidate the remaining BS III stocks, **resulting in a one-time impact to the margins of the fourth quarter**
- **Hero MotoCorp's retail sales have been outpacing wholesale numbers, as a result of which the Company has now been able to maintain healthy dealer inventory**
- **In the meanwhile, input costs have been on an upward trend. To partially offset the commodity costs, Hero MotoCorp has raised prices – ranging from Rs 500 to Rs 2200 – on some of the models, with effect from May 1<sup>st</sup>**

- Total two-wheeler sales for the quarter at 16,21,805 units
- Total Income Rs.7,606.31 Crore (vs. Rs 8,227.93 Crores in the corresponding quarter last year)
- EBIDTA for the Quarter stands at 12.79% (vs. 14.66% for the corresponding quarter last year)
- PBT stands at Rs. 939.01 Crore (vs. Rs 1,189.98 Crores in the corresponding quarter last year) and PAT at Rs 717.75 Crore (vs. Rs 833.29 Crores in the corresponding quarter last year)

With sales of 16,21,805 units of two-wheeler in the 4<sup>th</sup> quarter of FY'17 (January-March 2017), Hero MotoCorp's Total Income for the period stood at Rs. 7,606.31 Crore. The Company had reported a Total Income of Rs. 8,227.93 crore in the corresponding quarter last year. Profit after tax (PAT) for the quarter stood at Rs. 717.75 crore (vs. Rs 833.29 Crores in corresponding quarter last year) and EBIDTA at 12.79% (Vs 14.66% in corresponding quarter last year).

### Key Highlights FY '17

<b>Global Foray</b>	- Commenced operations in two significant global market, <b>Argentina</b> and <b>Nigeria</b> . Thereby, spreading its global footprint to 35 countries.
<b>New Product Introductions</b>	- Unveiled the <b>New Glamour</b> in Argentina - its first-ever Global Launch of a new product outside of India - Launched its completely in-house designed and developed motorcycles - <b>Splendor iSmart 110, Achiever 150 i3S and Glamour 125</b> - in July 2016, September 2016 and <b>Glamour 125</b> in January 2017 respectively
<b>Sales/ Production Milestones</b>	- <b>70 million cumulative production mark</b> crossed in September 2016. Hero continues to be the largest two-wheeler manufacturer in the world in terms of annual volumes by a single company for 16 consecutive years - <b>Highest-ever monthly sales</b> of 674,961 achieved in September 2016 - <b>Record retail sales</b> registered during the festive period; <b>1 million sales mark</b> crossed during the festive season even before Dhanteras and Diwali - <b>Augmented leadership in the 125cc motorcycle segment</b> with the 'Glamour' becoming the largest-selling 125cc motorcycle in the country
<b>Strategic Sports Initiatives</b>	- Became a ' <b>National Supporter</b> ' for the <b>FIFA U-17 World Cup India 2017</b> which will be held in October 6-28, 2017 - Appointed Argentine soccer legend <b>Diego Simeone</b> as Hero's Brand Ambassador - Forayed into motorsports rally racing with ' <b>Hero MotoSports Team Rally</b> ' through strategic partnership with Speedbrain GmbH. The Team made an impressive debut at the Dakar 2017 - Association with Golf on the global stage further strengthened through association with the <b>British Masters</b> - Extension of Title Sponsorship of <b>Caribbean Premier League (CPL)</b> for another three years

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For more information, please visit:

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May 10, 2017

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**Sub.: Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Declaration in respect of Audit Reports with unmodified opinion for the financial year ended March 31, 2017**

Dear Sir,

Pursuant to SEBI Circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016; we hereby declare that the Statutory Auditors of the Company, M/s. Deloitte Haskins & Sells, Chartered Accountants have issued an Audit Report with unmodified opinion on audited financial results of the Company (standalone & consolidated) for the quarter and year ended March 31, 2017.

Kindly take this declaration on your records.

**For Hero MotoCorp Limited**

  
**Niranjan Gupta**  
Chief Financial Officer

**Hero MotoCorp Ltd.**

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