

June 9, 2020

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

Re: Outcome of Board Meeting held on June 9, 2020

Dear Sirs,

Please note the following matters considered and approved at the Board Meeting held today:

1. The audited standalone and consolidated financial results for the quarter and financial year ended March 31, 2020. A copy of duly signed audited financial results along with audit reports and declaration in respect of audit report with unmodified opinion under Regulation 33 of Listing Regulations, are enclosed.

A press release issued in this regard, is also enclosed.

2. Convening of 37th Annual General Meeting (AGM) of the Company on Wednesday, August 12, 2020.
3. Recommendation of final dividend subject to approval of members @ 1250% viz., INR 25 per equity share of INR 2/- each for the financial year 2019-20. The dividend, if declared at the ensuing AGM, will be paid by September 11, 2020.
4. Pursuant to Regulation 42 of Listing Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from Monday, August 3, 2020 to Wednesday, August 12, 2020 (both days inclusive) for the purpose of 37th AGM and determining entitlement of the members of the final dividend (if declared at the AGM). Kindly display the same on your respective websites.

Symbol	Type of security	Book closure both days inclusive		Record Date	Purpose
		From	To		
NSE-HEROMOTOCO BSE- 500182	Equity Shares	Monday, August 3, 2020	Wednesday, August 12, 2020	Not applicable	37 th AGM and final dividend (if declared at AGM)



Hero MotoCorp Ltd.

Regd. Office: The Grand Plaza, Plot No.2, Nelson Mandela Road, Vasant Kunj - Phase -II, New Delhi - 110070, India
 Tel. +91-11- 46044220, Fax +91-11- 46044399
 HeroMotoCorp.com CIN: L35911DL1984PLC017354 PAN: AAACH0812J

The meeting of the Board of Directors commenced at 5:15 p.m. and concluded at 8:15 p.m.

Kindly take the aforesaid information on your records.

Thanking you,

For Hero MotoCorp Limited

A handwritten signature in blue ink, appearing to read 'Neerja Sharma', is written over the printed name.

(Neerja Sharma)
Company Secretary & Chief Compliance Officer

Encl: As above

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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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of **Hero MotoCorp Limited**

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of Hero MotoCorp Limited (hereinafter referred to as the "Company") for the year ended 31 March 2020 ("standalone annual financial results"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the Standalone annual financial results.



Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

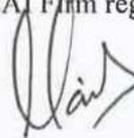
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The standalone annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration No.: 101248W/W-100022



Manish Gupta
Partner

Membership No.: 095037

UDIN : 20095037AAAABM1612

Place: **NEW DELHI**
Date: 09 June 2020



HERO MOTOCORP LIMITED

Statement of Standalone Financial Results for the quarter and year ended March 31, 2020

(Rupees in Crore)

	Quarter ended			Year ended		
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019	
	Audited (refer note 9)	Un-Audited	Audited (refer note 9)	Audited	Audited	
1	Number of Two wheelers sold (In lacs)	13.23	15.41	17.81	63.98	78.21
2	Income					
	(a) Revenue from operations	6,238.39	6,996.73	7,884.96	28,836.09	33,650.54
	(b) Other income	169.47	182.21	164.22	778.34	691.25
	Total Income	6,407.86	7,178.94	8,049.18	29,614.43	34,341.79
3	Expenses					
	(a) Cost of materials consumed	4,059.92	4,756.82	5,335.59	19,867.19	23,346.10
	(b) Change in inventories of finished goods and work-in-progress	260.03	(97.02)	102.94	(169.78)	(28.38)
	(c) Employee benefits expense	435.42	469.73	447.28	1,841.70	1,730.24
	(d) Finance costs	4.06	5.92	2.19	22.02	8.60
	(e) Depreciation and amortisation expense	174.70	203.73	150.23	817.96	602.01
	(f) Other expenses	823.14	828.23	929.83	3,339.02	3,672.49
	Total expenses	5,757.27	6,167.41	6,968.06	25,718.11	29,331.06
4	Profit before exceptional item and tax (2-3)	650.59	1,011.53	1,081.12	3,896.32	5,010.73
5	Exceptional Item					
	Income- (refer note 2)	-	-	-	737.48	-
	Expense- (refer note 3)	-	-	-	(60.11)	-
6	Profit before tax (4+5)	650.59	1,011.53	1,081.12	4,573.69	5,010.73
7	Tax expense					
	Current tax (refer note 6)	68.03	177.25	365.66	1,084.11	1,601.02
	Deferred tax	(38.15)	(46.13)	(14.86)	(143.68)	24.84
	Total Tax Expense	29.88	131.12	350.80	940.43	1,625.86
8	Profit after tax (6-7)	620.71	880.41	730.32	3,633.26	3,384.87
9	Other comprehensive income /(expense) [net of tax]					
	Items that will not be reclassified to profit or loss:-	(4.69)	(9.03)	(8.27)	(31.78)	(17.81)
	Items that will be reclassified to profit or loss:-	-	-	-	-	-
10	Total comprehensive income (8+9)	616.02	871.38	722.05	3,601.48	3,367.06
11	Paid-up equity share capital	39.95	39.95	39.95	39.95	39.95
	Face value of the share (In Rupees)	2.00	2.00	2.00	2.00	2.00
12	Total Reserves				14,096.45	12,817.17
13	Earning per equity share on profit after tax (face value Rs. 2/- each) [In Rupees]					
	Basic	31.08	44.08	36.57	181.91	169.48
	Diluted	31.08	44.08	36.57	181.91	169.47

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Standalone Statement of Assets and Liabilities

Rupees in crores

Particulars		As at March 31, 2020 Audited	As at March 31, 2019 Audited
ASSETS			
1	Non-current assets		
	(a) Property, plant and equipment	5,562.42	4,477.53
	(b) Capital work-in-progress	160.25	360.67
	(c) Right of Use of Assets	414.57	-
	(d) Other Intangible assets	140.09	141.05
	(e) Intangible assets under development	181.02	181.19
	(f) Financial assets		
	(i) Investments	3,528.17	2,801.51
	(ii) Loans	67.27	59.96
	(g) Income tax assets (net)	310.13	839.26
	(h) Other non-current assets	96.85	664.38
	Total Non - Current Assets	10,460.77	9,525.55
2	Current assets		
	(a) Inventories	1,091.97	1,072.37
	(b) Financial assets		
	(i) Investments	4,694.48	3,167.10
	(ii) Trade receivables	1,603.14	2,821.57
	(iii) Cash and cash equivalents	147.91	40.68
	(iv) Bank balances other than (iii) above	93.95	95.78
	(v) Loans	22.36	25.03
	(vi) Others	354.61	653.89
	(c) Other current assets	280.14	239.22
	Total Current Assets	8,288.56	8,115.64
	Total Assets	18,749.33	17,641.19
EQUITY AND LIABILITIES			
1	Equity		
	(a) Equity Share capital	39.95	39.95
	(b) Other equity	14,096.45	12,817.17
	Total Equity	14,136.40	12,857.12
2	LIABILITIES		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Lease Liability	121.67	-
	(b) Provisions	122.37	117.20
	(c) Deferred tax liabilities (net)	392.83	536.51
	Total Non - Current Liabilities	636.87	653.71
3	Current liabilities		
	(a) Financial liabilities		
	(i) Lease Liability	28.29	-
	(ii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	8.33	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	3,022.18	3,355.28
	(iii) Other financial liabilities	252.44	220.87
	(b) Other current liabilities	518.26	495.18
	(c) Provisions	146.56	59.03
	Total Current Liabilities	3,976.06	4,130.36
	Total Equity and Liabilities	18,749.33	17,641.19

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Hero MotoCorp Ltd.

Standalone statement of Cash Flows

PARTICULARS	Rupees in crores	
	Year ended March 31, 2020 Audited	Year ended March 31, 2019 Audited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit after tax	3,633.26	3,384.87
Adjustments for:		
Add: Depreciation and amortisation expense	817.96	602.01
Tax expense	940.43	1,625.86
Loss on property, plant and equipment sold/discarded	8.66	6.49
Finance cost	22.02	8.60
Employee Stock Compensation Cost	10.15	6.55
Loss allowance on trade receivables	51.22	-
	1,850.44	2,249.51
Less: Interest income on financial assets carried at amortised cost	263.91	281.29
Dividend income	104.20	83.88
Profit on sale of investments	135.99	144.09
Gain on investments carried at fair value through profit or loss	227.57	175.11
Profit on sale of property, plant and equipment	0.37	0.65
	732.04	685.02
Operating profit before working capital changes	4,751.66	4,949.36
<u>Changes in working capital:</u>		
Adjustment for (Increase)/decrease in operating assets:		
Inventories	(19.60)	(248.79)
Trade receivables	1,167.21	(1,301.39)
Loans-Current	2.67	2.53
Loans-Non-Current	(7.31)	(14.28)
Other financial assets-current	299.28	(114.52)
Other current assets	(44.16)	(34.19)
Other non-current assets	50.81	46.51
	1,448.90	(1,664.13)
Adjustment for increase/(decrease) in operating liabilities:		
Trade payables	(324.77)	36.47
Other financial liabilities-Current	5.30	2.08
Other current liabilities	23.08	(267.40)
Current provisions	87.53	(0.76)
Non current provisions	(37.30)	(25.12)
	(246.16)	(254.73)
Cash generated from operations	5,954.40	3,030.50
Less: Direct tax paid (net of refund)	544.30	2,051.45
Net cash generated from operating activities	5,410.10	979.05
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant & equipment, capital work in progress and intangible assets including capital advances	(1,360.07)	(922.01)
Proceeds from sale of property, plant & equipment	1.49	4.08
Deposits made	(2.15)	-
Sale of investments	47,214.25	38,476.69
Purchase of investments	(48,824.85)	(35,919.01)
Investment in associates	(248.37)	(628.30)
Investment in subsidiaries	(31.51)	(53.57)
Interest income on financial assets carried at amortised cost	263.91	279.47
Dividend income	104.20	83.88
Net cash generated / (used) in investing activities	(2,883.10)	1,321.23
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(22.02)	(8.60)
Payment of lease liabilities	(65.41)	-
Dividends paid	(1,937.43)	(1,897.35)
Tax on dividend	(395.03)	(390.01)
Proceeds from issue of equity share capital (including share premium)	0.12	1.98
Net cash (used) in financing activities	(2,419.77)	(2,293.98)
D. INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	107.23	6.30
Cash and cash equivalents at the beginning of the year	40.68	34.38
Cash and cash equivalents at the end of the year	147.91	40.68

Notes:-

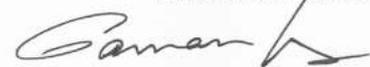
- 1 The Board at its meeting held on June 09, 2020 considered and recommended a final dividend @ 1250% i.e. Rs. 25 per equity share of Rs. 2.00 each for the financial year 2019-20. The dates of the Book Closure for the entitlement of such dividend and Annual General Meeting shall be decided and informed in due course of time. This dividend together with the Interim dividend @ 3250% i.e. Rs. 65 per equity share of Rs. 2.00 each already paid to the members would aggregate to @ 4500%.
- 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 the Hon'ble Supreme Court, the provision has been reversed as exceptional item in the quarter ended June 30, 2019.
- 3 During the quarter ended September 30, 2019, the Company had introduced a voluntary retirement scheme (VRS) and the Company had 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 On February 06, 2020, the Board of Directors had considered and approved interim dividend of Rs. 65 per equity share (face value of Rs. 2 per equity share) for the financial year ended March 31, 2020. Accordingly, Rs. 1,565.18 crores (including dividend distribution tax of Rs. 266.87 crores) was appropriated as distribution to equity shareholders during the quarter ended March 31, 2020.
- 5 With effect from April 1, 2019, the Company has adopted IND AS-116 using the modified retrospective 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 year ended March 31, 2020, 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 standalone financial results of the Company.
- 6 The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Company has recognised Provision for Income tax for the quarter and year ended March 31, 2020 and re-measured its deferred tax assets /liabilities basis the rate prescribed in the said section. The impact of this change has been recognised over the period from July 01, 2019 to March 31, 2020.
- 7 During the previous quarter ended December 31, 2019, HMCL (N.A) Inc. ceased to be a subsidiary of the Company w.e.f November 06, 2019 pursuant to its dissolution vide order dated December 03, 2019 of the State of Delaware.
- 8 During the quarter and year ended, the Company has further invested in subsidiaries and associates. Details are as follows:-

Name of Company	Nature	Quarter ended 31-03-2020	Quarter ended 31-03-2019	Year ended 31-03-2020	Year ended 31-03-2019
HMCL Netherlands B.V.	Subsidiary	19.51	24.07	19.51	24.07
HMC MM Auto Ltd	Subsidiary	-	-	12.00	9.93
Hero Tech Center Germany GmbH	Subsidiary	-	19.37	-	19.57
Total (Rs In crores)		19.51	43.44	31.51	53.57
Hero Fincorp Limited	Associate	248.37	249.15	248.37	498.30
Alther Energy Private Limited	Associate	-	-	-	130.00
Total (Rs In crores)		248.37	249.15	248.37	628.30

- 9 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, which were subjected to review.
- 10 During the quarter and year ended 31 March 2020, 2,130 equity shares and 12,484 equity shares respectively of Rs. 2 each were issued and allotted under the Employee Incentive Scheme - 2014.
- 11 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.
- 12 The spread of Covid 19 has affected the business operations post the national lock down. The Company has taken various measures in consonance with Central and State Government advisories to contain the pandemic, which included closing of manufacturing facilities. Given the uncertainty of quick turnaround to normalcy, post lifting of the lock down, the Company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Company does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure. Pursuant to the relaxed guidelines, the Company has now resumed its operations, however, some of the staff continues to operate from home. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial results. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.
- 13 The above results for the quarter and year ended March 31, 2020 have been reviewed and recommended by the Audit Committee meeting held on June 09, 2020 and approved by the Board of Directors in their meeting held on June 09, 2020. These results have been subjected to audit by the statutory auditors.
- 14 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

New Delhi
June 9, 2020

For and on behalf of the board



PAWAN MUNJAL
Chairman, Managing Director & CEO
DIN : 00004223

Hero MotoCorp Ltd.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of **Hero MotoCorp Limited**

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Hero MotoCorp Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates for the year ended 31 March 2020 ("consolidated annual financial results"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial results/ financial information of the subsidiaries and associates, the aforesaid consolidated annual financial results:

a. include the annual financial results of the following entities

Subsidiaries

- HMC MM Auto Limited;
- HMCL (NA) Inc. (upto 5 November 2019);
- HMCL Americas Inc.;
- HMCL Netherlands B.V.;
- HMCL Colombia S.A.S;
- HMCL Niloy Bangladesh Limited; and
- Hero Tech Center Germany, GMBH

Associates

- Hero FinCorp Limited; and
- Ather Energy Private Limited

b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group and its associates for the year ended 31 March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Management’s and Board of Directors’ Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company’s Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group including its associates in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates is responsible for overseeing the financial reporting process of each company.



Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.



We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- (a) The consolidated annual financial results include the audited financial results / financial information of six subsidiaries, whose financial results/ financial information reflect total assets (before consolidation adjustments) of Rs. 1,130.65 crores as at 31 March 2020, total revenue (before consolidation adjustments) of Rs. 1,088.07 crores and total net profit after tax (before consolidation adjustments) of Rs. 69.67 crores and net cash outflows (before consolidation adjustments) of Rs 33.91 crores for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The consolidated annual financial results also include the Group's share of net loss after tax (before consolidation adjustments) of Rs. 77.41 crores for the year ended 31 March 2020, as considered in the consolidated annual financial results, in respect of one associate, whose financial information / financial results have been audited by their independent auditor. The independent auditors' reports on financial results/financial information of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

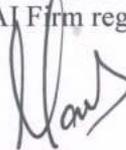
Certain of these subsidiaries are located outside India whose financial results / financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the financial results / 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 audited these conversion adjustments made by the Holding Company's Management. Our opinion in so far as it relates to the financial results / 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 Holding Company and audited by us.

Our opinion on the consolidated annual financial results 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.



- (b) The consolidated annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
- (c) The consolidated annual financial results include the consolidated results for the corresponding quarter ended 31 March 2019 as reported in these financial results have been approved by the Holding Company's Board of Directors and have neither been subjected to audit nor reviewed since the requirement of submission of quarterly consolidated financial results has become mandatory only from 01 April 2019.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration No.: 101248W/W-100022



Manish Gupta

Partner

Membership No.: 095037

UDIN : 20095037AAAA BN3715

Place: **NEW DELHI**

Date: 09 June 2020



HERO MOTOCORP LIMITED

Statement of Consolidated Financial Results for the quarter and year ended March 31, 2020

(Rupees In Crore)

	Quarter ended			Year ended	
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
	Audited (Refer note 9)	Un-audited	Unaudited (Refer note 9)	Audited	Audited
1 Income					
[a] Revenue from operations	6,333.89	7,074.86	7,953.39	29,255.32	33,972.23
[b] Other income	157.03	184.53	167.34	730.56	686.73
Total Income	6,490.92	7,259.39	8,120.73	29,985.88	34,658.96
2 Expenses					
[a] Cost of materials consumed	4,097.20	4,785.79	5,366.47	20,004.29	23,503.46
[b] Change in inventories of finished goods and work-in-progress	221.35	(103.40)	80.25	(173.34)	(59.04)
[c] Excise duty on sales	0.38	0.33	0.29	1.35	1.41
[d] Employees benefits expense	447.66	481.14	460.48	1,889.32	1,778.03
[e] Finance costs	10.13	11.74	11.35	46.64	37.18
[f] Depreciation and amortisation expense	182.62	210.97	155.36	845.76	624.44
[g] Other expenses	881.39	853.38	935.06	3,472.78	3,729.94
Total expenses	5,840.73	6,239.95	7,009.26	26,086.80	29,615.42
3 Profit from ordinary activities before share of Profit / (Loss) of associates, exceptional items and tax (1-2)	650.19	1,019.44	1,111.47	3,899.08	5,043.54
4 Profit/ (loss) from associates Share in net profit / (loss) of associates	(12.66)	25.00	26.02	34.63	60.76
5 Profit from ordinary activities, before exceptional items and tax	637.53	1,044.44	1,137.49	3,933.71	5,104.30
6 Exceptional Items Income (refer note 2) Expense (refer note 3)	-	-	-	737.48 (60.11)	-
7 Profit before tax (5+6)	637.53	1,044.44	1,137.49	4,611.08	5,104.30
8 Tax expense Current tax (refer note 11) Deferred tax	70.41 (46.69)	179.73 (40.42)	367.59 (16.91)	1,096.79 (145.12)	1,608.81 29.14
Total tax expense	23.72	139.31	350.68	951.67	1,637.95
9 Net Profit after tax (7-8)	613.81	905.13	786.81	3,659.41	3,466.35
10 Other comprehensive income /(expense) (net of tax) Items that will not be reclassified to profit or loss Items that will be reclassified to profit or loss	(4.84) 7.45	(8.99) 3.94	(8.53) (2.05)	(32.46) 14.17	(18.43) 3.45
11 Total comprehensive Income (9+10)	616.42	900.08	776.23	3,641.12	3,451.37
12 Net Profit / (loss) attributable to a) Owners of the Company b) Non controlling interest	604.63 9.18	901.81 3.32	771.44 15.37	3,638.11 21.30	3,444.09 22.26
13 Other comprehensive Income attributable to a) Owners of the Company b) Non controlling interest	(0.23) 2.84	(6.07) 1.02	(9.65) (0.93)	(23.61) 5.32	(16.32) 1.34
14 Total comprehensive Income attributable to a) Owners of the Company b) Non controlling interest	604.40 12.02	895.74 4.34	761.79 14.44	3,614.50 26.62	3,427.77 23.60
15 Paid-up equity share capital Face value of the share (In Rupees)	39.95 2.00	39.95 2.00	39.95 2.00	39.95 2.00	39.95 2.00
16 Total Reserves				14,366.33	13,080.46
17 Basic & diluted earning per equity share (face value Rs. 2/- each)(In Rupees)					
Basic	30.27	45.15	39.40	182.15	172.45
Diluted	30.27	45.15	39.40	182.15	172.44

Hero MotoCorp Ltd.

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Tel. +91-11- 46044220, Fax +91-11- 46044399

HeroMotoCorp.com CIN: L35911DL1984PLC017354 PAN: AAACH0812J

Consolidated Statement of Assets and Liabilities

Rupees in crores

Particulars		As at	As at
		March 31, 2020	March 31, 2019
		Audited	Audited
ASSETS			
1	Non-current assets		
	(a) Property, plant and equipment	5,786.24	4,792.50
	(b) Capital work-in-progress	204.64	384.85
	(c) Right of use of assets	518.79	-
	(d) Other Intangible assets	167.90	159.86
	(e) Intangible assets under development	186.69	187.97
	(f) Equity accounted investment in associates	2,098.34	1,705.89
	(g) Financial assets		
	(i) Investments	1,551.18	1,234.06
	(ii) Loans	67.68	60.12
	(iii) Others	-	33.82
	(g) Income tax assets (net)	321.74	855.62
	(h) Other non-current assets	121.67	676.46
	Total Non - Current Assets	11,024.87	10,091.15
2	Current assets		
	(a) Inventories	1,282.32	1,249.53
	(b) Financial assets		
	(i) Investments	4,709.12	3,173.88
	(ii) Trade receivables	1,511.91	2,745.11
	(iii) Cash and cash equivalents	305.31	208.12
	(iv) Bank balances other than (iii) above	130.10	95.78
	(v) Loans	23.75	25.08
	(vi) Others	364.05	654.19
	(c) Other current assets	322.64	261.52
	Total Current Assets	8,649.20	8,413.21
	Total Assets	19,674.07	18,504.36
EQUITY AND LIABILITIES			
1	Equity		
	(a) Equity Share capital	39.95	39.95
	(b) Other equity	14,366.33	13,080.46
	Total Equity attributable to owners of the Company	14,406.28	13,120.41
2	Non-controlling interests	140.60	116.11
	Total Equity	14,546.88	13,236.52
3	LIABILITIES		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	44.02	124.84
	(ii) Lease Liability	207.62	-
	(b) Provisions	123.90	120.94
	(c) Deferred tax liabilities (net)	472.58	612.88
	Total Non - Current Liabilities	848.12	858.66
4	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	165.88	183.68
	(ii) Lease Liability	33.46	-
	(iii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	8.60	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	3,119.02	3,438.24
	(iv) Other financial liabilities	260.96	226.73
	(b) Other current liabilities	531.46	500.82
	(c) Provisions	159.69	59.71
	Total Current Liabilities	4,279.07	4,409.18
	Total Equity and Liabilities	19,674.07	18,504.36

Consolidated statement of Cash Flows

PARTICULARS	Rupees In crores	
	Year ended March 31, 2020 Audited	Year ended March 31, 2019 Audited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit after tax and share in profit/(loss) of associates	3,659.41	3,466.35
Adjustments for:		
Add: Depreciation and amortisation expense	845.76	624.44
Tax expense	951.67	1,637.95
Loss on property, plant and equipments sold/discarded	8.66	6.47
Finance cost	46.64	37.18
Employee Stock Compensation Cost	10.15	6.55
Loss allowance on trade receivables	53.04	
	1,915.92	2,312.61
Less: Interest income on financial assets carried at amortised cost	277.77	288.03
Dividend income	48.27	71.76
Profit on sale of investments	136.07	144.61
Gain on investments carried at fair value through profit or loss	221.78	175.11
Share of profit in associates	34.63	60.19
Profit on sale of property, plant and equipments	0.37	0.66
Foreign currency translation (net)	(19.01)	(9.91)
	699.88	730.45
Operating profit before working capital changes	4,875.45	5,048.51
Changes in working capital:		
Adjustment for (Increase)/decrease in operating assets:		
Inventories	(32.79)	(286.86)
Trade receivables	1,180.16	(1,318.14)
Loans-Current	1.33	3.42
Loans-Non-Current	(7.56)	(14.28)
Other financial assets	290.71	(111.04)
Other current assets	(64.36)	(49.41)
Other non-current assets	42.84	46.88
	1,410.33	(1,729.43)
Adjustment for Increase/(decrease) in operating liabilities:		
Trade payables	(310.63)	62.98
Other financial liabilities-Current	5.32	2.07
Other current liabilities	30.64	(264.13)
Current provisions	56.84	(19.01)
Non current provisions	2.96	1.76
	(214.87)	(216.34)
Cash generated from operating activities	6,070.91	3,102.74
Less: Direct taxes paid (net of refund)	552.78	2,070.46
Net cash generated from operating activities	5,518.13	1,032.27
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment, intangible assets and capital work in progress including capital advances	(1,274.50)	(979.56)
Proceeds from sale of property, plant and equipment	(13.30)	4.17
Deposits made	(4.48)	(22.65)
Sale of investments	47,232.41	42,020.45
Purchase of investments	(49,353.10)	(39,456.26)
Dividend income received from associates	19.99	-
Investment in associates	248.37	(628.30)
Interest income on financial assets carried at amortised cost	277.20	288.03
Dividend income	48.27	71.76
Net cash generated / (used) in investing activities	(2,819.14)	1,297.63
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(46.67)	(36.93)
Payment of lease liabilities	(114.95)	-
Dividend paid	(1,957.04)	(1,928.60)
Tax on dividend	(401.40)	(390.01)
Additions to minority interest	17.47	17.55
Proceeds from issue of equity share capital	0.12	1.98
Repayment of non current borrowings	(80.82)	(24.79)
Proceeds from current borrowings	(18.51)	108.40
	(2,601.80)	(2,252.40)
Net cash generated (used) in financing activities	(2,601.80)	(2,252.40)
D. INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	97.19	77.51
Cash and cash equivalents at the beginning of the year	208.12	130.61
Cash and cash equivalents at the end of the year	305.31	208.12

Notes:-

- 1 The Board at its meeting held on June 09, 2020 considered and recommended a final dividend @ 1250% i.e. Rs. 25 per equity share of Rs. 2.00 each for the financial year 2019-20. 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 @ 3250% i.e. Rs. 65 per equity share of Rs. 2.00 each already paid to the members would aggregate to @ 4500%.
- 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 the Hon'ble Supreme Court, the provision has been reversed as exceptional item in the quarter ended June 30, 2019.
- 3 During the quarter ended 30 September 2019, the Company had introduced a voluntary retirement scheme (VRS) and the Company had 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 On February 06, 2020, the Board of Directors had considered and approved interim dividend of Rs. 65 per equity share (face value of Rs. 2 per equity share) for the financial year ended March 31, 2020. Accordingly, Rs. 1,565.18 crores (including dividend distribution tax of Rs. 266.87 crores) was appropriated as distribution to equity shareholders during the quarter ended March 31, 2020.
- 5 With effect from April 1, 2019, the Group has adopted IND AS-116 using the modified retrospective 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 year ended March 31, 2020, 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.

6 Particulars of subsidiaries and associates as on March 31, 2020

- a) Subsidiaries (held directly) - 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

7 During the quarter ended December 31, 2019, HMCL (N.A) Inc. ceased to be a subsidiary of the Company w.e.f November 06, 2019 pursuant to its dissolution vide order dated December 03, 2019 of the State of Delaware.

8 During the quarter and year ended, the Company has further invested in subsidiaries and associates. Details are as follows:-

Name of Company	Nature	Quarter ended 31-03-2020	Quarter ended 31-03-2019	Year ended 31-03-2020	Year ended 31-03-2019
HMCL Netherlands B.V.	Subsidiary	19.51	24.07	19.51	24.07
HMC MM Auto Ltd	Subsidiary	-	-	12.00	9.93
Hero Tech Center Germany GmbH	Subsidiary	-	19.37	-	19.57
Total (Rs In crores)		19.51	43.44	31.51	53.57
Hero FinCorp Limited	Associate	248.37	249.15	248.37	498.30
Ather Energy Private Limited	Associate	-	-	-	130.00
Total (Rs In crores)		248.37	249.15	248.37	628.30

- 9 For the quarter ended 31 March 2020, the results 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, 2019, which were subjected to review by statutory auditor. Further, for the quarter ended 31 March 2019, the results are the balancing figures between the audited figures in respect of full year and the unaudited / unreviewed figures up to the third quarter ended December 31, 2018.
- 10 During the quarter and year ended 31 March 2020, 2,130 equity shares and 12,484 equity shares respectively of Rs. 2 each were issued and allotted under the Employee Incentive Scheme - 2014.
- 11 The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Company has recognised Provision for Income tax for the quarter and year ended March 31, 2020 and remeasured its deferred tax assets /liabilities basis the rate prescribed in the said section. The impact of this change has been recognised over the period from July 01, 2019 to March 31, 2020.
- 12 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.

Hero MotoCorp Ltd.

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HeroMotoCorp.com CIN: L35911DL1984PLC017354 PAN: AAACH0812J

- 13 The spread of Covid 19 has affected the business operations of the Group, post the lock down in various geographies. The Group has taken various measures in consonance with the Government advisories to contain the pandemic, which included closing of manufacturing facilities across the Group.
Given the uncertainty of quick turnaround to normalcy, post lifting of the lock down, the Group has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Group does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure.
Pursuant to the relaxed guidelines, the Group has now resumed its operations, however, some of the staff continues to operate from home. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial results. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Group and take necessary measures to address the situation.
- 14 The above consolidated financial results for the quarter and year ended March 31, 2020 have been reviewed and recommended by the Audit Committee meeting held on June 09, 2020 and approved by the Board of Directors in their meeting held on June 09, 2020. These results have been subjected to audit by Statutory Auditors.
- 15 The above consolidated financial 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



PAWAN MUNJAL
Chairman, Managing Director & CEO
DIN : 00004223

all
New Delhi
June 9, 2020

Hero MotoCorp Ltd.

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HeroMotoCorp.com CIN: L35911DL1984PLC017354 PAN: AAACH0812J

June 9, 2020

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

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, 2020

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. B S R & Co. LLP, Chartered Accountants, have issued Audit Reports with unmodified opinion on audited financial results of the Company (standalone & consolidated) for the quarter and year ended March 31, 2020.

Kindly take this declaration on your records.

For Hero MotoCorp Limited


Niranjana Gupta
Chief Financial Officer

New Delhi, June 09, 2020

**HERO MOTOCORP REPORTS REVENUE OF RS. 28,836
CRORE IN FY'20 (APR'19-MAR'20)**

**PROFIT AFTER TAX (PAT) AT RS. 3,633 CRORE FOR THE
FISCAL (FY'20)**

**DIVIDEND AT 4500% (INCLUDING INTERIM DIVIDEND
OF 3250 %) FOR FY'20**

Highlights Q4 FY'20 (Jan-Mar '20)	Highlights FY'20 (Apr'19-Mar'20)
<ul style="list-style-type: none">– Sales of 13.23 Lacs two-wheeler units during the quarter– Revenue from Operations: Rs. 6,238 Crore (vs. Rs. 7,885 Cr. of Q4 FY'19)– Earnings Before Interest, Tax, Depreciation, & Amortization (EBITDA) stood at Rs. 660 Crore; reflecting 10.6% EBITDA margin (vs. 13.6 % for Q4 FY'19)– Profit After Tax (PAT) stands at Rs. 621 Crore (vs Rs. 730 Cr in Q4 - FY'19)	<ul style="list-style-type: none">– Sales of 63.98 Lacs two-wheeler units in FY'20– Revenue from Operations: Rs.28,836 Crore (vs. Rs. 33,651 Cr. in FY'19)– Earnings Before Interest, Tax, Depreciation, & Amortization (EBITDA) stood at Rs. 3,958 Crore; reflecting 13.7% EBITDA margin (vs. 14.7 % for the corresponding period last year)– Profit After Tax (PAT) stands at Rs. 3,633 Crore (vs Rs. 3,385 Cr. In FY 19)

“The FY'20 was a challenging year for the auto industry globally, and yet we at Hero MotoCorp had some positive takeaways from the year. Be it strengthening our presence in the premium motorcycle and scooter segments or swiftly transforming to the BS-VI emission norms, our teams ensured that we continue to strengthen the brand core in a sluggish market. We ended the year with a standout showcase of our technology and the future roadmap at Hero World 2020.”

“While the COVID-19 pandemic has pushed several timelines, we have successfully navigated through the unprecedented times with business continuity. As we now rapidly scale-up operations post the lockdown, it will be critical that the industry receives support from all quarters.”

Press Release

“As businesses and governments continue to learn and adapt to this evolving situation, strategic measures are needed to rapidly boost the customer sentiment and bring vitality to the market through focused economic measures.”

Dr. Pawan Munjal
Chairman & CEO, Hero MotoCorp

Hero MotoCorp, the world's largest manufacturer of scooters and motorcycles, today reported its financial performance for the fourth quarter (January – March '20) of the financial year 2020 (FY'20).

The Company's Revenue from Operations for the quarter stood at Rs. 6,238 Crore vs Rs. 7,885 cr in Q4 FY'19 and Profit after Tax (PAT) at Rs. 621 Crore vs Rs. 730 cr in Q4 FY'19. The EBITDA margin for the quarter stood at 10.6%.

Revenue and EBITDA for the quarter was impacted due to lockdown and one off items. Excluding the same, Revenue would have been Rs 7,403 cr, at underlying EBITDA margin of 13.5%

Consolidated Revenue and PAT stood at Rs. 6,334 Crore and Rs. 614 cr respectively for the quarter.

The Company declared a final dividend of Rs. 25 per share which together with the interim dividend of Rs 65 per share aggregates to Rs. 90 per share.

Mr. Niranjana Gupta, Chief Financial Officer (CFO), Hero MotoCorp, said “As we march towards rapid recovery from lockdown, we have taken several measures towards saving cost, improve productivity of spends, and conserve cash. We have rationalized capex spends for the financial year by half, doubled target for the Leap-II program, and launched an initiative to improve the productivity of our overheads. All these initiatives, coupled with new launches and innovative digital solution for sales and marketing, will help us to tackle the uncertainties caused by the pandemic. We will continue to monitor our plans, and stay prepared dynamically to do course correction if and when required.”

Highlights of the Financial Year (April'19 – March'20)

New Product Showcase	– Reinforced presence in the premium segment with concurrent launch of five new brands – XPulse 200, XPulse 200T, Xtreme 200S motorcycles and Maestro Edge 125, Pleasure+ scooters
Technology Showcase	– Showcased BS-VI line up and launched Hero Xtreme 160R at Hero World 2020, unveiling the vision of mobility, innovation & technology – Upgraded the portfolio to the superior BS-VI emission norms much ahead of the deadline

	<ul style="list-style-type: none"> - Launched over 10 new BS-VI products including the country's first BS-VI motorcycle - Launched 'Hero Connect' - a cloud-based solution for smart riding experience
Production Milestones	<ul style="list-style-type: none"> - The Haridwar manufacturing plant achieved the significant milestone of surpassing 25 million units in cumulative production - Started operations at its eighth manufacturing facility at Chittoor in Andhra Pradesh
Customer Outreach Programs	<ul style="list-style-type: none"> - Hosted XTracks - Live The Thrill; an adventure riding experience with Xpulse200 in ten cities - Delhi/NCR, Chennai, Bengaluru, Mumbai, Kolkata, Lucknow, Pune, Kochi, Guwahati & Chandigarh - Commenced home delivery of two-wheelers, setting new standards in customer service - Hosted the fifth season of Hero Campus Challenge engaging with over 32,000 students - Organized countrywide mega service carnival offering exclusive sale, service and exchange schemes for customers
Global Business	<ul style="list-style-type: none"> - Appointed a new distributor in Peru - Launched the XPulse 200 across Asia and South America to huge success - Appointed Yerry Mina, professional Colombian footballer as new 'Brand Ambassador'
Strategic Sports Initiatives	<ul style="list-style-type: none"> - Extended title sponsorship of one of the oldest rallies in the country - The Sjoba Rally - Hero MotoSports registered its maiden win of the season with a victory at the Pan Africa Rally 2019 - Partnered with Lex Sportel for broadcasting Dakar Rally in India for the first time - Felicitated 18 winners of Khel Mahakumbh in Uttarakhand with the new Destini 125 to promote sports and sportspeople in India
CSR Initiatives	<ul style="list-style-type: none"> - Contributed Rs 100 Cr, along with other Hero Group companies, for COVID-19 Relief Work - Inaugurated Training Centers in New Delhi and Nellore, Hyderabad in a relentless drive to foster skilling and employability amongst Indian youth - Set up first Training Center of Excellence for women in Ambala to build key skill sets for opportunities in automotive industry

	<ul style="list-style-type: none">- Introduced special benefits in the flood affected regions of Kerala, North Karnataka & South Maharashtra
Awards and Recognition	<ul style="list-style-type: none">- The XPulse 200<ul style="list-style-type: none">• Indian motorcycle of the Year (IMOTY)• Bike of the Year (up to 200cc) and two-wheeler of the year at Bike India Awards• Tourer of the Year (up to 250cc) at Flywheel auto awards• Motorcycle of the Year at Exhibit Auto Tech Awards• Commuter Bike of the Year at Jagran Hitech Awards- Maestro Edge 125<ul style="list-style-type: none">• Scooter of the Year at Autocar India Awards• Scooter of the Year at Bike India Awards

For more information:

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