

HMCL:ICK:11/14A:SECT:14

August 5, 2014

Fax/Email/Courier

Asst. Vice President,
Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
MUMBAI - 400 051

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

Ref: Stock Code: HEROMOTOCO/500182

Dear Sir,

Re: Outcome of the meeting of Board of Directors ("Board")

Further to our letter nos. HMCL:ICK:11/14A:SECT:14 dated July 25, 2014 and HMCL:ICK:11/14A:SECT:14 dated July 30, 2014 respectively, informing about the convening of the meeting of the Board of the Company on **Tuesday, August 5, 2014**, we wish to inform you that the Board in their said meeting has dealt with the following matters:

1. Considered and approved the Un-Audited Financial Results for the **Quarter ended June 30, 2014**, as reviewed and recommended by the Audit Committee;
2. Noted the **Limited Review Report of the Statutory Auditors** of the Company on the Un-Audited Financial Results (Standalone) for the quarter/three months ended June 30, 2014;
3. Declared an **Interim Dividend @ 1,500% i.e. Rs. 30/-** per equity share of Rs. 2/- each to be paid to the members holding shares on the Record Date i.e. Monday, August 11, 2014.
4. Appointed Mr. Pawan Munjal (DIN: 00004223) as Vice Chairman of the Company in addition to Managing Director & CEO w.e.f. August 5, 2014.
5. Considered and approved the following matters subject to the consent of members to be taken through Postal Ballot as per the provisions of the Companies Act, 2013 and Rules thereof:
 - a) Increase in the investment limits of Foreign Institutional Investors (FIIs) from 40% to 49%; and
 - b) Approval of Employees Incentive Scheme 2014.

We are enclosing herewith a copy each of the Unaudited Financial Results with Limited Review for the 1st Quarter ended June 30, 2014 and Press Release.

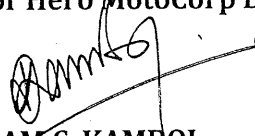
Also find enclosed herewith a copy of the statement as per Clause 20 of the Listing Agreement.

Kindly make a note of the above and acknowledge receipt.

Thanking you,

Yours truly,

For Hero MotoCorp Ltd.


ILAM C. KAMBOJ

Asso. V.P. Legal & Company Secretary

Encl: A/A

Hero MotoCorp Ltd.

Regd. Office: 34, Basant Lok, Vasant Vihar, New Delhi-110057, India
Tel. +91 11 26142451, 46044100, Fax +91 11 26143321, 26143198,
HeroMotoCorp.com



HERO MOTOCORP LIMITED

Regd. office :- 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi-110057

Statement of Standalone Financial Results for the quarter ended June 30, 2014

Part-I		Standalone					(Rupees in lacs)
S. No.	Particulars	Quarter ended June 30, 2014 Unaudited (1)	Quarter ended March 31, 2014 Unaudited (1)	Quarter ended June 30, 2013 Unaudited (3)	Year ended March 31, 2014 Audited (4)		
	No. of Two wheelers sold	17,15,254	15,89,462	15,59,282	62,45,960		
1	Income from Operations						
	(a) Net sales/ Income from Operations (Net of excise duty)	6,99,940	6,45,570	6,12,684	25,12,491		
	(b) Other Operating Income	3,744	5,726	3,268	15,056		
	Total Income from operations (net)	7,03,684	6,51,296	6,15,952	25,27,547		
2	Expenses						
	(a) Cost of materials consumed	5,05,631	4,65,809	4,47,029	18,22,153		
	(b) Change in inventories of finished goods and work-in-progress	5,485	2,172	(1,468)	836		
	(c) Employees benefits expenses	26,781	23,569	22,150	93,004		
	(d) Depreciation and amortisation expenses	29,152	27,284	27,438	1,10,737		
	(e) Other expenses	71,067	70,329	56,719	2,57,548		
	Total Expenses	6,38,116	5,89,163	5,51,868	22,84,278		
3	Profit from Operations before Other Income, Finance cost (1-2)	65,568	62,133	64,084	2,43,269		
4	Other Income	11,275	12,298	11,226	44,638		
5	Profit before finance costs (3+4)	76,843	74,431	75,310	2,87,907		
6	Finance costs	298	293	295	1,182		
7	Profit before tax (5-6)	76,545	74,138	75,015	2,86,725		
8	Tax expense	20,269	18,695	20,157	75,817		
9	Net Profit for the period (7-8)	56,276	55,443	54,858	2,10,908		
10	Paid-up Equity Share Capital	3,994	3,994	3,994	3,994		
	Face value of the share (Rs.)	2.00	2.00	2.00	2.00		
11	Reserves excluding Revaluation Reserve					5,55,993	
12	Basic and diluted earnings per share face value Rs. 2/- each (In Rupees)	28.18	27.76	27.47		105.61	

HERO MOTOCORP LIMITED

Part-II

Select information for the quarter ended June 30, 2014 of the Company					
	Particulars	Quarter ended June 30, 2014	Quarter ended March 31, 2014	Quarter ended June 30, 2013	Year ended March 31, 2014
A PARTICULARS OF SHAREHOLDING					
1	Public shareholding	(Rs. 2.00 per share)	(Rs. 2.00 per share)	(Rs. 2.00 per share)	(Rs. 2.00 per share)
	-Number of shares	11,99,75,018	11,99,75,018	9,54,28,010	11,99,75,018
	-Percentage of holding (to total holding)	60.08%	60.08%	47.79%	60.08%
2	Promoters and promoter group shareholding				
	a) Pledged/encumbered				
	Number of shares	NIL	NIL	NIL	NIL
	Percentage of shares (as a % of total shareholding of promoter and promoter group)	-	-	-	-
	Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
	b) Non-encumbered				
	Number of shares	7,97,12,482	7,97,12,482	10,42,59,490	7,97,12,482
	Percentage of shares (as a % of total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
	Percentage of shares (as a % of the total share capital of the company)	39.92%	39.92%	52.21%	39.92%
B INVESTOR COMPLAINTS					
	Pending at the beginning of quarter			Quarter ended June 30, 2014	Quarter ended June 30, 2014
	Received during the quarter				5
	Disposed off during the quarter				68
	Remaining unresolved at the end of the quarter				66
					7

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HERO MOTOCORP LIMITED

Notes:-

- 1 The above financial results for the quarter ended June 30, 2014 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors ("Board") in their respective meetings held on Monday August 04, 2014 and Tuesday, August 05, 2014.
- 2 As the Company's 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 Accounting Standard (AS-17) "Segment Reporting", specified in the Companies (Accounting Standard) Rules, 2006 are not applicable.
- 3 The Company has started commercial production in its fourth plant situated at Neemrana, Rajasthan on June 25, 2014.
- 4 Board at its meeting held on August 5, 2014 considered and recommended an interim dividend @ 1500 % i.e. Rs. 30 per equity share of Rs. 2/- each for the financial year 2014-15.
- 5 During the quarter, the Company has invested Rs. 3124 lacs and Rs. 1107 lacs as part of capital contribution in the wholly owned subsidiary HMCL Netherlands B.V. and a subsidiary HMC MM Auto Ltd. Further, the Company has invested in its associate amounting to Rs. 16790 lacs pursuant to rights issue by Hero FinCorp Limited. With this investment in associate total shareholding of the Company has increased to 48.42%. The subsidiaries and associate would act towards furtherance of business interest of the Company.
- 6 During the quarter, the Company has implemented Schedule II of the Companies Act, 2013, and accordingly has computed the depreciation as prescribed by Schedule II to the Act or actual useful life of assets, whichever is lower. The carrying value of assets which has completed its depreciation period as on April 1, 2014 has been adjusted to the General Reserve. The remaining assets have been depreciated over the revised useful life and as a result higher depreciation of Rs. 1538 lacs has been recognised as charge in the Statement of Profit and Loss for the quarter ended June 30, 2014.
- 7 Previous period/year figures have been regrouped/ reclassified wherever necessary, to make them comparable.
- 8 The above results of the Company are available on the Company's website www.heromotocorp.com and also on www.bseindia.com and www.nseindia.com

For and on behalf of the board

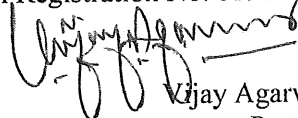
New Delhi
August 5, 2014


BRIJMOHAN LALL MUNJAL
Chairman

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

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Hero MotoCorp Limited ("the Company") for the Quarter ended 30/06/2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter Ended 30/06/2014 of the Statement, from the details furnished by the Management.

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


Vijay Agarwal
Partner
(Membership No. 094468)

New Delhi, 5 August, 2014



THE FUTURE IS NOW

PAWAN MUNJAL ELEVATED AS VICE-CHAIRMAN

**HERO MOTOCORP REPORTS HIGHEST-EVER QUARTERLY SALES OF 17,15,254
UNITS OF TWO-WHEELERS**

**CLOCKS REVENUES (NET SALES & OTHER OPERATING INCOME) OF RS 7036.84
CRORE; & PAT OF RS 562.76 CRORE**

Financial Results for Q1, FY'15

- Total sales for the quarter stands at **17,15,254** units
- Total turnover (Net sales and other operating income) **Rs.7036.84 Crore**
- Net Profit After Tax (PAT) stands at **Rs. 562.76 crore**
- Profit Before Tax (PBT) stands at **Rs765.45 crore**
- EBIDTA margin for the quarter at **13.46 per cent**
- Announces Interim Dividend of **Rs. 30 per share**

New Delhi, August 5th, 2014:

Hero MotoCorp today further strengthened its future-readiness with the elevation of Mr. Pawan Munjal, currently Managing Director & Chief Executive Officer, to the newly-created position of Vice Chairman of the company.

With the Board of Directors of Hero MotoCorp giving its approval at its meeting here today, Mr. Munjal will now hold the position of Vice-Chairman and Managing Director.

Hero has remained the world's largest two-wheeler manufacturer in terms of unit volumes sold in a calendar year by a single company since 2001 – the year Mr. Munjal took over as the MD & CEO.

Riding on its highest-ever quarterly sales of 17,15,254 units of two-wheeler in the first quarter (April-June) of this financial year (2014-15), Hero MotoCorp's total turnover (Net Sales & other Operating Income) in the quarter stood at Rs 7036.84 crore – a robust growth of per cent over the corresponding quarter in the previous fiscal (2013-14) when it was Rs. 6159.52 crore. EBIDTA margin for the quarter stood at 13.46 per cent.

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In a clear testimony to the prudent financial management befitting the market leader, HMCL today reported Profit-After -Tax (PAT) of Rs 562.76 crore, compared to the PAT of Rs 548.58 crore in the corresponding quarter (April-June 2013) and Rs 554.43 crore in the previous quarter (January-March 2014).

Company has announced interim dividend of Rs. 30 per share i.e. 1500 percent entailing total outgo of Rs. 700.87 crores inclusive of dividend distribution tax.

Dr. Brijmohan Lall, Chairman, Hero MotoCorp, said “The Board is delighted to elevate Pawan to the position of Vice Chairman. This is an acknowledgement of his inspiring leadership and progressive vision which has helped Hero MotoCorp strengthen its No. 1 position in a highly competitive and volatile market. Undoubtedly, there are challenging times ahead and yet, under the leadership of Pawan, the future looks promising as well as exciting. It is, therefore, the right time to strengthen the hands of Pawan as he leads Hero MotoCorp to a new era of innovation and technological excellence.”

Mr. Pawan Munjal said “I am grateful to the members of the Board and all stake holders of the company in reposing their faith and confidence in me with a larger responsibility. I take this as an acknowledgement of all the good work that we have done as a team in building on our leadership over the past several years. As we embrace new technologies and expand our global footprint across continents, the journey ahead is going to be far more exciting.

“As usual, it was yet another action-packed quarter for us. With the formation of a joint venture in Bangladesh, we have commenced activities for setting up of manufacturing plant there. We also commenced operations in our new manufacturing facility at Neemrana in Rajasthan. We have continued to sustain our robust volume growth despite the overall sluggish industry scenario. Despite the sub-normal monsoon in some parts of the country impacting sentiments, we are confident of consolidating our market leadership by clocking growth in the double digit in the rest of the fiscal.”

The Q1 of FY’15 marked several milestones for HMCL:

Global Foray	In April 2014, HMCL launched its operations in <u>Bangladesh</u> through a Joint Venture with the reputed Nitol Niloy Group. ○ Hero will hold majority stake of 55 per cent in the new JV while the Nitol Niloy Group will hold the rest 45 per cent stake. ○ There will be a total equity injection of US\$ 12.6 million in a ratio of 55:45 over a period of two years. ○ Through this JV, Hero will set up its two-wheeler manufacturing plant. The plant is expected to be operational by the second quarter of FY 2015-16.
New Facilities in India	– In June 2014, HMCL commenced production at its fourth manufacturing plant at Neemrana in Rajasthan and also started dispatch from the plant to the market.
Sales Performance in FY’15	– In May 2014, HMCL sold 602483 units – all-time high dispatch sales for a non-festive month – HMCL crossed the landmark six lakh sales figure for the second time.

	The all-time high monthly sales of the company was recorded in the festival month of October last year when it sold 625,420 units of two-wheelers. – The previous highest record non-festive month was April 2014 when the company sold 571,054 units.
Product launches	Commenced dispatch of Karizma, ZMR and Xtreme

For further information please contact:

Mansi Molasi

Weber Shandwick

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E: mansimolasi@corvoshandwick.co.in

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Statement of Appropriations

(As per clause 20 of the listing agreement)

Name of the Company **Hero MotoCorp Limited**
 Company Code **500182**
 For the year ended **30-Jun-14**

Board meeting Date: **Tuesday 05-Aug-14**
 Place: **New Delhi**
 Time: **11.30 AM**

	Period ended June 30, 2014 (Rs in crores)	Period ended June 30, 2013 (Rs in crores)
1 Total Turnover & Other receipt	7,036.84	6,159.52
2 Gross Profit	1,059.95	1,027.48
(Before deducting any of the followings)		
a) Interest	2.98	2.95
b) Depreciation	291.52	274.38
c) Tax liability	202.69	201.57
d) Others if any (Prov. For diminution in the value on reclassification of investment/permanent diminution)	-	-
e) Exceptional items	-	-
3 Net profit available for appropriation	562.76	548.58
4 Provision for Investment Allowance Reserve	-	-
5 Net Profit/Loss		
a) Add/less;		
B/fd From last year's Balance	3,414.14	3,039.98
b) Other adjustment, if any,		
Add/less		
Less: Transferred to		
(i) General Reserve	-	-
(ii) Debenture Redemption reserve	-	-
6 Dividend:		
Equity share		
Interim	599.06	-
Final	-	-
No of Shares 199687500		
Face value per share Rs 2/-		
Total Dividend per ordinary share (Amount in Rs.)	30.00	-
7 Tax on dividend	101.81	-
8 Other Adjustments*	-	-
9 Balance Carried Forward	3,276.03	3,588.56
10 Particulars of Proposed Right/Bonus Share		
Convertible Debenture Issue	-	-

11 Closure of Register of Member/Record Date ; *already intimated*

12 Date from which the dividend is payable; within the prescribed period