

**Hero FinCorp Limited**

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

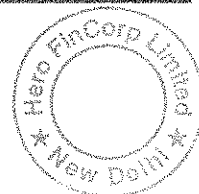
Fax: 011-26153913, Tel. No: 011-46044100, Website: www.herofincorp.com

CIN: U74899DL1991PLC046774

**Unaudited Balance Sheet as at September 30, 2018****(All amount in Rupees crores unless otherwise stated)**

Particulars	As at September 30, 2018
<b>Assets</b>	
<b>Non-current assets</b>	
Property, plant and equipment	83.15
Other intangible assets	13.27
<b>Financial assets</b>	
(i) Investments	327.06
(ii) Loans	7,909.01
Deferred tax assets (net)	161.63
Income tax assets (net)	14.82
Other non-current assets	8.51
	<b>8,517.45</b>
<b>Current assets</b>	
<b>Financial assets</b>	
(i) Loans	8,811.68
(ii) Cash and cash equivalents	0.36
(iii) Bank balance other than (ii) above	1.43
(iv) Other financial assets	219.02
Other current assets	27.39
	<b>9,059.88</b>
<b>Total assets</b>	<b>17,577.33</b>
<b>Equity and liabilities</b>	
<b>Equity</b>	
Equity share capital	106.32
Other equity	2,785.25
	<b>2,891.57</b>
<b>Liabilities</b>	
<b>Non-current liabilities</b>	
<b>Financial liabilities</b>	
(i) Borrowings	6,357.99
(ii) Other financial liabilities	6.42
Provisions	10.72
Other non-current liabilities	0.97
	<b>6,376.10</b>
<b>Current liabilities</b>	
<b>Financial liabilities</b>	
(i) Borrowings	6,678.04
(ii) Trade payables	131.16
(iii) Other financial liabilities	1,413.04
Provisions	15.23
Income tax liabilities (net)	21.42
Other current liabilities	50.77
	<b>8,309.66</b>
<b>Total equity and liabilities</b>	<b>17,577.33</b>

See accompanying notes to the financial results



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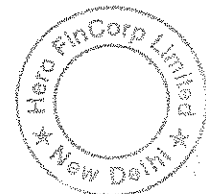
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**Unaudited Statement of Profit and Loss for the six months period ended September 30, 2018**

(All amount in Rupees crores unless otherwise stated)

Particulars	For the six months period ended September 30, 2018 (unaudited)	For the six months period ended September 30, 2017 (unaudited)
<b>Income</b>		
I Revenue from operations	1,076.39	780.66
II Other income	1.76	2.81
<b>III Total revenue (I + II)</b>	<b>1,078.15</b>	<b>783.47</b>
<b>IV Expenses</b>		
(a) Finance costs	473.22	324.76
(b) Employee benefits	103.03	64.36
(c) Other expenses	359.99	287.35
(d) Depreciation and amortization	11.60	12.22
<b>V Total expenses</b>	<b>947.84</b>	<b>688.69</b>
<b>VI Profit before tax (III - V)</b>	<b>130.31</b>	<b>94.78</b>
<b>VII Tax expense</b>		
(a) Current tax	85.07	63.26
(b) Deferred tax credit	(38.18)	(33.96)
<b>Total tax expense</b>	<b>46.89</b>	<b>29.30</b>
<b>VIII Net profit after tax from operations (VI - VII)</b>	<b>83.42</b>	<b>65.48</b>
<b>IX Other comprehensive income</b>		
Items that will not be reclassified to profit or loss:-		
Remeasurement of losses on defined benefit plans	(1.53)	(1.32)
Income tax benefit on above	0.53	0.46
<b>X Other comprehensive income for the period, net of tax</b>	<b>(1.00)</b>	<b>(0.86)</b>
<b>XI Total comprehensive income for the period, net of tax</b>	<b>82.42</b>	<b>64.62</b>
<b>XII Earnings per equity share :</b>		
(a) Basic (in Rupees)*	8.33	7.07
(b) Diluted (in Rupees)*	8.32	6.91
Face value per share (in Rupees)	10	10

\*not annualised for the six month period ended



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**Notes:**

- 1) The Company is a Non-Banking Finance Company registered with the Reserve Bank of India ('the RBI').
- 2) The financial results for the six months period ended September 30, 2018 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 2, 2018.
- 3) The financial results of the Company have been prepared in accordance with Indian Accounting Standards ('Ind-AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016. The Company has adopted Ind-AS from April 1, 2018 with effective transition date of April 1, 2017 and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind-AS prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India.

The transition to Ind-AS has been carried out from the erstwhile Accounting Standards notified under the Act read with Rule 7 of Companies (Accounts) Rules 2014 (as amended), guidelines issued by the RBI and other generally accepted accounting principles in India (collectively referred to as 'the Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at April 1, 2017 and the corresponding adjustments pertaining to comparative six months as presented in these financial results have been restated / reclassified in order to conform to current period presentation.

These financial results have been drawn up on the basis of Ind-AS that are applicable to the Company as at September 30, 2018 based on the Press Release issued by the Ministry of Corporate Affairs on January 18, 2016. Any application guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable.

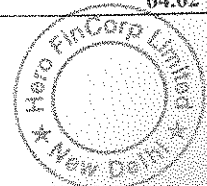
- 4) In compliance with Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of financial results for the six months period ended September 30, 2018 has been carried out by the Statutory Auditors.

As permitted under Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016 issued by SEBI, the Company has opted to avail exemption for submission of Ind-AS compliant financial results for the previous year ended March 31, 2018. Further, the financial results under Ind-AS for the six months period ended September 30, 2017 including the reconciliation of net profit under the Ind-AS as stated at point no.6 have not been subjected to a 'Limited Review'. However, the management has exercised necessary due diligence to ensure that such unaudited financial results provide true and fair view of its affair.

Limited review of financial results under previous GAAP for the six months period ended September 30, 2017 was carried out by previous statutory auditors.

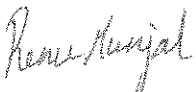
- 5) Earnings per share for the six months period ended September 30, 2018 and September 30, 2017 have not been annualized.
- 6) As required by paragraph 32 of Ind-AS 101, the reconciliation of net profit as reported under the previous GAAP and restated as per Ind-AS for the six months period ended September 30, 2017 is as under

Particulars	(Rupees in crores)
	Six months period ended September 30, 2017
Net profit after tax as per previous GAAP	54.41
Add/(less) :	
Decrease in interest income pursuant to application of effective interest rate method	(1.37)
Income recognition on stage III assets	10.89
Impact of provision as per expected credit loss	0.19
Actuarial loss on defined benefit obligation transferred to other comprehensive income	1.32
Others	0.14
Deferred tax on above (to the extent applicable)	(0.10)
<b>Profit after tax as per Ind-AS</b>	<b>65.48</b>
Other comprehensive loss (net of tax)	(0.86)
<b>Total comprehensive income (after tax) under Ind-AS</b>	<b>64.62</b>

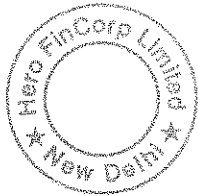


- 7) Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as per 'Annexure I' attached.
- 8) During the period, the Company has made right issue of 15,751,300 equity share of Rs. 10 each (50% paid up) at a premium of Rs.740 per share (50% paid up) in the ratio of four equity shares for every twenty five equity shares held on the record date.
- 9) The secured redeemable non-convertible debenture amounting to Rs. 2,791 crores are secured by first pari-passu charge by way of hypothecation of book debts and receivables.
- 10) The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind-AS 108 dealing with Operating Segment.

For and on behalf of the Board of Directors of  
**Hero FinCorp Limited**



**Renu Munjal**  
Managing Director  
(DIN: 00012870)



Place: New Delhi  
Date: November 2, 2018

**Hero FinCorp Limited**  
**Annexure 1**  
Additional information

**a) Credit Rating**

The CRISIL Limited (CRISIL) and ICRA Limited (ICRA) have assigned following ratings to the Company:

Facility	CRISIL	ICRA
Secured non-convertible debentures	AA+/Stable	AA+/Stable
Unsecured sub-ordinated Tier-II non-convertible debentures	AA+/Stable	AA+/Stable
Long term bank facilities	AA+/Stable	AA+/Stable
Short term bank facilities	A1+	A1+
Commercial papers	A1+	A1+

**b) Asset cover available**

Not applicable

**c) Debt-Equity Ratio**

Debt-Equity Ratio	Six months period ended September 30, 2018	Six months period ended September 30, 2017
Debt-Equity ratio	4.95	4.61

**d) Net worth**

Net worth	Six months period ended September 30, 2018	Six months period ended September 30, 2017
Net worth	2,891.57	1,967.09

**e) Debt service coverage ratio**

Not applicable

**f) Interest service coverage ratio**

Not applicable

**g) Outstanding redemption reserve/ debenture redemption reserve**

Not applicable, since, debenture redemption reserve is not required in respect of privately placed debenture in terms of Rules 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014

**h) Outstanding redeemable preference shares (quantity and value)**

Not applicable



1) Following is the information regarding interest and principal repayment of non-convertible debentures:

ISIN	Credit Rating	Previous due date and amount of interest and principal				Next due date and amount of interest and principal				
		Date	Amount (Rs. in Crore)	Date	Amount (Rs. in Crore)	Date	Amount (Rs. in Crore)	Date	Amount (Rs. in Crore)	
INE957N07237	ICRA AA+/Stable	Not yet due*		16-Oct-17	11.79	Paid	12-Oct-18	150.00	12-Oct-18	11.60
INE957N07112	ICRA AA+/Stable	Not yet due*		Not yet due*	0.43	Paid	9-Nov-18	5.00	29-Oct-18	6.98
INE957N07120	ICRA AA+/Stable	Not yet due*		10-Nov-17	5.65	Paid	18-Nov-20	295.00	9-Nov-18	0.43
INE957N07344	ICRA AA+/Stable	Not yet due*		18-Nov-17	1.29	Paid	14-Dec-18	15.00	18-Nov-18	22.42
INE957N07138	ICRA AA+/Stable	Not yet due*		15-Dec-17	13.31	Paid	7-Feb-20	170.00	14-Dec-18	1.29
INE957N07260	ICRA AA+/Stable	Not yet due*		7-Feb-18	2.32	Paid	7-Feb-19	30.00	7-Feb-19	2.32
INE957N07278	ICRA AA+/Stable	Not yet due*		7-Feb-18	8.80	Paid	22-Mar-19	100.00	7-Feb-19	8.78
INE957N07153	ICRA AA+/Stable	Not yet due*		23-Mar-18	0.87	Paid	Not Applicable	Not Applicable	22-Mar-19	Not Applicable
INE957N07054	ICRA AA+/Stable	Not yet due*		10-Apr-18	3.04	Paid	Not Applicable	Not Applicable	Not Applicable	Not Applicable
INE957N07062	ICRA AA+/Stable	Not yet due*		18-Apr-18	9.83	Paid	Not Applicable	Not Applicable	Not Applicable	Not Applicable
INE957N07039	ICRA AA+/Stable	Not yet due*		23-Apr-18	1.79	Paid	23-Apr-20	20.00	Not Applicable	Not Applicable
INE957N07047	ICRA AA+/Stable	Not yet due*		9-May-18	1.74	Paid	9-May-19	20.00	23-Apr-19	1.80
INE957N07179	ICRA AA+/Stable	Not yet due*		19-May-18	20.67	Paid	19-May-20	260.00	9-May-19	1.74
INE957N07402	CRISIL AA+/Stable	Not yet due*		7-Jun-18	21.78	Paid	5-Jun-20	275.00	19-May-19	20.67
INE957N07310	ICRA AA+/Stable	Not yet due*		13-Jun-18	12.10	Paid	Not Applicable	Not Applicable	7-Jun-19	21.78
INE957N07229	ICRA AA+/Stable	Not yet due*		20-Jun-18	8.52	Paid	18-Jun-27	100.00	Not Applicable	Not Applicable
INE957N068037	ICRA AA+/Stable	Not yet due*		8-Jul-18	3.21	Paid	8-Jul-21	80.00	20-Jun-19	8.52
INE957N07317	ICRA AA+/Stable	Not yet due*		13-Jul-18	16.59	Paid	12-Jul-19	188.50	8-Jul-19	6.48
INE957N07203	ICRA AA+/Stable	Not yet due*		13-Jul-18	10.56	Paid	Not Applicable	Not Applicable	12-Jul-19	16.54
INE957N07211	ICRA AA+/Stable	Not yet due*		3-Aug-18	8.98	Paid	3-Aug-26	100.00	Not Applicable	Not Applicable
INE957N08029	ICRA AA+/Stable	Not yet due*		18-Aug-18	6.55	Paid	18-Aug-22	85.00	5-Aug-19	9.03
INE957N07351	ICRA AA+/Stable	Not yet due*		18-Aug-18	1.28	Paid	8-Jul-20	100.00	18-Aug-19	6.55
INE957N07393	CRISIL AA+/Stable	Not yet due*		17-Sep-18	9.40	Paid	15-Sep-25	100.00	18-Aug-19	8.81
INE957N08011	ICRA AA+/Stable	Not yet due*		24-Sep-18	0.89	Paid	24-Sep-20	10.00	16-Sep-19	9.32
INE957N07096	ICRA AA+/Stable	Not yet due*		24-Sep-18	5.33	Paid	Not Applicable	Not Applicable	24-Sep-19	0.89
INE957N07088	ICRA AA+/Stable	Not yet due*		Not yet due*	Not yet due*	Paid	18-Feb-21	16.00	Not Applicable	Not Applicable
INE957N07104	ICRA AA+/Stable	Not yet due*		Not yet due*	Not yet due*	Paid	10-Jun-21	12.00	18-Feb-21	9.41
INE957N07146	ICRA AA+/Stable	Not yet due*		Not yet due*	Not yet due*	Paid	7-Jan-20	5.50	10-Jun-21	6.93
INE957N07187	ICRA AA+/Stable	Not yet due*		Not yet due*	Not yet due*	Paid	13-Sep-19	25.00	7-Jan-20	1.88
INE957N07195	ICRA AA+/Stable	Not yet due*		Not yet due*	Not yet due*	Paid	16-Jan-20	25.00	13-Sep-19	7.66
INE957N07252	ICRA AA+/Stable	Not yet due*		Not yet due*	Not yet due*	Paid	9-Jun-20	4.00	16-Jan-20	6.34
INE957N07245	ICRA AA+/Stable	Not yet due*		Not yet due*	Not yet due*	Paid	11-Apr-19	200.00	9-Jun-20	1.17
INE957N07286	CRISIL AA+/Stable	Not yet due*		Not yet due*	Not yet due*	Paid	12-Jun-20	30.00	11-Apr-19	32.42
INE957N07294	CRISIL AA+/Stable	Not yet due*		Not yet due*	Not yet due*	Paid	3-Aug-20	75.00	12-Jun-20	7.74
INE957N07338	ICRA AA+/Stable	Not yet due*		Not yet due*	Not yet due*	Paid	8-Apr-21	115.00	11-May-20	51.38
INE957N07336	ICRA AA+/Stable	Not yet due*		Not yet due*	Not yet due*	Paid	29-May-20	150.00	12-Jun-20	18.15
INE957N07369	ICRA AA+/Stable	Not yet due*		Not yet due*	Not yet due*	Paid	8-Jul-20	105.00	3-Aug-20	33.09
INE957N07385	ICRA AA+/Stable	Not yet due*		Not yet due*	Not yet due*	Paid	Not yet due*	Not yet due*	8-Apr-21	26.45
INE957N07401	ICRA AA+/Stable	Not yet due*		Not yet due*	Not yet due*	Paid	Not yet due*	Not yet due*	29-May-20	8.77

Not yet due\* - Principal repayment or interest payment was not due in previous period



*[Handwritten signature]*