

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

Balance Sheet as at September 30, 2019**(All amount in Rupees crores unless otherwise stated)**

Particular	As at September 30, 2019 (Unaudited)	As at March 31, 2019 (Audited)
Assets		
Financial assets		
Cash and cash equivalents	9.74	106.66
Bank balance other than cash and cash equivalents	5.87	0.55
Trade receivable	3.45	4.34
Loans	21,643.24	19,215.68
Investments	757.05	961.87
Other financial assets	78.89	51.44
Non-financial Assets		
Current tax assets (net)	38.33	16.25
Deferred tax assets (net)	176.83	176.41
Property, plant and equipment	124.50	78.31
Other intangible assets	14.76	16.61
Other non-financial assets	27.85	23.73
Total assets	22,880.51	20,651.85
Liabilities and equity		
Liabilities		
Financial liabilities		
Trade payable:		
(i) Total outstanding dues of micro enterprises and small enterprises	0.02	0.02
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	117.80	116.17
Debt securities	6,757.11	6,781.25
Borrowing (other than debt securities)	11,278.99	9,117.52
Subordinated liabilities	424.15	424.10
Other financial liabilities	457.96	457.83
Non-financial liabilities		
Current tax liabilities (net)	7.52	33.53
Provisions	28.77	23.09
Other non-financial liabilities	30.18	31.83
Total liabilities	19,102.50	16,985.34
Equity		
Equity share capital	114.19	114.15
Other equity	3,663.82	3,552.36
Total equity	3,778.01	3,666.51
Total liabilities and equity	22,880.51	20,651.85



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Particulars	Half year ended September 30, 2019 (Unaudited)	Half year ended September 30, 2018 (Unaudited)	Year ended March 31, 2019 (Audited)
Income			
I Revenue from operations			
Interest income	1,509.00	1,010.68	2,229.90
Dividend income	1.86	0.01	0.50
Profit on sale of investments	27.83	1.75	39.07
Rental income	6.85	9.63	17.48
Net gain/(loss) on fair value changes	(0.16)	(0.09)	2.52
Insurance commission	4.74	-	0.48
Other charges	118.00	56.17	202.57
Total Revenue from operations	1,668.12	1,078.15	2,492.52
II Other income	15.09	-	-
III Total income (I + II)	1,683.21	1,078.15	2,492.52
IV Expenses			
Finance costs	730.85	473.22	1,119.96
Impairment allowance on loans	223.11	96.47	136.90
Employee benefits expenses	121.11	103.03	208.18
Depreciation and amortization	16.65	11.60	24.05
Other expenses	346.90	263.52	589.77
Total expenses	1,438.62	947.84	2,078.86
V Profit before tax (III - IV)	244.59	130.31	413.66
VI Tax expense			
Current tax	79.76	85.07	198.05
Deferred tax (credit) (net)	0.01	(38.18)	(52.76)
Total tax expense	79.77	46.89	145.29
VII Net profit after tax from operations (V - VI)	164.82	83.42	268.37
VIII Other comprehensive income/ (loss)			
Items that will not be reclassified to profit or loss:-			
Remeasurement of (losses)/gains on defined benefit plans	(1.69)	(1.53)	(2.08)
Income tax benefit on above	0.43	0.53	0.73
IX Other comprehensive income/(loss) for the period, net of tax	(1.26)	(1.00)	(1.35)
X Total comprehensive income/(loss) for the period, net of tax	163.56	82.42	267.02
XI Earnings per equity share :			
(a) Basic (in Rupees)*	14.44	8.33	25.97
(b) Diluted (in Rupees)*	14.41	8.32	25.92
*not annualised for the half year 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 half year ended September 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 21, 2019.
- 3) The Statement has been prepared in accordance with recognition and measurement principles laid down in accordance with the Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant rules issued thereunder and other recognized accounting practices and policies.
- 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 half year ended September 30, 2019 has been carried out by the Statutory Auditors.
- 5) 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.
- 6) The secured redeemable non-convertible debenture amounting to Rs. 2,467.50 crores are secured by first pari-passu charge by way of hypothecation of book debts and receivables.
- 7) The Company has elected to exercise the option permitted under Section 115BAA of the income-tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax for the half year ended September 30, 2019 and re-measured its deferred tax assets basis the rate prescribed in the said section. The impact of change in tax rate is spread over the year via an adjustment to the estimated annual effective income tax rate. The impact of above mentioned change amounting to Rs. 17.97 crores has been recognised in the statement of profit and loss for the half year ended September 30, 2019.
- 8) Effective April 01, 2019, the Company has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on April 1, 2019 using the modified retrospective method. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures.
On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset of Rs. 49.72 crores and a lease liability of Rs.48.46 crores. The effect of this adoption is not material to the profit for the period and earnings per share.
- 9) 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

Renu Munjal
Managing Director
(DIN: 00012870)



Place: New Delhi
Date: October 21, 2019

Hero FinCorp Limited**Annexure 1**

Additional information

a) Credit Rating

Following credit ratings have been assigned to the Company:

Facility	CRISIL	ICRA	Standard & Poor's	Moody's
Secured non-convertible debentures	AA+/Stable	AA+/Stable	-	-
Unsecured sub-ordinated Tier-II non-convertible debentures	AA+/Stable	AA+/Stable	-	-
Bank facilities *	AA+/Stable	AA+/Stable	-	-
Commercial papers	A1+	A1+	-	-
Entity Level	-	-	(BBB-) Long term stable (A-3) Short term stable	Baa3 Long term stable

* ICRA has assigned short term rating of A1+ rating for bank facilities.

b) Asset cover available

Not applicable

c) Debt-Equity Ratio

Debt-Equity Ratio	As at September 30, 2019	As at March 31, 2019
Debt-Equity ratio	4.89	4.45

[Debt equity ratio is (Debt securities + Borrowings + Subordinated liabilities) / Networth]

d) Net worth

(Rupees in crores)

Net worth	As at September 30, 2019	As at March 31, 2019
Net worth	3,778.01	3,666.51

(Net worth is equal to paid up equity share capital plus other equity)

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



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

ISIN	Credit Rating	Previous due date of interest and principal			Next due date of interest and principal		
		Principal		Interest/Premium	Principal		Interest/Premium
		Date	Amount (Rs. in Crore)	Payment Status	Date	Amount (Rs. in Crore)	Date
INE957N07047	ICRA AA+/Stable	Not yet due*	Not yet due*	Paid	23-Apr-20	20.00	23-Apr-20
INE957N07096	ICRA AA+/Stable	Not yet due*	Not yet due*	Paid	24-Sep-20	10.00	24-Sep-20
INE957N07260	ICRA AA+/Stable	Not yet due*	Not yet due*	Paid	7-Feb-20	170.00	7-Feb-20
INE957N07302	ICRA AA+/Stable	Not yet due*	Not yet due*	Paid	19-May-20	260.00	19-May-20
INE957N07310	ICRA AA+/Stable	Not yet due*	Not yet due*	Paid	5-Jun-20	275.00	5-Jun-20
INE957N07344	ICRA AA+/Stable	Not yet due*	Not yet due*	Paid	18-Nov-20	295.00	18-Nov-20
INE957N07351	ICRA AA+/Stable	Not yet due*	Not yet due*	Paid	18-Aug-22	85.00	18-Aug-22
INE957N07377	ICRA AA+/Stable	Not yet due*	Not yet due*	Paid	8-Jul-21	80.00	8-Jul-21
INE957N07393	ICRA AA+/Stable	Not yet due*	Not yet due*	Paid	8-Jul-20	100.00	8-Jul-20
INE957N07401	ICRA AA+/Stable	Not yet due*	Not yet due*	Paid	8-Jul-20	105.00	8-Jul-20
INE957N08011	ICRA AA+/Stable	Not yet due*	Not yet due*	Paid	15-Sep-25	100.00	15-Sep-25
INE957N08029	ICRA AA+/Stable	Not yet due*	Not yet due*	Paid	3-Aug-26	100.00	3-Aug-26
INE957N08037	ICRA AA+/Stable	Not yet due*	Not yet due*	Paid	18-Jun-27	100.00	18-Jun-27
INE957N08045	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	24-Nov-28	125.00	24-Nov-28
INE957N07419	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	6-Nov-20	100.00	6-Nov-20
INE957N07427	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	26-Nov-20	50.00	26-Nov-20
INE957N07435	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	7-May-21	25.00	7-May-21
INE957N07443	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	27-Dec-19	50.00	27-Dec-19
INE957N07450	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	3-Jan-20	35.00	3-Jan-20
INE957N07468	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	20-Jun-22	110.00	20-Jun-22
INE957N07104	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	18-Feb-21	16.00	18-Feb-21
INE957N07146	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	10-Jun-21	12.00	10-Jun-21
INE957N07187	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	7-Jan-20	5.50	7-Jan-20
INE957N07245	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	9-Jun-20	4.00	9-Jun-20
INE957N07252	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	16-Jan-20	25.00	16-Jan-20
INE957N07294	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	11-May-20	30.00	11-May-20
INE957N07328	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	12-Jun-20	200.00	12-Jun-20
INE957N07336	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	3-Aug-20	75.00	3-Aug-20
INE957N07369	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	8-Apr-21	115.00	8-Apr-21
INE957N07385	ICRA AA+/Stable	Not yet due*	Not yet due*	Not Applicable	29-May-20	150.00	29-May-20

*Not yet due- Principal repayment or interest payment was not due.
Details provided above are for debentures outstanding as at 30 September 2019



October 21, 2019

The Secretary
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400001

Subject: Statement of Material Deviation under Regulation 52(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for half year ended September 30, 2019

Dear Sir/Madam,

Pursuant to the provisions of Regulation 52(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that there are no material deviations, in the use of the proceeds of issue of Non-Convertible Debentures from the objects stated in the offer document.

Kindly take note of the same.

For Hero FinCorp Limited



Renu Munjal
Managing Director
DIN: 00012870

Address: B-109, Greater Kailash
Part I, New Delhi - 110048



Hero FinCorp Ltd.

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