

HONDA

Ref: HIPP/SE/2022-23/62

November 08, 2022

**Corporate Relationship Department
BSE Limited**

Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street, Fort,
Mumbai – 400001

**Listing Department
National Stock Exchange of India Limited**
5th Floor, Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai-400051

Honda India Power Products Limited
Head Office & Works :
Plot No. 5, Sector-41, (Kasna)
Greater Noida Industrial Development Area,
Distt. Gautam Budh Nagar (U.P.) Pin-201310
Tel. : +91-120-2590 100
Fax : +91-120-2590 350
Website : www.hondaindiapower.com
CIN : L40103DL2004PLC203950
E-mail : ho.mgt@hspp.com

Sub: Unaudited Financial Results – as per Regulation 33(3) and 47 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 33 read with Regulation 30, Schedule III, Part A(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations), please find enclosed Unaudited Financial Results alongwith the Limited Review Report, issued by the Statutory Auditors of the Company, for the quarter and half year ended September 30, 2022. The said results were approved and taken on record by the Board of Directors at its Meeting held on November 08, 2022. The meeting commenced at 11:18 AM and concluded at 11:58 AM.

We are arranging to have this statement published in the newspapers pursuant to Regulation 47 of aforementioned Regulations.

The aforementioned Financial Statements shall also be available on Company's website at www.hondaindiapower.com.

We request the Exchange to take the aforesaid information on record and notify your constituents accordingly.

Thanking you.

Yours truly,
For **Honda India Power Products Limited**,



Sunita Ganjoo
Company Secretary and Compliance Officer

Encl: as above

Statement of Unaudited Financial Results for the quarter and half year ended September 30, 2022

(INR in lakhs)

	Particulars	Quarter Ended			Half Year Ended		Year Ended
		Sep 30, 2022	Jun 30, 2022	Sep 30, 2021	Sep 30, 2022	Sep 30, 2021	Mar 31, 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	39,408	20,006	23,087	59,414	49,511	115,629
II	Other income	555	575	591	1,130	1,465	1,684
III	Total Income (I+II)	39,963	20,581	23,678	60,544	50,976	117,313
IV	Expenses						
	Cost of materials consumed	18,242	16,821	15,936	35,063	31,655	65,165
	Purchase of stock-in-trade	2,893	2,272	2,890	5,165	4,935	9,472
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,764	(7,453)	(4,641)	(5,689)	(5,194)	(1,440)
	Employee benefits expense	3,121	3,838	2,881	6,959	5,691	11,740
	Finance costs	5	6	7	11	13	48
	Depreciation and amortisation expense	499	483	465	982	926	1,852
	Other expenses	7,753	3,958	4,017	11,711	8,180	20,470
	Total expenses (IV)	34,277	19,925	21,555	54,202	46,206	107,307
V	Profit before tax (III-IV)	5,686	656	2,123	6,342	4,770	10,006
VI	Tax expense						
	Current tax	1,545	279	580	1,824	1,271	2,650
	Deferred tax (benefit)	(101)	(114)	(47)	(215)	(72)	(97)
	Total Tax expenses (VI)	1,444	165	533	1,609	1,199	2,553
VII	Profit for the period (V-VI)	4,242	491	1,590	4,733	3,571	7,453
VIII	Other comprehensive income/(loss)						
	Items that will not be reclassified to profit or loss						
	-Remeasurement of post-employment benefit obligations	(1)	(1)	(3)	(2)	(6)	(3)
	-Income tax relating to above item	0	0	1	0	2	1
	Total other comprehensive (loss), net of tax(VIII)	(1)	(1)	(2)	(2)	(4)	(2)
IX	Total comprehensive income for the period (VII+VIII)	4,241	490	1,588	4,731	3,567	7,451
X	Paid-up equity share capital (face value of Rs. 10 per share)	1,014	1,014	1,014	1,014	1,014	1,014
XI	Earnings per share (of Rs.10 each) (not annualised):						
	Basic earnings per share (Rs.)	41.82	4.84	15.68	46.66	35.21	73.48
	Diluted earnings per share (Rs.)	41.82	4.84	15.68	46.66	35.21	73.48



Honda India Power Products Limited

Regd. Office : 409, DLF Tower B, Jasola Commercial Complex, New Delhi -110025

CIN: L40103DL2004PLC203950

Statement of Assets and Liabilities as at September 30, 2022

(INR in lakhs)

Particulars	As at Sep 30, 2022	As at Mar 31, 2022
	Unaudited	Audited
ASSETS		
Non-current assets		
Property, Plant and Equipment	8,767	8,065
Right-of-use assets	459	485
Capital work-in-progress	145	1,217
Intangible assets	137	116
Intangible assets under development	28	52
Financial assets		
Other financial assets	122	7,859
Deferred tax assets (net)	926	711
Non-current tax assets (net)	3,642	4,483
Other non-current assets	890	775
Total-Non-Current Assets	15,116	23,763
Current assets		
Inventories	23,846	17,639
Financial assets		
Trade receivables	2,985	8,711
Cash and cash equivalents	13,806	12,188
Other bank balances	28,781	15,545
Other financial assets	747	194
Other current assets	6,653	8,105
Total-Current Assets	76,818	62,382
TOTAL-ASSETS	91,934	86,145
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,014	1,014
Other equity	69,183	65,974
Total- Equity	70,197	66,988
Liabilities		
Non-current liabilities		
Provisions	93	72
Financial liabilities		
Lease Liability	90	114
Total-Non-Current liabilities	183	186
Current liabilities		
Financial liabilities		
Trade payables		
-Total outstanding dues to micro and small enterprises	2,236	1,364
-Total outstanding dues to other than micro and small enterprises	11,604	10,527
Lease Liability	10	9
Other financial liabilities	3,143	2,424
Contract liabilities	401	1,224
Provisions	2,638	1,703
Other current liabilities	1,522	1,720
Total-Current liabilities	21,554	18,971
TOTAL EQUITY AND LIABILITIES	91,934	86,145



Unaudited Statement of Cash Flows

(INR in lakhs)

	Particulars	Half Year ended	
		30 Sep 2022	30 Sep 2021
A.	Cash flow from operating activities		
	Profit before tax	6,342	4,770
	Adjustments for:		
	Depreciation and amortisation expense	982	926
	Net (gain)/loss on disposal of property, plant and equipment and intangible assets	(3)	6
	Interest income on bank deposits and loan	(712)	(694)
	Finance costs	11	13
	Net unrealised exchange loss/(gain)	(185)	(125)
	Provisions / liabilities written back to the extent no longer required	(7)	-
	Provision created for slow moving inventory/(written back)	(59)	51
	Operating profit before working capital changes	6,369	4,947
	(Increase)/Decrease in trade receivables	5,717	3,299
	(Increase)/Decrease in inventories	(6,149)	(5,520)
	Increase/(Decrease) in trade payables	1,947	(786)
	(Increase)/Decrease in other financial assets	(14)	(20)
	(Increase)/Decrease in other non current assets	8	3
	(Increase)/Decrease in other current assets	(69)	(3,291)
	Increase/(Decrease) in provisions	954	(26)
	Increase/ (Decrease) in other financial liabilities	(91)	141
	Increase/ (Decrease) in contract liabilities	(823)	(1,698)
	Increase/(Decrease) in other current liabilities	(198)	(644)
	Cash generated from/ (used in) operations	7,651	(3,595)
	Income taxes paid including interest (net of refunds and interest received on Income tax refund)	(983)	(795)
	Net cash inflow/ (outflow) from operating activities - Total (A)	6,668	(4,390)
B.	Cash flows from investing activities		
	Payments for property, plant and equipment	(1,402)	(782)
	Payments for intangibles	(25)	(22)
	Proceeds from sale of property, plant and equipment	13	28
	Investment in fixed deposits	(6,214)	(2,552)
	Proceeds from maturity of fixed deposits	2,196	1,642
	Interest received on loans and fixed deposits	214	385
	Net cash inflow/ (outflow) from investing activities - Total (B)	(5,218)	(1,301)
C.	Cash flows from financing activities		
	Interest Cost	(7)	(6)
	Interest element of lease payments	(5)	(7)
	Principal element of lease payments	(23)	(40)
	Net cash outflow from financing activities - Total (C)	(35)	(53)
D.	Net increase/ (decrease) in cash and cash equivalents (A)+(B)+(C)	1,415	(5,744)
	Cash and cash equivalents at the beginning of the period	12,188	8,026
	Effects of exchange rate changes on cash and cash equivalents	203	177
	Cash and cash equivalents at the end of the period	13,806	2,459
E.	Non-cash financing and investing activities		
	-Acquisition of right-of-use assets.	-	54
	Reconciliation of cash and cash equivalents as per the cash flow statement		
	Cash and cash equivalents as per above comprise of the following		
	Balances with banks	5,355	1,147
	Deposits with maturity of less than three months	8,355	1,175
	Cheques on hand	95	136
	Cash on hand	1	1
	Balances per statement of cash flows	13,806	2,459



Notes to unaudited financial results:

1. The above financial results of the Company have been prepared in accordance with the recognition and management principles of Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.
2. The above results were reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 8, 2022.
3. The Company is in the business of "Power Products" which is a single business segment in accordance with Ind AS-108 "Operating Segment" notified pursuant to Companies (Accounting Standards) Rule, 2015.
4. The Company's major export is to its fellow subsidiaries located in the United States of America (USA), Canada, Australia, United Kingdom (UK) and the countries in European Union (EU) and European Free Trade Association (EFTA). In line with the regulatory requirements of the above-mentioned countries, the Company is required to do product line testing (PLT) on regular intervals for one of the key products being sold to these countries to comply with emission norms. Results of such testing done during 2nd half of the financial year 2021-22, were not in confirmation with required norms in case of Australia, UK, and the countries in EU/EFTA and in case of USA and Canada, testing results exceeded the declarations on the products but same were within the required norms in respective countries. As a precautionary measure, the Company stopped dispatches during March 2022 and is further analyzing the root cause. The Company is assessing the coverage and its monetary impact which may be in the form of replacement cost of components in the products and regulatory fees, if any, in the UK, EU region and Australia. The Company would be engaging with a lawyer after ascertaining the root cause for this issue along with countermeasures for taking up the matter with regulatory authorities in related regions. Considering the above-mentioned facts, it is not practicable for the management to make reliable estimate regarding the obligation of the Company in respect of the above matter. Accordingly, there exists contingent liability in respect of this matter and no provision has been recognized in the current unaudited financial results for the quarter and six months ended 30 September 2022.

During the September quarter, the Company has started export sales to USA and Canada under the revised declaration.

For and on behalf of the Board of Directors of
Honda India Power Products Limited



Takahiro Ueda
CMD and President & CEO
DIN: 08685990



Place: New Delhi
Date: November 8, 2022

B S R & Co. LLP

Chartered Accountants

Building No.10,12th Floor, Tower-C,
DLF Cyber City, Phase-II,
Gurugram – 122 002, India

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Limited Review Report on unaudited financial results of Honda India Power Products Limited for the quarter ended 30 September 2022 and year-to-date results for the period from 1 April 2022 to 30 September 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Honda India Power Products Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Honda India Power Products Limited ("the Company") for the quarter ended 30 September 2022 and year-to-date results for the period from 1 April 2022 to 30 September 2022 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on the Statement based on our review.
3. 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 analytical procedures 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to note 4 to the unaudited financial results for the quarter and six months ended 30 September 2022 regarding uncertainty arising out of the possible non-compliance of environmental legislation in the form of enhanced emission levels, over and above the declaration made by the Company or above the permissible levels in the destination countries, with regard to certain product being manufactured and exported by the Company. The Company is unable to reliably estimate the amount of the possible obligation under the related regulations of the destination countries. Accordingly, no provision has been recognized in respect of this matter. Our conclusion is not modified in respect of this matter.
6. The financial statements of the Company for the year ended 31 March 2022 have been audited by the predecessor auditor whose report dated 28 May 2022 had expressed an unmodified opinion. The financial information of the Company for the corresponding quarter ended 30 September 2021 and the corresponding period from 1 April 2021 to 30 September 2021 has been reviewed by the predecessor auditor whose report dated 12 November 2021 had expressed an unmodified opinion. Our conclusion is not modified in respect of this matter.

B S R & Co. LLP

7. The financial results for the three months ended 30 June 2022 included in the Statement were reviewed earlier by the then statutory auditors of the Company whose report has been furnished to us and has been relied upon by us for the purpose of our review of the Statement.

Our conclusion is not modified in respect of this matter.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Rajesh Arora

Partner

Gurugram

08 November 2022

Membership No.: 076124

UDIN:22076124BCLVGL8144