

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF HERO MOTOCORP LIMITED

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended March 31, 2023 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2023 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the quarter and year ended March 31, 2023" ("the Statement") of **Hero MotoCorp Limited** ("the Company"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Standalone Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2023:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2023

With respect to the Standalone Financial Results for the quarter ended March 31, 2023, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2023

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 Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2023 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

Attention is invited to note 11 of the standalone financial results, relating to the search carried out by the Income Tax Authorities during the month of March 2022. Since the proceedings are currently in progress, there is an uncertainty of the outcome of the proceedings, and consequently, the impact, if any, cannot be ascertained at present.

Our opinion is not modified in respect of the matter.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2023 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2023 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder 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 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, 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 are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2023

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2023 as a whole is 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 this Standalone 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 Annual Standalone 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.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the 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 ability of the Company to continue as a going concern. 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 Statement 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 Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

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.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2023

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2023 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 ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Deloitte Haskins & Sells LLP

Other Matters

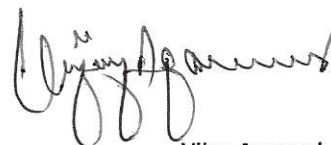
- As stated in note 10, the Statement includes the results for the quarter ended March 31, 2023 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
- The comparative financial information of the Company for the quarter and year ended March 31, 2022 prepared in accordance with Indian Accounting Standards included in this Statement have been reviewed / audited by the predecessor auditor. The report of the predecessor auditor on these comparative financial information dated May 03, 2022 for the quarter and year ended March 31, 2022 expressed an unmodified conclusion/opinion.

Our report on the Statement is not modified in respect of the above matters.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



Vijay Agarwal
Partner

(Membership No. 094468)

(UDIN: 23094468 BG Y10D 3863)

Place: Tirupati
Date: May 04, 2023

HERO MOTOCORP LIMITED

Statement of Standalone Financial Results for the quarter and year ended March 31, 2023

(Rupees in crore unless otherwise stated)

	Particulars	Quarter ended			Year ended	
		March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
		Audited- refer note 10	Un-audited	Audited- refer note 10	Audited	Audited
1	No. of Two wheelers sold (In Lakhs)	12.70	12.40	11.89	53.29	49.44
2	Income					
	(a) Revenue from operations	8,306.78	8,030.98	7,421.73	33,805.65	29,245.47
	(b) Other income	236.92	183.20	139.76	565.16	556.91
	Total income	8,543.70	8,214.18	7,561.49	34,370.81	29,802.38
3	Expenses					
	(a) Cost of raw materials consumed	5,804.52	5,620.45	4,958.60	24,019.73	20,708.07
	(b) Purchase of stock in trade	17.16	15.70	0.63	47.43	45.95
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(175.39)	(61.83)	183.21	(209.04)	72.71
	(d) Employee benefit expense	557.06	545.58	476.33	2,189.83	1,935.44
	(e) Finance costs	4.68	4.90	6.66	19.87	25.80
	(f) Depreciation and amortisation expense	168.58	162.00	158.46	656.96	649.75
	(g) Other expenses	1,020.43	986.94	975.39	3,771.47	3,114.53
	Total expenses	7,397.04	7,273.74	6,759.28	30,496.25	26,552.25
4	Profit before tax (2-3)	1,146.66	940.44	802.21	3,874.56	3,250.13
5	Tax expense					
	Current tax	295.66	235.66	212.61	941.90	797.91
	Deferred tax charge/(credit)	(7.93)	(6.28)	(37.45)	22.08	(20.80)
	Total Tax Expense	287.73	229.38	175.16	963.98	777.11
6	Profit after tax (4-5)	858.93	711.06	627.05	2,910.58	2,473.02
7	Other comprehensive income /(loss)					
	Items that will not be reclassified subsequently to profit or loss:-					
	Re-measurement losses on defined benefit plans	(6.80)	(1.90)	14.89	(12.52)	(7.27)
	Income tax effect	1.71	0.48	(3.75)	3.15	1.83
	Net other comprehensive income not to be reclassified to profit or loss	(5.09)	(1.42)	11.14	(9.37)	(5.44)
8	Total comprehensive income, net of income tax (6+7)	853.84	709.64	638.19	2,901.21	2,467.58
9	Paid-up equity share capital	39.97	39.97	39.96	39.97	39.96
	Face value of the share (In Rupees)	2.00	2.00	2.00	2.00	2.00
10	Other equity				16,665.12	15,742.96
11	Earning per equity share on profit after tax (face value Rs. 2/- each) [In Rupees]					
	Basic	42.99	35.58	31.38	145.66	123.78
	Diluted	42.94	35.54	31.37	145.52	123.74

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- 46044100, 46044220, Fax +91-11- 46044399

HeroMotoCorp.com CIN: L35911DL1984PLC017354 PAN: AAACH0812J

1. Statement of Standalone Assets and Liabilities

(Rupees in crore)

Particulars		As at March 31, 2023 Audited	As at March 31, 2022 Audited
ASSETS			
1	Non-current assets		
	(a) Property, plant and equipment	4,868.20	5,094.39
	(b) Capital work-in-progress	128.55	87.32
	(c) Right of use of assets	393.03	413.59
	(d) Other intangible assets	500.19	298.50
	(e) Intangible assets under development	335.24	370.88
	(f) Financial assets		
	(i) Investments	7,372.48	4,814.66
	(ii) Loans	19.87	17.43
	(iii) Others	205.65	41.60
	(g) Income tax assets (net)	251.72	340.92
	(h) Other non-current assets	151.42	119.77
	Total non - current assets	14,226.35	11,599.06
2	Current assets		
	(a) Inventories	1,434.09	1,122.65
	(b) Financial assets		
	(i) Investments	3,637.88	5,837.66
	(ii) Trade receivables	2,798.21	2,304.27
	(iii) Cash and cash equivalents	168.37	98.68
	(iv) Bank balances other than (iii) above	177.13	76.44
	(v) Loans	23.71	22.81
	(vi) Others	562.33	454.80
	(c) Other current assets	235.07	197.65
	Total current assets	9,036.79	10,114.96
	Total assets	23,263.14	21,714.02
EQUITY AND LIABILITIES			
1	Equity		
	(a) Equity share capital	39.97	39.96
	(b) Other equity	16,665.12	15,742.96
	Total equity	16,705.09	15,782.92
2	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Lease liability	134.29	142.32
	(ii) Other financial liabilities	196.29	155.04
	(b) Provisions	198.12	178.07
	(c) Deferred tax liabilities (net)	405.37	383.29
	Total Non - current liabilities	934.07	858.72
3	Current liabilities		
	(a) Financial liabilities		
	(i) Lease liability	22.02	25.75
	(ii) Trade payables		
	Total outstanding dues of micro and small enterprises	1.15	25.55
	Total outstanding dues of creditors other than micro and small enterprises	4,703.31	4,234.79
	(iii) Other financial liabilities	163.97	133.75
	(b) Other current liabilities	557.84	492.12
	(c) Provisions	175.69	160.42
	Total current liabilities	5,623.98	5,072.38
	Total equity and liabilities	23,263.14	21,714.02

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HeroMotoCorp.com CIN: L35911DL1984PLC017354 PAN: AAACH0812J

2. Standalone Cash Flow Statement

(Rupees in crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit after tax	2,910.58	2,473.02
Adjustments for:		
Add: Depreciation and amortisation	656.96	649.75
Tax expense	963.98	777.11
Loss on property, plant and equipment sold/discarded	4.72	10.23
Finance cost	19.87	25.80
Employee Stock Compensation Cost	16.04	10.00
Loss allowance on advances to supplier	-	52.24
Loss allowance on trade receivables	4.80	-
	1,666.37	1,525.13
Less: Interest income on financial assets carried at amortised cost	256.10	186.29
Dividend income	0.28	14.48
Profit on sale of investments	111.79	101.37
Gain on investments carried at fair value through profit or loss	191.43	223.82
Profit on sale of property, plant and equipment	5.56	0.62
	565.16	526.58
Operating profit before working capital changes	4,011.79	3,471.57
Changes in working capital:		
Adjustment for (increase)/decrease in operating assets:		
Inventories	(311.44)	346.90
Trade receivables	(498.74)	122.49
Loans-Current	(0.90)	0.14
Loans-Non-Current	(2.44)	(0.70)
Other financial assets	(281.58)	(89.38)
Other current assets	(37.42)	(36.52)
Other non-current assets	12.97	(4.67)
	(1,119.55)	338.26
Adjustment for increase/(decrease) in operating liabilities:		
Trade payables	444.12	(944.27)
Other financial liabilities-Current	3.75	(0.98)
Other current liabilities	65.72	(73.89)
Current provisions	15.27	0.05
Non-current provisions	7.53	(1.66)
	536.39	(1,020.75)
Cash generated from operations	3,428.63	2,789.08
Less: Direct tax paid (net of refund)	849.55	768.81
Net cash from operating activities	2,579.08	2,020.27
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment and intangible assets, capital work in progress and intangible assets under development including capital advances	(577.70)	(534.69)
Proceeds from sale of property, plant & equipment	10.16	10.67
Deposits made	(102.83)	(1.23)
Sale of investments other than associates	45,340.83	42,427.64
Purchase of investments other than associates	(44,433.15)	(42,105.10)
Investment in associates	(962.50)	(150.00)
Interest income on financial assets carried at amortised cost	256.10	186.29
Dividend income	0.28	14.48
Net cash (used) in investing activities	(468.81)	(151.94)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(19.87)	(25.80)
Repayment of lease liabilities	(25.62)	(19.98)
Dividends paid	(1,998.33)	(1,898.13)
Proceeds from issue of equity share capital (including share premium)	3.24	5.04
Net cash (used) in financing activities	(2,040.58)	(1,938.87)
D. INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	69.69	(70.54)
Cash and cash equivalents at the beginning of the year	98.68	169.22
Cash and cash equivalents at the end of the year	168.37	98.68

- 3 The above standalone financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013, read together with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).
- 4 The above standalone financial results for the quarter and year ended March 31, 2023 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their meetings held on May 03 and May 04, 2023 respectively.
- 5 On May 04, 2023, the Board of Directors had considered and approved final dividend @ 1750% i.e. Rs. 35 per equity share (face value of Rs.2 per equity share) for the financial year 2022-23. This dividend together with the interim dividend @ 3250% i.e. Rs.65 per equity share, aggregating the total dividend for the year 2022-23 to Rs. 100 per equity share i.e. 5000%.
- 6 In the quarter ended December 31, 2022, the Company commenced commercial sale of VIDA V1, its electric vehicle under the emerging mobility brand VIDA.
- 7 During the quarter and year ended March 31, 2023, 9,285 and 27,777 equity shares respectively of Rs. 2 each were issued and allotted under the Employee Incentive Scheme – 2014.
- 8 During the year ended March 31, 2023, the Company has further invested in associates. Details are as follows:-

Name of the Company	Nature	Amount (Rs. Crore)
Hero FinCorp Limited	Associate	700.00
Ather Energy Private Limited	Associate	262.50
Total		962.50

- 9 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.
- 10 The figures for the current quarter ended March 31, 2023 and quarter ended March 31, 2022 are the balancing figures between the audited figures for the year ended March 31, 2023 and March 31, 2022, respectively and published results figures upto nine months ended December 31, 2022 and December 31, 2021, respectively which were subjected to limited review. The figures of the quarter and year ended March 31, 2022 were subjected to limited review / audit by the predecessor auditor.
- 11 The Income Tax Authorities ("the Department") had conducted a Search under Section 132 of the Income Tax Act, 1961 on the Company during the month of March 2022. Subsequently, the Company has provided necessary support, cooperation and documents as requested by the Department. Currently, assessment / reassessment proceedings of earlier years by the Department are in progress and appropriate actions will be taken based on the outcome. While uncertainty exists regarding the outcome of the proceedings by the Department, the Company after considering all available information and facts as of date, has not identified the need for any adjustments to the current or prior period financial results.
- 12 The Company has declared a Voluntary Retirement Scheme 2023 (VRS) for eligible employees in April 2023. Considering it to be a subsequent event, there is no financial impact for the quarter and year ended March 31, 2023.
- 13 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.

Tirupati
May 04, 2023

For and on behalf of the board of directors



DR. PAWAN MUNJAL

Executive Chairman & Whole-time Director
DIN : 00004223

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF HERO MOTOCORP LIMITED

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2023 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2023 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the quarter and year ended March 31, 2023" of **Hero MotoCorp Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit/(loss) after tax and total comprehensive income/(loss) of its associates for the quarter and year ended March 31, 2023, ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the other auditors on separate financial statements of subsidiaries and associates referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2023:

- (i) includes the results of the following entities:

Subsidiaries

- HMC MM Auto Limited
- HMCL Americas Inc.
- HMCL Netherlands B.V.
- HMCL Colombia S.A.S
- HMCL Niloy Bangladesh Limited
- Hero Tech Centre Germany, GMBH

Associates

- Hero FinCorp Limited (Consolidated); and
- Ather Energy Private Limited

- (ii) is presented in accordance with the requirements of (Regulation 33) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2023.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2023

With respect to the Consolidated Financial Results for the quarter ended March 31, 2023, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the audit reports of the other auditors referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated

Financial Results for the quarter ended March 31, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2023

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 Standards are further described in paragraph (a) of Auditor's Responsibilities section below. 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2023 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

Attention is invited to note 11 of the consolidated financial results, relating to the search carried out by the Income Tax Authorities during the month of March 2022. Since the proceedings are currently in progress, there is an uncertainty of the outcome of the proceedings, and consequently, the impact, if any, cannot be ascertained at present.

Our opinion is not modified in respect of the matter.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2023, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2023 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group including its associates in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with (Regulation 33) of the Listing Regulations.

The respective 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 the assets of the Group and its associates 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective 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 this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the respective entities 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 their respective entities or to cease operations, or has no realistic alternative but to do so.

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Deloitte Haskins & Sells LLP

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

Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended March 31, 2023

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2023 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 this Consolidated 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 Annual Consolidated 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, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under (Regulation 33) of the Listing Regulations.
- Conclude on the appropriateness of the 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 ability of the Group and its associates to continue as a going concern. 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 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 Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the entities within the Group and its associates to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of entities included in the Annual Consolidated Financial Results of which we

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are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which have been audited by the other auditors, 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.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated 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.

(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2023

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2023 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 ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Other Matters

- As stated in note 10, the Statement includes the results for the quarter ended March 31, 2023 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
- We did not audit the financial statements of five subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 1,253.30 crores as at March 31, 2023 and total revenues of Rs. 239.26 crores and Rs. 1,043.24 crores for the quarter and year ended March 31, 2023 respectively, total net profit after tax of Rs. 20.69 crores and net loss after tax of Rs. 14.06 crores for the quarter and year ended March 31, 2023 respectively and total comprehensive income of Rs. 20.69 crores and total comprehensive loss of Rs. 14.06 crores for the quarter and year ended March 31, 2023 respectively and net cash outflows (net) of Rs. 3.98 crores for the year ended March 31, 2023, as considered in the Statement. The consolidated financial results also includes the Group's share of profit after tax of Rs. 7.91

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Deloitte Haskins & Sells LLP

crores and Rs. 197.69 crores for the quarter and year ended March 31, 2023 respectively and Total comprehensive income of Rs. 13.87 crores and Rs. 198.07 crores for the quarter and year ended March 31, 2023 respectively, as considered in the Statement, in respect of one associate, whose financial information have not been audited by us. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

- Certain of these subsidiaries are located outside India whose financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the 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 reviewed these conversion adjustments made by the Parent's management. Our opinion in so far as it related to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Parent and reviewed by us.
- The comparative financial information for the quarter and year ended March 31, 2022 prepared in accordance with Indian Accounting Standards included in this Statement have been reviewed/audited by the predecessor auditor. The report of the predecessor auditor on these comparative financial information dated May 03, 2022 for the quarter and year ended March 31, 2022 expressed an unmodified conclusion/opinion.

Our report on the Statement is not modified in respect of the above matters.

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For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W100018)



Vijay Agarwal
Partner

(Membership No. 094468)

(UDIN: 23094468BGY10E5743)

Place: Tirupati
Date: May 4, 2023

HERO MOTOCORP LIMITED

Statement of Consolidated Financial Results for the quarter and year ended March 31, 2023

(Rupees in crore unless otherwise stated)

Particulars	Quarter ended			Year ended	
	March 31, 2023 Audited- refer note 10	December 31, 2022 Un-audited	March 31, 2022 Audited- refer note 10	March 31, 2023 Audited	March 31, 2022 Audited
1 Income					
(a) Revenue from operations	8,434.28	8,118.33	7,496.55	34,158.38	29,551.28
(b) Other income	237.54	181.95	131.44	569.01	555.01
Total income	8,671.82	8,300.28	7,627.99	34,727.39	30,106.29
2 Expenses					
(a) Cost of materials consumed	5,823.66	5,629.72	5,016.79	24,060.29	20,845.74
(b) Purchase of stock in trade	17.16	15.70	0.63	47.43	45.95
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(135.17)	(43.85)	139.87	(163.69)	28.67
(d) Employee benefits expense	572.96	560.60	496.72	2,250.05	1,995.78
(e) Finance costs	19.11	24.19	12.97	104.88	53.10
(f) Depreciation and amortisation expense	179.75	171.97	168.38	697.39	689.52
(g) Other expenses	1,031.47	1,014.43	986.59	3,870.53	3,190.37
Total expenses	7,508.94	7,372.76	6,821.95	30,866.88	26,849.13
3 Profit from ordinary activities before share of Profit / (loss) of associates and tax (1-2)	1,162.88	927.52	806.04	3,860.51	3,257.16
4 Profit / (loss) from associates					
Share in net profit / (loss) of associates	(34.71)	83.03	(20.31)	3.11	(199.05)
5 Profit before tax (3+4)	1,128.17	1,010.55	785.73	3,863.62	3,058.11
6 Tax expense					
Current tax	296.34	236.68	215.16	947.69	805.44
Deferred tax charge/ (credit)	21.03	52.63	(49.99)	116.03	(76.38)
Total Tax Expense	317.37	289.31	165.17	1,063.72	729.06
7 Profit after tax (5-6)	810.80	721.24	620.56	2,799.90	2,329.05
8 Other comprehensive income /(loss)					
i. Items that will not be reclassified to profit or loss					
[a] Re-measurement gains/(losses) on defined benefit plans	(6.96)	(1.89)	14.96	(12.64)	(7.22)
[b] Income tax effect	1.71	0.48	(3.75)	3.15	1.83
[c] Share of Other comprehensive income of associate	6.18	1.80	(1.01)	0.60	(0.89)
ii. Items that will be reclassified to profit or loss					
[a] Exchange differences in translating the financial statements of foreign operations	(8.45)	2.04	20.93	(34.43)	7.53
[b] Income tax effect	2.07	(0.50)	(5.14)	8.45	(1.85)
Total Other comprehensive income /(loss), net of tax	(5.45)	1.93	25.99	(34.87)	(0.60)
9 Total comprehensive income, net of tax (7+8)	805.35	723.17	646.55	2,765.03	2,328.45
10 Net Profit attributable to					
a) Owners of the Company	805.12	726.03	611.34	2,809.96	2,316.88
b) Non controlling interest	5.68	(4.79)	9.22	(10.06)	12.17
11 Other comprehensive income attributable to					
a) Owners of the Company	(2.28)	2.65	19.66	(21.95)	(2.44)
b) Non controlling interest	(3.17)	(0.72)	6.33	(12.92)	1.84
12 Total comprehensive income attributable to					
a) Owners of the Company	802.84	728.68	631.00	2,788.01	2,314.44
b) Non controlling interest	2.51	(5.51)	15.55	(22.98)	14.01
13 Paid-up equity share capital					
Face value of the share (In Rupees)	39.97	39.97	39.96	39.97	39.96
	2.00	2.00	2.00	2.00	2.00
14 Other equity				16,615.60	15,806.69
15 Earning per equity share on profit after tax (face value Rs. 2/- each) [In Rupees]					
Basic	40.29	36.33	30.59	140.62	115.96
Diluted	40.25	36.29	30.59	140.49	115.93

1.Consolidated Statement of Assets and Liabilities

(Rupees in crore)

	Particulars	As at March 31, 2023 Audited	As at March 31, 2022 Audited
	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	5,159.42	5,354.34
	(b) Capital work-in-progress	122.09	149.13
	(c) Right of use of assets	481.28	517.90
	(d) Other Intangible assets	518.50	321.30
	(e) Intangible assets under development	331.62	368.09
	(f) Equity accounted investment in associates	2,618.70	2,202.51
	(g) Financial assets		
	(i) Investments	4,600.38	2,455.05
	(ii) Loans	19.87	17.43
	(iii) Others	206.09	42.01
	(h) Income tax assets (net)	270.69	358.07
	(i) Other non-current assets	153.06	120.34
	Total non-current assets	14,481.70	11,906.17
2	Current assets		
	(a) Inventories	1,756.39	1,472.41
	(b) Financial assets		
	(i) Investments	3,671.85	5,870.31
	(ii) Trade receivables	2,719.47	2,158.49
	(iii) Cash and cash equivalents	226.30	181.02
	(iv) Bank balances other than (iii) above	196.50	118.72
	(v) Loans	23.71	23.81
	(vi) Others	571.65	475.00
	(c) Other current assets	269.46	273.46
	Total current assets	9,435.33	10,572.22
	Total assets	23,917.03	22,478.39
	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share capital	39.97	39.96
	(b) Other equity	16,615.60	15,806.69
	Total Equity attributable to owners of the company	16,655.57	15,846.65
2	Non-controlling interests	125.06	148.05
	Total equity	16,780.63	15,994.70
	LIABILITIES		
3	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	20.09	36.17
	(ii) Lease Liability	219.67	215.51
	(iii) Other Financial Liabilities	196.29	155.04
	(b) Provisions	201.94	181.13
	(c) Deferred tax liabilities (net)	485.79	378.21
	Total non-current liabilities	1,123.78	966.06
4	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	293.15	317.31
	(ii) Lease Liability	34.63	36.18
	(iii) Trade payables		
	Total outstanding dues of micro and small enterprises	2.44	26.19
	Total outstanding dues of creditors other than micro and small enterprises	4,757.70	4,316.90
	(iv) Other financial liabilities	169.93	145.58
	(b) Other current liabilities	562.09	496.32
	(c) Provisions	192.68	179.15
	Total current liabilities	6,012.62	5,517.63
	Total equity and liabilities	23,917.03	22,478.39

2. Consolidated Statement of Cash Flows

Particulars	(Rupees in crore)	
	Year ended March 31, 2023	Year ended March 31, 2022
	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit after tax and share in profit/(loss) of associates	2,799.90	2,329.05
Adjustments for:		
Add: Depreciation and amortisation expense	697.39	689.52
Tax expense	1,063.72	729.06
Loss on property, plant and equipments sold/discarded	4.83	10.23
Finance cost	104.88	53.10
Employee stock compensation cost	16.04	10.00
Loss allowance on advances	-	52.24
Loss allowance on trade receivables	10.33	0.74
	1,897.19	1,544.89
Less: Interest income on financial assets carried at amortised cost	260.81	189.05
Dividend income	2.28	1.67
Profit on sale of investments	111.80	109.11
Gain on investments carried at fair value through profit or loss	188.51	223.82
Share of profit/(loss) in associates	3.11	(199.05)
Profit on sale of property, plant and equipments	5.56	0.62
Net Foreign currency translation	34.43	(7.53)
	606.50	317.69
Operating profit before working capital changes	4,090.59	3,556.25
Changes in working capital:		
Adjustment for (increase)/decrease in operating assets:		
Inventories	(283.98)	316.86
Trade receivables	(571.31)	115.45
Loans-Current	(0.90)	0.14
Loans-Non-Current	(2.44)	(0.70)
Other financial assets	(277.24)	(66.89)
Other current assets	4.00	(46.25)
Other non-current assets	2.97	3.08
	(1,128.90)	321.69
Adjustment for increase/(decrease) in operating liabilities:		
Trade payables	417.05	(921.09)
Other financial liabilities-Current	4.19	3.53
Other current liabilities	65.77	(74.27)
Current provisions	0.89	(3.89)
Non current provisions	20.81	5.56
	508.71	(990.16)
Cash generated from operations	3,470.40	2,887.78
Less: Direct taxes paid (net of refund)	856.56	784.08
Net cash generated from operating activities	2,613.84	2,103.70
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment, intangible assets, capital work in progress and intangible assets under development including capital advances	(604.25)	(569.66)
Proceeds from sale of property, plant and equipment	42.88	10.82
Deposits made	(79.92)	(9.82)
Sale of investments other than associates	45,336.01	42,437.49
Purchase of investments other than associates	(44,433.15)	(42,105.10)
Dividend income received from associates	-	5.24
Investment in associates	(962.50)	(150.00)
Interest income on financial assets carried at amortised cost	277.32	157.39
Dividend income	2.28	1.67
Net cash used in investing activities	(421.33)	(221.97)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(104.88)	(52.85)
Repayment of lease liabilities	(7.02)	(30.58)
Dividend paid	(1,998.33)	(1,907.27)
Tax on dividend	-	(1.12)
Proceeds from issue of equity share capital (including securities premium)	3.24	5.04
(Repayment)/proceeds of non current borrowings	(16.08)	(9.01)
Proceeds of current borrowings	(24.16)	20.46
Net cash used in financing activities	(2,147.23)	(1,975.33)
D. DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	45.28	(93.60)
Cash and cash equivalents at the beginning of the period	181.02	274.62
Cash and cash equivalents at the end of the period	226.30	181.02

- 3 The above Consolidated financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013, read together with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).
- 4 The above Consolidated financial results for the quarter and year ended March 31, 2023 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their meetings held on May 03 and May 04, 2023 respectively.
- 5 On May 04, 2023, the Board of Directors had considered and approved final dividend @ 1750% i.e. Rs. 35 per equity share (face value of Rs.2 per equity share) for the financial year 2022-23. This dividend together with the interim dividend @ 3250% i.e. Rs.65 per equity share, aggregating the total dividend for the year 2022-23 to Rs. 100 per equity share i.e. 5000%.
- 6 In the quarter ended December 31, 2022, the Company commenced commercial sale of VIDA V1, its electric vehicle under the emerging mobility brand VIDA.
- 7 During the quarter and year ended March 31, 2023, 9,285 and 27,777 equity shares respectively of Rs. 2 each were issued and allotted under the Employee Incentive Scheme – 2014.
- 8 Particulars of subsidiaries and associates as on March 31, 2023
 - a) Subsidiaries (held directly) - HMCL Netherlands B.V., HMC MM Auto Limited, HMCL Americas Inc., Hero Tech Center 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 (Consolidated) and Ather Energy Private Limited
- 9 During the year ended March 31, 2023, the Company has further invested in associates. Details are as follows:-

Name of Company	Nature	Amount (Rs. Crore)
Hero FinCorp Limited	Associate	700.00
Ather Energy Private Limited	Associate	262.50
Total		962.50
- 10 The figures for the current quarter ended March 31, 2023 and quarter ended March 31, 2022 are the balancing figures between the audited figures for the year ended March 31, 2023 and March 31, 2022, respectively and published results figures upto nine months ended December 31, 2022 and December 31, 2021, respectively which were subjected to limited review. The figures of the quarter and year ended March 31, 2022 were subjected to limited review / audit by the predecessor auditor.
- 11 The Income Tax Authorities ("the Department") had conducted a Search under Section 132 of the Income Tax Act, 1961 on the Company during the month of March 2022. Subsequently, the Company has provided necessary support, cooperation and documents as requested by the Department. Currently, assessment / reassessment proceedings of earlier years by the Department are in progress and appropriate actions will be taken based on the outcome. While uncertainty exists regarding the outcome of the proceedings by the Department, the Company after considering all available information and facts as of date, has not identified the need for any adjustments to the current or prior period financial results.
- 12 Based on the guiding principles given in Ind AS-108 on 'Operating Segments', the Group's business activity fall within a single operating segment, namely automotive segment.
- 13 The Company has declared a Voluntary Retirement Scheme 2023 (VRS) for eligible employees in April 2023. Considering it to be a subsequent event, there is no financial impact for the quarter and year ended March 31, 2023.
- 14 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 of directors



DR. PAWAN MUNJAL

Executive Chairman & Whole-time Director
DIN : 00004223

Tirupati
May 04, 2023

Hero MotoCorp Ltd.

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