

B S R & Co. LLP

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF HERO MOTOCORP LIMITED

We have audited the accompanying annual standalone financial results of Hero MotoCorp Limited ('the Company') for the year ended 31 March 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 and the corresponding quarter ended in the previous year as reported in these standalone financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These standalone financial results have been prepared on the basis of the annual standalone financial statements and reviewed quarterly financial results upto the end of the third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of the annual standalone financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The comparative financial results of the Company for the quarter and year ended 31 March 2017, included in these standalone financial results have been prepared from annual standalone financial statements audited by the predecessor auditor (vide their unmodified audit report of 10 May 2017).

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

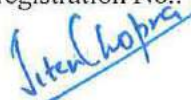
In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the year ended 31 March 2018.

For B S R & Co. LLP

Chartered Accountants

Firm registration No.: 101248W/W-100022



Jiten Chopra

Partner

Membership No.: 092894

Place: New Delhi

Date: 2 May 2018

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF HERO MOTOCORP LIMITED

We have audited the annual consolidated financial results of ("the Statement") of Hero MotoCorp Limited (hereinafter referred to as 'the Holding Company') and its subsidiaries (collectively referred to as "the Group") and its associates for the year ended 31 March 2018, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

These consolidated annual financial results have been prepared from consolidated annual financial statements which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated annual financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion

We did not audit the financial statements of five subsidiaries included in the consolidated annual financial results, whose annual financial statements reflect total assets of Rs. 622.87 crores as at 31 March 2018 as well as the total revenue of Rs. 664.97 crores for the year ended 31 March 2018. The consolidated financial results also include the Group's share of net profit of Rs. 24.20 crores and other comprehensive income of Rs. 0.27 crores for the year ended 31 March 2018 in respect of two associates. These annual financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the annual financial results, to the extent they have been derived from such annual financial statements is based solely on the report of such other auditors. Our opinion is not modified in respect of this matter.

The comparative financial results of the Company for the year ended 31 March 2017, included in these consolidated financial results have been prepared from annual consolidated financial statements audited by the predecessor auditor (vide their unmodified audit report of 10 May 2017).

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors on separate financial statements and on other information of the subsidiaries and associates as aforesaid, these consolidated annual financial results:

- (i) include the annual financial results of the following entities;

Subsidiaries

HMC MM Auto Limited;
HMCL (NA) Inc.;
HMCL Americas Inc.;
HMCL Netherlands B.V.;
HMCL Colombia S.A.S; and
HMCL Niloy Bangladesh.

Associates

Hero FinCorp Limited; and
Arther Energy Private Limited.

- (ii) have been presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (iii) give a true and fair view of the consolidated net profit and other comprehensive income and other financial information for the year ended 31 March 2018.

For B S R & Co. LLP

Chartered Accountants

Firm registration No.: 101248W/W-100022



Jiten Chopra

Partner

Membership No.: 092894

Place: New Delhi

Date: 2 May 2018

HERO MOTOCORP LIMITED

CIN NO. L35911DL1984PLC017354

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

Statement of Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2018

Rupees In Crores

S. No.	Particulars	Standalone					Consolidated	
		Quarter ended		Year ended			Year ended	
		March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
		Audited (Refer note 6)	Unaudited	Audited (Refer note 6)	Audited	Audited	Audited	Audited
1	No. of Two wheelers sold	2,001,595	1,709,107	1,621,805	7,587,154	6,664,240		
2	Income							
	(a) Revenue from Operations	8,564.04	7,314.21	7,495.68	32,871.82	30,871.59	33,100.94	30,983.66
	(b) Other Income	166.50	110.02	118.23	525.82	522.43	523.17	521.95
	Total Income	8,730.54	7,424.23	7,613.91	33,397.64	31,394.02	33,624.11	31,505.61
3	Expenses							
	(a) Cost of materials consumed	5,721.05	5,025.45	4,576.32	21,857.79	18,974.11	21,995.94	19,019.34
	(b) Change in inventories of finished goods and work-in-progress	72.03	(94.71)	167.40	(23.15)	63.17	(110.12)	96.74
	(c) Excise duty on sales	-	-	572.88	641.33	2,371.13	642.57	2,373.23
	(d) Employees benefits expenses	380.86	401.94	328.07	1,540.13	1,396.01	1,583.71	1,432.49
	(e) Finance cost	1.54	1.57	1.48	6.25	6.05	30.80	27.28
	(f) Depreciation and amortisation expenses	148.34	138.28	135.30	555.60	492.73	574.98	502.25
	(g) Other expenses	1,019.51	823.54	893.45	3,575.53	3,432.36	3,663.79	3,485.89
	Total Expenses	7,343.33	6,296.07	6,674.90	28,153.48	26,735.56	28,381.67	26,937.22
4	Profit from ordinary activities before share of Profit / (Loss) of associates (2-3)	1,387.21	1,128.16	939.01	5,244.16	4,658.46	5,242.44	4,568.39
5	Profit/ (loss) from associates							
	Share in net profit / (loss) of associates	-	-	-	-	-	49.66	54.92
	Gain on dilution of interest in an associate	-	-	-	-	-	-	262.09
6	Profit from ordinary activities before tax	1,387.21	1,128.16	939.01	5,244.16	4,658.46	5,292.10	4,885.40
7	Tax expense							
	Current tax	380.87	316.67	164.80	1,446.95	1,082.08	1,450.99	1,082.24
	Deferred tax	38.94	6.06	56.46	99.85	199.26	118.94	256.86
	Total tax	419.81	322.73	221.26	1,546.80	1,281.34	1,569.93	1,339.10
8	Net Profit from ordinary activities after tax (6-7)	967.40	805.43	717.75	3,697.36	3,377.12	3,722.17	3,546.30
9	Other comprehensive Income /(expense) (net of tax)							
	Items that will not be reclassified to profit or loss	(2.03)	4.36	(3.56)	(4.71)	(14.08)	(4.39)	(14.20)
	Items that will be reclassified to profit or loss	-	-	-	-	-	(2.87)	(4.51)
10	Total comprehensive Income for the period (8-9)	965.37	809.79	714.19	3,692.65	3,363.04	3,714.91	3,527.59
11	Net Profit / (loss) attributable to							
	a) Owners of the Company	967.40	805.43	717.75	3,697.36	3,377.12	3720.40	3,584.27
	b) Non controlling Interest	-	-	-	-	-	1.77	(37.97)
12	Other comprehensive Income attributable to							
	a) Owners of the Company	(2.03)	4.36	(3.56)	(4.71)	(14.08)	(5.89)	(16.71)
	b) Non controlling Interest	-	-	-	-	-	(1.37)	(2.00)
13	Total comprehensive Income attributable to							
	a) Owners of the Company	965.37	809.79	714.19	3,692.65	3,363.04	3714.51	3,567.56
	b) Non controlling Interest	-	-	-	-	-	0.40	(39.97)
14	Paid-up equity share capital	39.94	39.94	39.94	39.94	39.94	39.94	39.94
	Face value of the share (Rs.)	2.00	2.00	2.00	2.00	2.00	2.00	2.00
15	Total Reserves	-	-	-	11,728.94	10,071.35	11,931.52	10,275.57
16	Basic & diluted earning per equity share on Net profit from ordinary activities after tax (face value Rs. 2/- each)(In Rupees)							
	Basic	48.44	40.33	35.94	185.14	169.12	186.30	179.49
	Diluted	48.44	40.33	35.94	185.13	169.12	186.29	179.49

Hero MotoCorp Ltd.

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HeroMotoCorp.com CIN: L35911DL1984PLC017354 PAN: AAACH0812J

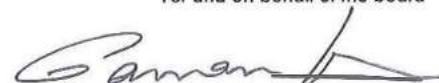
Notes:-

- 1 The Board at its meeting held on May 02, 2018 considered and recommended a final dividend @ 2000% i.e. Rs.40 per equity share of Rs. 2.00 each for the financial year 2017-18. The dates of the Book Closure for the entitlement of such dividend and Annual General Meeting shall be decided and informed in due course of time. This dividend together with the Interim dividend @ 2750% i.e. Rs. 55 per equity share of Rs. 2.00 each already paid to the members would aggregate to @ 4750%.
- 2 During the quarter ended, the Company has accrued incentive pertaining to Central Government share of CGST/IGST amounting to Rs. 64.40 crores (Previous year quarter Rs. Nil) and for the year ended Rs. 176.76 Crores (Previous Year Rs. Nil) in Haridwar Plant pertaining to "Scheme of Budgetary Support under GST" issued by Ministry of Commerce and Industry on October 05, 2017.
- 3 Based on the guiding principles given in Ind AS-108 on 'Operating Segments', the Group business activity fall within a single operating segment, namely automotive segment. Accordingly, the disclosure requirements of Ind AS 108 are not applicable.
- 4 Particulars of subsidiaries and associate as on
 - a) Subsidiaries (held directly) - HMCL (NA) Inc, HMCL Netherlands B.V., HMC
 - b) Subsidiaries (held indirectly) - HMCL Colombia S.A.S., HMCL Niloy
 - c) Associates - Hero FinCorp Limited & Ather Energy Private Limited(effective January 3, 2017)
- 5 During the quarter and year ended, the Company has further invested in subsidiaries and associates. Details are as follows:-

Name of Company	Nature	Quarter ended 31-03-2018	Quarter ended 31-03-2017	Year ended 31-03-2018	Year ended 31-03-2017
HMCL Netherlands B.V.	Subsidiary	70.44	18.18	70.44	50.79
HMC MM Auto Ltd	Subsidiary	-	-	3.00	6.60
Total (Rs in crores)		70.44	18.18	73.44	57.39
Hero Fincorp Limited	Associate	70.03	-	70.03	36.40
Ather Energy Private Limited	Associate	-	180.52	20.06	180.52
Total (Rs in crores)		70.03	180.52	90.09	216.92

- 6 The figures of the last quarter are the balancing figures between the audited figures in respect of full year and the unaudited published figures up to the third quarter ended December 31.
- 7 Previous periods' / year's figures have been regrouped/ reclassified wherever necessary, to make them comparable.
- 8 The above results for the quarter and year ended March 31, 2018 have been reviewed and recommended by the Audit Committee meeting held on May 01, 2018 and approved by the Board of Directors in their meeting held on May 02, 2018. These results have been subjected to audit by the statutory auditors.
- 9 The above results of the Company are available on the Company's website www.heromotocorp.com and also on www.bseindia.com and www.nseindia.com

For and on behalf of the board



PAWAN MUNJAL

Chairman, Managing Director & CEO

DIN : 00004223

New Delhi
May 2, 2018

Hero MotoCorp Ltd.

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Statement of Assets and Liabilities

Rupees in crores

Particulars		Standalone		Consolidated	
		As at March 31, 2018 Audited	As at March 31, 2017 Audited	As at March 31, 2018 Audited	As at March 31, 2017 Audited
ASSETS					
1	Non-current assets				
	(a) Property, plant and equipment	4,485.89	4,310.73	4,771.39	4,495.03
	(b) Capital work-in-progress	203.78	270.72	239.02	386.50
	(c) Intangible assets	168.65	84.86	189.57	103.82
	(d) Intangible assets under development	114.61	194.33	116.46	194.46
	(e) Equity accounted investment in associates	-	-	1159.63	1,025.37
	(f) Financial assets				
	(i) Investments	1,934.08	1,349.00	918.49	496.94
	(ii) Loans	45.68	48.36	45.85	48.52
	(g) Income tax assets (net)	379.26	331.94	394.51	332.50
	(h) Other non-current assets	558.67	651.14	559.58	658.35
	Total Non - Current Assets	7,890.62	7,241.08	8,394.50	7,741.49
2	Current assets				
	(a) Inventories	823.58	656.31	962.68	708.58
	(b) Financial assets				
	(i) Investments	5,591.12	4,540.85	5,591.12	4,544.06
	(ii) Trade receivables	1,520.18	1,561.87	1,426.97	1,551.75
	(iii) Cash and cash equivalents	34.38	15.40	130.61	74.06
	(iv) Bank balances other than (iii) above	106.96	121.33	106.96	121.33
	(v) Loans	27.56	24.18	28.50	24.93
	(vi) Others	539.37	144.95	543.28	145.02
	(c) Other current assets	205.03	388.29	212.11	400.78
	Total Current Assets	8,848.18	7,453.18	9,002.23	7,570.51
	Total Assets	16,738.80	14,694.26	17,396.73	15,312.00
EQUITY AND LIABILITIES					
1	Equity				
	(a) Equity Share capital	39.94	39.94	39.94	39.94
	(b) Other equity	11,728.94	10,071.35	11,931.52	10,275.57
	Total Equity attributable to owners of the Company	11,768.88	10,111.29	11,971.46	10,315.51
2	Non-controlling interests	-	-	93.21	67.38
	Total Equity	11,768.88	10,111.29	12,064.67	10,382.89
LIABILITIES					
3	Non-current liabilities				
	(a) Financial liabilities-borrowings	-	-	149.63	207.90
	(b) Provisions	114.94	75.30	119.18	75.62
	(c) Deferred tax liabilities (net)	511.66	414.34	581.89	468.90
	Total Non - Current Liabilities	626.60	489.64	850.70	752.42
4	Current liabilities				
	(a) Financial liabilities				
	(i) Borrowings	-	-	75.37	40.08
	(ii) Trade payables	3,318.81	3,247.27	3,375.26	3,266.20
	(iii) Other financial liabilities	202.14	352.77	205.49	371.21
	(b) Other current liabilities	762.58	454.28	764.95	456.63
	(c) Provisions	59.79	39.01	60.29	42.57
	Total Current Liabilities	4,343.32	4,093.33	4,481.36	4,176.69
	Total Equity and Liabilities	16,738.80	14,694.26	17,396.73	15,312.00

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