

HERO MOTOCORP LTD.

Hero MotoCorp reports over 2-fold jump in Q1 consolidated net profit

Hero MotoCorp has reported over 2-fold jump in its consolidated net profit at Rs 585.58 crore for first quarter ended June 30, 2022 as compared to Rs 256.46 crore for the same quarter in the previous year on the back of robust sales during the period. Consolidated total income of the company increased by 50.54% at Rs 8,503.07 crore for Q1FY23 as compared Rs 5,648.20 crore for the corresponding quarter previous year.

Standalone performance in Q1

The company has reported a rise of 70.90% in its net profit at Rs 624.52 crore for the quarter under review as compared to Rs 365.44 crore for the same quarter in the previous year. Total income of the company increased by 50.13% at Rs 8,445.53 crore for Q1FY23 as compared Rs 5,625.66 crore for the corresponding quarter previous year.

Revenue from Operations

The company's Revenue from Operations increased 52.95% for Q1FY23 at Rs 8392.54 crore as compared to Rs 5487.07 crore in Q1FY22.

EBITDA

Earnings before Interest, Tax, Depreciation, & Amortization (EBITDA) for the quarter stood at Rs 941 crore as against Rs 515 crore in Q1FY22 reflecting 11.2% EBITDA margin and a growth of 83%.

Sales

The company has sold 13.90 lakh units of motorcycles and scooters in Q1FY23, a growth of 36% over the corresponding quarter in the previous fiscal.

Total tax expenses

The total tax expenses of the company rose to Rs 199.28 crore for the quarter under review as compared to Rs 118.91 crore for the corresponding quarter of previous year.

Management Comment

Mr. Niranjan Gupta, Chief Financial Officer (CFO), Hero MotoCorp said: "The Fiscal year began on a positive note for the industry, with growth over not only last year but sequentially over Q4 FY22 as well. While the macro economic environment globally is facing headwinds of inflation, Indian economy is relatively better placed to move on path to recovery and growth. Certain key indicators like GST collections, PMI, consumer confidence index are all moving in the right direction.

As the country enters the festive season, we expect the 2 wheeler demand to be on a healthy trajectory supported by micro factors like normal monsoon, crop cycle, opening of all sectors of the economy etc. The margin pressure on the industry is also likely to ease in coming quarters, as commodities cool off and price recovery moves ahead of cost impact. We have launched several exciting products recently on XTEC series; Splendor XTEC, Glamour XTEC, Passion XTEC, and Destini XTEC. These combined with line up of future launches should help the company in gaining market shares."

Rs.in Millions									
	Quarter ended			Year to Date			Year ended		
	Jun 22	Jun 21	% Var			%Var	Mar 22	Mar 21	% Var
Sales	83925.40	54870.70	52.95	-	-	-	292454.70	308006.20	-5.05
Other Income	529.90	1385.90	-61.76	-	-	-	5569.10	5798.50	-3.96
PBIDT	9937.70	6534.20	52.09	-	-	-	39256.80	45990.90	-14.64
Interest	69.80	60.90	14.61	-	-	-	258.00	218.40	18.13
PBDT	9867.90	6473.30	52.44	-	-	-	38998.80	45772.50	-14.80
Depreciation	1629.90	1629.80	0.01	-	-	-	6497.50	6768.70	-4.01
PBT	8238.00	4843.50	70.08	-	-	-	32501.30	39003.80	-16.67
TAX	1992.80	1189.10	67.59	-	-	-	7771.10	9361.80	-16.99
Deferred Tax	152.40	11.60	1213.79	-	-	-	-208.00	112.60	P to L
PAT	6245.20	3654.40	70.90	-	-	-	24730.20	29642.00	-16.57
Equity	399.60	399.60	0.00	-	-	-	399.60	399.60	0.00

Note :
P to L :- Profit To Loss
L to P :- Loss To Profit