

Compliance Audit: Hero MotoCorp

Period: FY 2024-25

OVERALL RISK: MEDIUM

1. Forensic Business Intelligence

LABOUR CODE FINANCIAL IMPACT (November 21, 2025):

Rs.119 Crore

impact of four New Labour Codes

KEY PRODUCTS	MAJOR CUSTOMERS
HF Deluxe, Passion+, Splendor+ XTEC, HF 100, Splendor+, Splendor+ XTEC 2.0, Passion Pro, Super Splendor, Glamour XTEC, Passion XTEC, Super Splendor XTEC, Glamour Canvas, Xtreme 160R 4V, Xpulse 200 4V, Xtreme 250R, Xtreme 160R, Karizma XMR, Xpulse 210, Mavrick 440, Xoom, Xoom 125, Destini Prime, New Destini 125, VIDA V2 PRO, VIDA V2 PLUS, Xoom 160, Pleasure XTEC+, VIDA V2 LITE, Fatboy, Street Glide Touring Bagger, Heritage Classic, Softail Cruiser, Fatbob Cruiser, Road Glide Touring Bagger, Nightster Sport, Nightster Special Sport, Pan America, Sportster S Performance Cruiser, X440	Indian Army

2. Executive Summary

Overview: Hero MotoCorp demonstrates a commitment to various aspects of labor compliance, including employee well-being, safety, and diversity. However, there are areas where disclosures are lacking, particularly regarding wages and supply chain due diligence. Further investigation is needed to fully assess compliance risks.

■ **Key Insight:** While Hero MotoCorp demonstrates a commitment to employee well-being and safety, there is a lack of transparency regarding wages and supply chain due diligence, indicating potential compliance risks.

3. Supply Chain & Vendor Intelligence

Key Vendors Identified (Related Parties):

- Rockman Industries Ltd.

2. Marelli Europe S.p.A

Principal Employer Liability Analysis: The company may have liability as a principal employer for contract labor.

4. Financial Intelligence

Revenue	EBITDA	Net Income	Emp. Cost
40,756 crore	5,868 Crore	4,610 crore	5,828 crore

5A. Wages & Remuneration

Area	Status	Evidence Snippet
Minimum Wage	COMPLIANT	All employees and workers are paid more than minimum wage.
Equal Pay	RISK IDENTIFIED	Ratio of remuneration of women to men
Profit Sharing	N/A	No mention of profit sharing.

5B. OSH & Safety

Area	Status	Evidence Snippet
Safety Systems	COMPLIANT	Recognising excellence in workplace health, safety and well ■ being.
Accident Records	COMPLIANT	Our Ride Safe Training Programme touched 24.67 lakh beneficiaries (cumulatively), strengthening road safety awareness across geographies and demographics.
Audit Scores	POSITIVE	Honoured with the Sword of Honour and a Five-Star Rating award by the British Safety Council.

5C. Industrial Relations

Area	Status	Evidence Snippet
Unionization	RISK IDENTIFIED	The workmen were paid wages in accordance to the settlement with the union of the workers.
Collective Bargaining	COMPLIANT	The workmen were paid wages in accordance to the settlement with the union of the workers.
Disputes Strikes	N/A	No mention of disputes or strikes.

5D. Social Security

Area	Status	Evidence Snippet
Leave Policy	COMPLIANT	flexible leave policies
Retirement Benefits	COMPLIANT	contribution to Provident Fund and other funds
Healthcare Welfare	COMPLIANT	Mobile Medical Units extended critical healthcare services to underserved communities, benefitting more than 1,20,000 individuals

6. Workforce Profile

Category	Total	Male	Female	Turnover
Permanent Employees	4,839	4,197	N/A	12.86 %
Permanent Workers	4,688	4,679	N/A	2.93 %

7. Strategic Recommendations

1. Enhance transparency in wage disclosures and ensure equal pay for equal work.
2. Implement a robust due diligence process for supply chain partners to mitigate forced labor risks.
3. Develop a comprehensive plan for managing the transition to electric vehicles, including workforce training and reskilling.
4. Strengthen community engagement and social responsibility initiatives to address local needs and promote sustainable development.