1. Company, Plant / Factory Profile

1.1 Company Profile:

Hero MotoCorp Ltd was incorporated in January,1984 as Hero Honda Motors Ltd. Hero, the largest bicycle producer in the world & Honda, Japan the world leader in motorcycles joined hands and created Hero Honda. This association of Hero and Honda lasted for 27 years turned out to be the most successful joint venture of Honda throughout the world.

In 2001, the company achieved the coveted position of being the largest two-wheeler manufacturing company in the World in terms of unit sales in a calendar year & has retained the No.1 position ever since. During 2010-11, both the partners decided to part ways and evolve beyond this partnership. Under the new agreement, Hero Honda embarked on its solo journey under new brand name **Hero MotoCorp Ltd.** with the unveiling of the new brand identity on 9th Aug 2011.

The story of Hero MotoCorp can be traced back to the vision of a mobile and empowered India, powered by its two wheelers. Toady Hero MotoCorp has made it its mission to become the best two wheeler company, not only in India but globally by setting benchmarks in style, performance and technology. It has been providing customers with an excellent range of two wheelers that ensure both style and comfort.

Our organization's vision is to 'BE THE FUTURE OF MOBILITY' and this not only extends to its products & services but is also reflected in Hero MotoCorp's operation's. Being the leading two-wheeler company in the market, Hero MotoCorp strictly adheres to the core values of Passion, Integrity, Respect, Courage and being Responsible.

It has eight globally benchmarked manufacturing facilities, including six in India (Dharuhera, Gurugram, Haridwar, Neemrana, Vadodara & Tirupati) and one each in Colombia and Bangladesh. In 2001, the company achieved the most sought-after recognition of being the largest and best bike manufacturer in India and also the 'World No.1' two-wheeler company in terms of unit volume sales in a calendar year for the first time Hero MotoCorp Ltd. continues to maintain this position since 25 years.

1.2 Area of Business- Products

Hero MotoCorp is into manufacturing of motorcycles & Scooters ranging from 100cc to 440 cc for different segments in different variants. Hero became the 1st company in India to launch a BSVI compliant motorcycle – i-Smart 110cc. It also entered into EV segment with launch of VIDA Electric Scooter (EVOOTER).

1.3 Global Presence of Hero MotoCorp

With an ambitious Vision, Hero MotoCorp continues to expand its global presence. As a significant part of strategy, new manufacturing facilities are established in Columbia and Bangladesh (a joint venture company - HMCL Niloy Bangladesh Ltd.). Expanding its horizon in multiple markets of Latin America & Africa, Hero is now having presence in 52+ countries & having 11000+ customer touch-points.

1.4 Plant / Factory Profile:

In 2016, Hero MotoCorp established its fifth facility in India, at Vadodara in Gujarat location to meet the continually increasing demand of customer for Hero motorcycles & scooters. The new factory is based on the core principle of sustainable development, as we remain committed to maintain the highest ecological standards.

The plant is equipped with multiple eco-friendly facilities, which are first-of-its kind in India. Designed on the concept of "Cradle to Cradle" it became GreenCo Platinum rated automobile factory. Our Executive Chairman, Dr. Pawan Munjal, dedicated this dream plant to the nation to represent his vision of what manufacturing-led future of India should be.

This facility was designed and built around the theme of 'sustainable plant' with absolute blend of nature and technology together. It has best-in-class sustainable practices, people, policies, architecture and process technologies such as Robots , AGV's (Automated Guided Vehicles) and E-Material flow system for Supply chain management .

In pursuit to green value chain we generate approx. 1 MW clean power for operations using **Renewable Energy resources**. Plant inherent physiognomies supports highest possible human efficiency & thus productivity. Some of the unique features are – Miyawaki forest developed along with with 1,75,000 Sq meter green area. The Hydroponics facility equipped on roof, serve as a food farm for our workers. The Air-conditioning system (also called as Bigfoot) provides a dust free environment with control on temperature, humidity, CO2 and O_2 levels while producing water as a by-product, which is reused.

Our factory manufacture world class bikes & scooters and in house operations include Vehicle Assembly, Engine Assembly, Machining (Aluminum & Steel), Fuel Tank welding and Painting. Steel Parts are Crank Shafts & Connecting Rod, Aluminum Parts are Crank Case Left & Right and Cylinder Head, which are further assembled with brought out parts in Engine Assembly shop. In Weld Shop, welding of fuel tank is done. In Paint Shop, fuel tank is painted. Engine, fuel tank and other brought out parts are then assembled to manufacture complete vehicle. Each vehicle is tested to ensure compliance with strict product quality norms at Final Inspection Stage. Once vehicle is quality checked OK, it is stored in dispatch area before dispatching vehicles to the dealers.

In line with the objective of lead time reduction we focus on continuous losses elimination with a special focus on standard work content reduction in all operations areas.

Supply Chain Management is optimized by implementing E-Material flow, decentralized supply hubs, milk run strategy, automated guided vehicles & unidirectional flow of material at the time of design of plant layout. Several machining areas are operated through robots and no manual intervention is required, few deploy the multi process operation strategy & entire assembly production works on "Single piece flow" principal. Product quality is ensured through large number of fool-proofing devices (poka yoke) and real time statistical process controls at critical stations. Digitalization concept is being initiated in the field of "Connect – Monitor- Analyze – Predict – Optimize" to enhance the efficiency & accuracy in the system like part traceability, data recordings & predictive maintenance.

Workforce composition at Vadodara Plant is as follows: - 173 (Staff) + 1457 (Company Team Member) + 1134 (Contractual Team Member) = 2764 nos.

2. Milestone on the Journey of Manufacturing Excellence

After Covid-19 as we progressed, the volume declined due to low demand, leading to a revision of the volume. Additionally, the state tax benefit was applicable until H1 FY24, The two key challenges faced: 1. Tax benefit expiration and 2. Reduction in volume because of low market demand.

Other challenges were:

→ Volume fluctuations leading to increase in Production cost

→ To Establish Green ovation and sustainable manufacturing practices.

→ Take care of Environment & Society.

To meet the such challenges, we are using TPM methodology as proactive approach at Vadodara Plant. A structured approach was followed to create and 10-pillar TPM promotion organization including factory TPM steering committee, pillar sub-committees. A full-time TPM Secretariat was created to coordinate the plant-wide TPM promotion activities under the leadership of Plant Head.

The plant has witnessed various milestones since start of its journey and achieved 5 million production till Nov'24. In FY25, plant has been re certified with Single Use Plastic Free, Food Safety management System.

Key Levers for becoming "Factory of the Future" are as follows:

- Grow The Core
- Diversify Revenue Stream
- Future Fit organization
- ESG

3. Key to our manufacturing excellence

The Vadodara plant was established by leveraging the extensive TPM knowledge acquired throughout HMCL's journey. This peer-learning approach allowed us to embed TPM as a core work culture from inception, fostering a deep sense of ownership—the "I Operate; I Maintain" model—across our entire workforce. This sturdy foundation continues to drive our pursuit of manufacturing excellence.

We recognize constant skill-building as the backbone of this journey, establishing the plant as a center for continuous learning. Our team operates within a customer-centric environment, striving for superior quality at minimum cost with efficient delivery. To achieve this, we have internalized TPM practices to systematically reduce 16 types of losses.

Company Information

Autonomous maintenance is practiced as a preventative strategy against equipment deterioration through the collaboration of JH, PM, QM, and E&T. Building on this base, we enhance equipment reliability by fostering a Kaizen culture at all levels. Total employee involvement serves as an essential tool in aligning our workforce toward improving Quality, Cost, and Delivery (QCD).

Furthermore, process design is continuously refined to eliminate waste, optimize labor productivity, and improve profitability. By standardizing and reflecting on the improvements made throughout this journey, we ensure these insights are implemented in new equipment and facilities, driving organizational growth. Finally, expanding the TPM horizon to our vendors ensures end-to-end excellence across our entire value chain.