

About 200 dealers of Hero Electric demand ₹500 cr pending payments

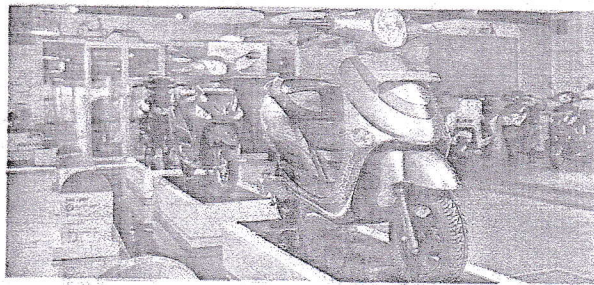
THE OTHER SIDE. Firm denies charge, says vehicle dispatches have already commenced

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New Delhi

Around 200 dealers of Hero Electric held a protest in front of its headquarters in Gurugram on Wednesday, demanding the pending payment of around ₹500 crore, stating that this has also impacted around 50,000 customers.

The dealers have written to the President, Prime Minister, NITI Aayog, Finance Minister and the Minister of MSME against Hero Electric, alleging that it failed to provide vehicles and the warranties for spare parts, resulting in around ₹100-crore worth of warranties still pending.

"In the last year alone, our members have deposited more than ₹150 crore into their accounts (Hero Electric) for vehicle purchases. Over ₹150 crore was taken in advance to supply e-bikes. However, the company has failed to provide the vehicles and the warranties for spare



UNKEPT PROMISES. Hero Electric dealers allege that the company failed to provide warranties for spare parts BLOOMBERG

parts," said the letter sent to the PM.

DEALERS' ANGUISH

According to a Delhi-based dealer, Hero Electric has supplied vehicles without batteries and chargers, after taking full amount from them. "Some dealers have also attempted suicide because of huge debt...production was halted nearly two years ago, and parts for warranty are not provided, leaving many unserviced e-bikes at our dealerships," Nishant Bansal, a Delhi-based dealer, told *businessline*.

Bansal, also the President of World Federation of ZEV and Welfare Association, said that dealers are now seeking immediate reimbursement or compensation for the losses. He said there are around 600 affected dealers and requested the Centre to intervene.

COMPANY REFUTES

Hero Electric in its response said a meeting was held at its office with the dealers; some people have, in the heat of the moment, tried to extract immediate solutions, and a statement purporting to

"claims of ₹500 crore pending was made, which is false and mischievous".

"Dealers have separate agreements with the company, based on their sales estimates. Production shutdown for the last nine months has caused delays; however, the company has already started production, and dispatch of vehicles has commenced with a commitment to dealers to resolve open issues by December," a company spokesperson told *businessline*.

The Delhi HC and Punjab and Haryana HC have admitted petitions by Hero Electric disputing the actions of the Ministry of Heavy Industries and sought recovery of pending subsidies of over ₹550 crore since 2021. "Since the matter is sub-judice, the irresponsible statements made by a section of the people at the meeting is being responded to with a legal notice, categorically denying the statement and their allegations," the spokesperson added.