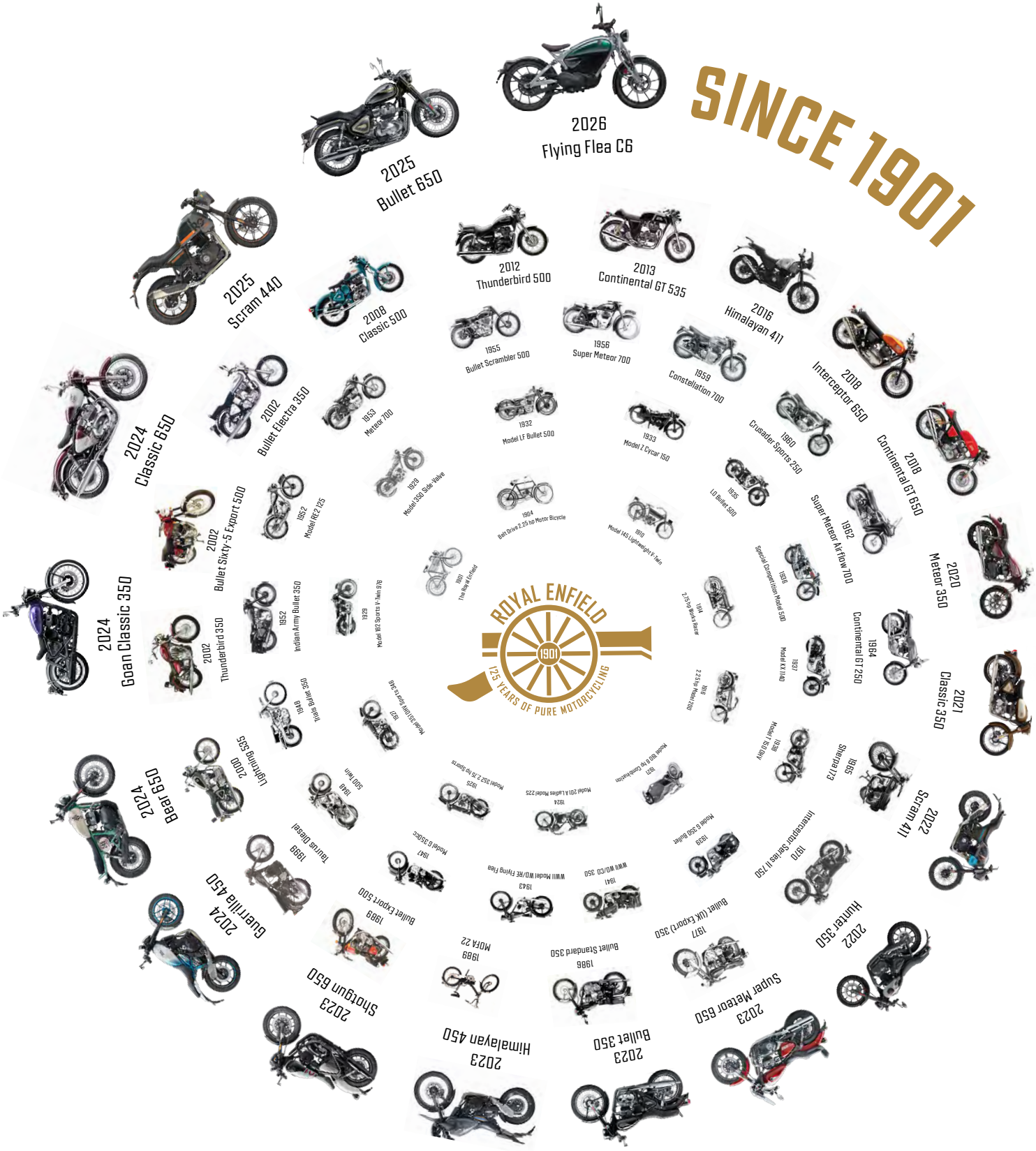
EICHER

INTEGRATED ANNUAL REPORT 2025-26



HISTORY

For 125 years, Royal Enfield has been guided by a simple yet enduring belief: that motorcycling is not just about going from A to B, it's about how the ride makes you feel. This conviction has shaped every machine we've built, every community we've nurtured and every journey we've enabled across generations of riders.

GLOBAL FOOTPRINT

Reaching this milestone tells the story of a company that has continuously evolved with the times while staying rooted in its core philosophy. From humble beginnings – one machine, one market, one idea – we have grown into a global force. Today, we are present in more than 80 countries, with a portfolio that spans roadsters, cruisers, adventure tourers and now, electric motorcycles. From one motorcycle to many. From India to the world. This is more than just growth; it is a transformation achieved without ever losing sight of who we are.

Our geography alone tells a remarkable story. What began in Britain and found its home in India has since travelled across continents – taking root in the mountain communities of the Himalayas, the coastal highways of Latin America, the city streets of Southeast Asia and the open highways of Europe and Australia. Today, Royal Enfield is the undisputed leader in the global midsize motorcycle segment, not because we chased every market, but because we built something authentic. Our motorcycles are built with purpose, not just precision. Riders in Brazil, Thailand and New Zealand are drawn to the same thing that captivated riders in Chennai and Chandigarh decades ago.

EVOLUTION

Our journey is one of quiet, continuous evolution. From the legendary Bullet – the longest-running motorcycle in continuous production – to the Himalayan, which created a new category of accessible adventure; from the 650 Twins, which cemented our global leadership, to the Flying Flea, our first foray into electric mobility. Each generation of motorcycles has reflected its era while honouring what came before. And through it all, our Royal Enfield community has always been part of the process, shaping our motorcycles through their experiences, feedback and journeys. Royal Enfield motorcycles have always been built for riders, by riders.

COMMUNITY & FUTURE

The relationship between company and our community is the foundation of everything we do. It has grown organically over 125 years and cannot be manufactured or marketed – only nurtured. Our community does not just ride our motorcycles; it carries the culture forward. It brings the joy of Pure Motorcycling to every corner of the earth, ensuring this visceral experience finds everyone who seeks it.

In its 125th year, Royal Enfield continues to deliver consistent growth, record revenues and a brand value that ranks among the strongest in the global automotive industry. But what no balance sheet can capture is the millions of riders across the world who do not just own a Royal Enfield, but belong to a global community because of it.

This is the truest measure of our 125 years. Not the numbers, but the feeling those numbers represent. This is our legacy. This is our foundation. And this is where our next chapter begins.

Pure Motorcycling since 1901.

FY 2025-26

CONTENTS

1. CORPORATE OVERVIEW

2 Key Highlights of the Year
4 About the Report
6 About Eicher Motors Limited
12 Message from Executive Chairman, Eicher Motors Limited
16 Message from Executive Vice Chairman, Eicher Motors Limited (EML) and Chairman (Non Executive), VE Commercial Vehicles Limited (VECV)
18 Message from MD, Eicher Motors Limited and CEO, Royal Enfield
22 Royal Enfield Highlights
26 Petrol Motorcycles
38 Electric Two-Wheelers
44 Royal Enfield Apparel
48 Royal Enfield Accessories
50 Pure Motorcycling Experiences
52 Brand Events
56 Marquee Rides
58 Regional Rides
60 Motorsports and Customs
64 Beyond Borders
66 APAC Highlights
68 Americas Highlights
70 EMEA Highlights
71 SAARC Highlights
72 Royal Enfield Awards
74 VE Commercial Vehicles Limited (VECV) Highlights
78 VECV Awards

2. INTEGRATED REPORT

82 Value Creation Model
84 Operating Environment
86 Stakeholder Engagement
90 Materiality
94 Risk Management
98 Financial Capital
104 Manufactured Capital
110 Intellectual Capital
118 Human Capital
124 Social and Relationship Capital
142 Natural Capital
150 Governance

3. MANAGEMENT REVIEW

156 Management Discussion and Analysis

4. STATUTORY REPORTS

184 Business Responsibility and Sustainability Report
223 Independent Assurance Opinion Statement
227 Directors' Report
258 Corporate Governance Report

5. FINANCIAL STATEMENTS

282 Standalone Financial Statements
376 Consolidated Financial Statements

6. VECV PERFORMANCE

476 Performance Highlights
480 VE Commercial Vehicles Limited Financials

484 AGM Notice
510 GRI Content Index

Scan the code above to read the report on your hand-held screen

For more information click
eicher.in

MILESTONES THAT MOVE US FORWARD (FY 2025-26)

BUSINESS AND FINANCIAL PERFORMANCE

Eicher Motors Limited

₹ 23,408 Crores
Revenue from operations
▲ 24% YoY

₹ 5,785 Crores
EBITDA
▲ 23% YoY

₹ 4,945 Crores
Operating margin (EBIT)
▲ 24% YoY

₹ 798 Crores
Share of profit of JV
(VE Commercial Vehicles Limited)
▲ 14% YoY

₹ 5,515 Crores
PAT
▲ 16% YoY

Highest-ever motorcycle volumes at 12,27,977
▲ 22% YoY

NON-FINANCIAL PERFORMANCE

92%
Share of renewable electricity used in Royal Enfield operations

78%
Reduction in emission intensity per motorcycle produced as of FY 2020-21 baseline

3.2
Net water positivity index for Royal Enfield plants & HQ

CHEYYAR FACTORY RECEIVED GREEN FACTORY BUILDING PLATINUM CERTIFICATION

Cheyyar factory achieved the prestigious certification from the Confederation of Indian Industry (CII) and Indian Green Building Council (IGBC)

VE Commercial Vehicles Limited

₹ 27,077 Crores
Revenue from operations
▲ 15% YoY

₹ 2,563 Crores
EBITDA (Excluding other income)
▲ 27% YoY

Highest-ever commercial vehicle volumes at 1,03,404
▲ 15% YoY

Note: Revenue & EBITDA from VE Commercial Vehicles Limited are not consolidated in EML consolidated Revenue & EBITDA respectively.
Share of profits of VE Commercial Vehicles Limited is accounted as single line in P&L.

ABOUT THE REPORT

FY 2025-26 marks Eicher Motors Limited's (EML) fifth year of integrated reporting, reflecting our commitment to transparency and long-term value creation.

Aligned with the principles of the Integrated Reporting <IR> Framework, developed by the International Integrated Reporting Council (IIRC) and now a part of the International Financial Reporting Standards, the Report captures how our strategy, governance, performance, and outlook shape sustainable growth.

Through such reporting, we provide stakeholders with comprehensive insights into how we create, protect, and grow value over time. We capture how we use the six capitals – Financial, Manufactured, Human, Intellectual, Natural, and Social & Relationship – in our operations, while considering externalities, material topics, emerging risks, and stakeholder engagement outcomes. We go beyond to provide the strategic way forward to maximise value creation. The Report reflects how sustainable development remains embedded within our strategic thinking and operational decisions, with long-term objectives aligned to the United Nations Sustainable Development Goals (SDGs).

REPORTING PRINCIPLE

This Report is prepared in accordance with the <IR> Framework, with reference to the Global Reporting Initiative (GRI) and in alignment with the core principles of the Business Responsibility and Sustainability Reporting (BRSR) requirements issued by the Securities and Exchange Board of India (SEBI). The financial and statutory sections of this Report comply with the Companies Act, 2013, Indian Accounting Standards, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Secretarial Standards issued by the Institute of Company Secretaries of India, and other applicable regulations.

REPORTING PERIOD, SCOPE AND BOUNDARY

This Report covers quantitative and qualitative disclosures for the period April 1, 2025, to March 31, 2026. It encompasses EML's operations, including the corporate headquarters in Chennai, its four domestic manufacturing facilities at Thiruvottiyur, Oragadam, Vallam Vadagal, and Cheyyar, as well as the technical centres in Bruntingthorpe, UK, and Chennai, India. The integrated report sections does not cover EML's joint ventures and subsidiaries.

APPROACH TO MATERIALITY

The Report's content and structure are guided by Environmental, Social and Governance (ESG) issues that are material to EML and its stakeholders. These issues have been identified through a structured, multichannel engagement with internal stakeholders, followed by prioritisation based on relevance and impact. In FY 2023-24, we undertook a materiality assessment exercise to update our understanding of the key matters, informed by internal and external inputs. These matters remain relevant for FY 2025-26, and are integrated into our long-term strategic planning to support sustainable growth.

EXTERNAL ASSURANCE

We engaged DNV Business Assurance India Pvt. Ltd (DNV), as an independent third party to provide reasonable assurance on the core parameters of BRSR presented in this Integrated Annual Report. The assurance statement can be found on page 223.

RESTATEMENT

Certain restatements have been made in this Report and have been appropriately disclosed in the relevant sections, as required.

MANAGEMENT RESPONSIBILITY

EML's management team has reviewed the contents of this Report and undertakes responsibility for the integrity of the information. They believe, to the best of their knowledge, that the Report provides a complete picture of the value creation and captures all relevant material issues transparently and accurately.

FEEDBACK

We are committed to listening to the feedback and viewpoints of all our stakeholders. We welcome your comments, enquiries, and recommendations on business and sustainability to help us improve our performance and its reporting. We invite you to write to us with your feedback, questions, and suggestions at: investors@eichermotors.com. Further, details of EML's sustainability performance are available on the corporate website: www.eichermotors.com

FORWARD-LOOKING STATEMENT

The Report makes use of certain statements related to the Company's business operations, industry, objectives, business strategy, management plans, and expectations. These forward-looking statements can be denoted by usage of words such as 'anticipates', 'believes', 'estimates', 'expects', 'intends', 'may', 'outlook', 'plans', 'will' and other similar words that imply future operating or financial performance of the Company. Since forward-looking statements are reliant on assumptions, there is a probability of incorrect data or methods with little potential of being fulfilled. These statements are intended to establish our current expectations according to logical assumptions and not act as a guarantee of future outcomes. The Company's actual results could be affected by various factors, risks, and uncertainties and could vary materially from the projections indicated by the forward-looking statements. The Company is not under any obligation nor has any intention to update or revise any forward-looking statements in case of future events.

ABOUT EICHER MOTORS LIMITED

Eicher Motors Limited (EML) is a global automobile company headquartered in Chennai, India, and listed on the Bombay Stock Exchange and the National Stock Exchange.

EML is the parent company of Royal Enfield, the global leader in the mid-size motorcycle segment (250cc - 750cc) and operates a joint venture with Volvo Group - VE Commercial Vehicles Limited (VECV), a pioneer in commercial vehicles.

SHAPING JOURNEYS, FROM PURE MOTORCYCLING TO SMART MOBILITY

ROYAL ENFIELD

The oldest motorcycle brand in continuous production, Royal Enfield has created beautifully crafted motorcycles since 1901. From its British roots, a manufacturing plant was established in Madras (now Chennai) in 1955, a foothold from which Royal Enfield spearheaded the growth of India's mid-sized two-wheeler segment. Royal Enfield Motorcycles are engaging, uncomplicated, accessible, and fun to ride; a vehicle for exploration and self-expression. It's an approach the brand calls 'Pure Motorcycling'. Complemented by its allied businesses, Royal Enfield continues to create a holistic ecosystem that strengthens its bond with riders. The Company has 4 manufacturing plants in Tamil Nadu and 7 CKD (Completely knocked down) assembly units.

The Company recently unveiled its new City+ electric mobility brand – the Flying Flea – a fresh take on urban mobility, blending authentic design with advanced technology, developed entirely in-house at the Company's tech centres.

Product portfolio

Petrol Motorcycles

- **Roadster:** Hunter 350, Guerrilla 450, Shotgun 650, Interceptor 650
- **Heritage:** Goan Classic 350, Classic 350, Bullet 350, Classic 650, Bullet 650
- **Cruiser:** Meteor 350, Super Meteor 650
- **Scrambler:** Scram 440, Bear 650
- **Adventure:** Himalayan 450
- **Pure Sport:** Continental GT 650

Electric Two-Wheelers

- **Flying Flea C6**

Allied Businesses

- **Royal Enfield Apparel**
  Lifestyle apparel and protective and performance gear
- **Royal Enfield Accessories**
  Performance, touring and lifestyle enhancements
- **Spares**
  Genuine parts and service support for riders across markets

125
Years of legacy

Watch more

86.8%
Market share in India's mid-size motorcycle segment (FY 2025-26)

Watch more

30+
Awards across Product, Brand, Design, and Sustainability in FY 2025-26

VE COMMERCIAL VEHICLES LIMITED

VE Commercial Vehicles Limited (VECV) is a joint venture between the Volvo Group and Eicher Motors Limited. In operation since August 2008, the company includes the complete range of Eicher branded trucks and buses, Volvo Buses and exclusive distribution of Volvo Trucks in India, engine manufacturing and exports for Volvo Group, Eicher Power Solutions and Eicher Engineering Components. A multi-brand, multi-division company, backed by innovative products and services, VECV today, is recognised as an industry leader for modernising commercial transportation in India and the developing markets.

Product portfolio

- **Eicher Trucks:** Light Duty (3.5-5 Tonnes), Light and Medium Duty (5-18.5 Tonnes), Heavy Duty (18.5-55 Tonnes)
- **Eicher Buses:** 12-to-72-seater buses for School, Staff, Intercity, Tourist and Route Permit applications
- **Volvo Trucks & Buses:** Volvo-branded heavy duty Trucks for Mining, Construction, and Overburden applications, along with premium luxury Coaches and Buses
- **Connected Mobility:** 100% integration with Eicher LIVE and MyEicher App
- **Engines, Aggregates & Components:** For commercial and industrial applications

Brand in focus

34.9%
Market share in India's Light & Medium duty (5 to 18.5 Tonnes) CV segment

19.3%
Market share in the Bus segment (Combined Eicher & Volvo)

9.7%
Market share in the Heavy Duty segment (Combined Eicher & Volvo)

#1
In Customer Satisfaction Index 2026 (#1 in 12 out of 15 parameters)

FOOTPRINT

ROYAL ENFIELD

4
State-of-the-art production facilities located at Thiruvottiyur, Oragadam, Vallam Vadagal, and Cheyyar

7
Completely Knocked Down (CKD) assembly units across the world in Argentina, Bangladesh, Brazil (2), Colombia, Nepal, and Thailand

Watch more

2
Technical centres in Bruntingthorpe, UK, and Chennai, India

2,100+
Retail outlets in India

1,200+
Retail outlets across 80+ countries outside India

VE COMMERCIAL VEHICLES LIMITED

9
Manufacturing facilities in India

1,250
Network touchpoints in India

995
Network Touchpoints across South Asia, Middle East, Africa and Latin America

GROUP OPERATING STRUCTURE

EICHER

Eicher Motors Limited (EML)

Joint Venture

VOLVO 45.6%

EICHER 54.4%

VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

Business Unit

ROYAL ENFIELD

- Royal Enfield North America Ltd
  - Step down subsidiary: Royal Enfield Canada Ltd
- Royal Enfield (Thailand) Ltd
- Royal Enfield UK Ltd
- Royal Enfield Brasil Comércio de Motocicletas Ltda
- Royal Enfield Europe B.V.

MESSAGE TO SHAREHOLDERS

"Royal Enfield completed 125 years. We crossed ten million cumulative motorcycles since inception and sold more than 1.2 million in a single year – more than we made and sold in our entire first century."

Siddhartha Lal,
Executive Chairman,
Eicher Motors Limited

Dear Shareholders,

Last year, in my first note as Executive Chairman, I wrote about three priorities: strengthening governance, preparing our businesses for their next phase of growth, and navigating the biggest technology shift our industry has ever seen. One year on, the world has not become any calmer – geopolitics keeps shifting, supply chains keep getting tested, and customer expectations keep evolving. All the more reason to think long, stay responsive, and remain focused on what truly matters.

And what a year it has been.

Royal Enfield completed 125 years. We crossed ten million cumulative motorcycles since inception and sold more than 1.2 million in a single year – more than we made and sold in our entire first century. VE Commercial Vehicles crossed 100,000 annual vehicle deliveries for the first time. Together, these milestones reflect how both businesses have been built: with discipline, long-term focus and absolute clarity about who we serve.

The 125th year gives us a rare chance to look back with perspective. When Royal Enfield turned 100, we were struggling for survival. Twenty-five years later, we are the oldest motorcycle manufacturer in continuous production – and at our all-time peak. That did not happen by chasing every trend. It happened by staying close to riders, making clear choices, and following our own path even when it looked unfashionable.

Today, Royal Enfield is the number one mid-size motorcycle brand in the world. Our motorcycles are ridden from Mongolia to the tip of Argentina, and we have become one of the few truly global premium consumer brands from India.

We are marking the 125th in style, all year long. At Redditch, the site of our first factory, a World Origin plaque now stands where it all began in 1901 – with five generations of our motorcycles lining Enfield Road for the unveiling. We have also launched the Classic 650 125th Anniversary Special Edition while riders and communities around the world are coming together through our celebratory showcase at EICMA, and special editions of Motoverse and One Ride, which this year is expected to bring together more than 125,000 riders across the globe. The anniversary is not only a celebration of our history, but of the global community that continues to carry Royal Enfield forward.

The year also tested us. Restrictions on rare-earth magnets emerged in the first week of the financial year, disrupting supplies across the global automotive industry, while commodity prices remained a stiff headwind through the year. Some of our production was affected early on, but our teams moved quickly on alternate sources, value engineering and calibrated pricing, and largely offset the impact. When you have been around for 125 years, you can afford to think long – and act quickly.

None of this has slowed our build-out. We are investing ₹ 958 Crores in a major expansion of Cheyyar – our fourth and newest plant in Tamil Nadu – which will take Royal Enfield's total annual installed capacity to two million motorcycles. Our proposed greenfield facility in Andhra Pradesh will create further capacity for Royal Enfield's next decade of global growth.

And now, for the first time since 1955 – when India became our home – we are adding a new home market: Brazil. It is already our second-largest market, and we are committing to go deep: in our brand, our teams, local manufacturing and our network. To enable our growth, we have doubled our dealership network to 55 stores over the past two years, and our wholly-owned assembly facility will become operational in 2027. Brazil is not a pin on the map for us. It is home. Our ambition is to become part of the country's motorcycling culture, just as we did in India – and, in time, carry some of that Brazilian magic to riders everywhere.

"We are investing seriously in electric technology and developing the teams, products and capabilities required for the future."

On the EV technology transition, my view remains what I wrote last year: move too slowly and you can get obliterated; bet too big too early, or take the wrong turn, and that can be just as fatal. We are therefore investing seriously in electric technology and developing the teams, products and capabilities required for the future. At the same time, the pace of transition will be shaped by customers, regulation, infrastructure and the readiness of each

The mid-size segment is defined as motorcycles with engine capacity in the range of 250cc to 750cc. As per SIAM (Society of Indian Automobile Manufacturers), 1.27 million mid-size motorcycles were sold in FY 2025-26 and Royal Enfield has ~87% market share in the segment.

Globally, based on data from ACEM (European Association of Motorcycle Manufacturers), MCIA (Motorcycle Industry Association, UK), Abriciclo (Brazil) and Motorcycles Database, the mid-size industry size is estimated at ~3.4 million units for the year. Royal Enfield leads the mid-size market globally and sold ~1.2 million motorcycles across ~80 countries.

market. Our approach is deliberate: understand the customer deeply, experiment with intent, and be ready to scale as the conditions develop.

Flying Flea is that approach in action. We have brought back a loved marque from our 1943 past to create an entirely new category of premium, lightweight City+ mobility – much as we created a category with the Classic in 2009. The FF.C6 is already retailing in Bangalore, with expansion to other parts of India and then Europe planned during the year. The scrambler-styled FF.S6 will follow, as part of a broader family of electric motorcycles.

We are building this electric future with real commitment. At the same time, petrol motorcycles will remain central to Royal Enfield - we will continue to keep the petrol flag flying for as long as we possibly can, investing fully in new models, platforms and technology. Our responsibility is to build for the transition ahead while continuing to make the motorcycles that riders love and choose today.

VECV has had its best year yet, crossing 100,000 vehicles for the first time – powered by an outstanding premium portfolio, a hard-working network and the CAN-DO spirit of its teams. Driving the modernisation of India's CV industry, VECV has steadily gained market share across every segment over the past decade. It is now No. 1 in Light & Medium Duty trucks (5–18T) with a 34.9% share; has more than doubled its Heavy Duty share from 4.5% to 9.7% – the largest segment of the industry by value; and holds a 19.3% share in buses. Having entered electric mobility relatively early through its electric-bus portfolio, VECV has taken electrification into last-mile logistics with the Eicher Pro X EV. By bringing together the vehicle, charging and lifecycle support, we are working to make clean mobility practical and economically viable for customers. In line with our long-term succession planning, the VECV Board has appointed B. Srinivas as Managing Director and CEO from April 1, 2026.

> "VECV has had its best year yet, crossing 100,000 vehicles for the first time – powered by an outstanding premium portfolio, a hard-working network and the CAN-DO spirit of its teams."

The business now extends well beyond the vehicle – uptime, service, financing and lifecycle support are central to the value we offer. Building on our 18-year partnership with the Volvo Group, we are entering vehicle financing in India through a new joint venture that will serve customers of Eicher, Volvo and Royal Enfield, using financing as a lever for a superior customer experience.

The financial performance reflects the strength of both our businesses and the discipline with which they have been built. For the first time, the combined revenue of EML and VECV crossed ₹ 50,000 Crores, with combined EBITDA exceeding ₹ 8,300 Crores. EML's consolidated revenue from operations grew 24% to ₹ 23,408 Crores, EBITDA rose 23% to ₹ 5,785 Crores, and Profit after Tax rose 17% to ₹ 5,515 Crores. The Board has recommended a final dividend of ₹ 82 per share. Our balance sheet remains super strong – allowing us to invest with conviction in products, technology, people and markets, while retaining the rigour that got us here.

Growth, for us, has to be holistic. Our ESG roadmap is being embedded across manufacturing and the value chain – renewable energy, water positivity and circularity – and our long-running work on truck-driver well-being and rider safety continues to deepen. Our Social Mission in the Himalayas is scaling, working with more than 75 local communities on culture, conservation and livelihoods.

For me personally, this year has been about spending time where I can add the most value: with our leaders and specialists across EML; out riding and talking with customers, and turning those conversations into real insight; on brand and product strategy; and in the design studio, where I review the industrial design of every upcoming motorcycle. We encourage open debate and creative differences, because the better idea should prevail – not what I want, not what I like.

At the EML Board, we have continued to strengthen the quality and depth of our governance. We now have a clear long-term vision and a three-year plan, supported by more focused Board and committee discussions across our priority areas. This gives us clearer accountability, stronger oversight and a better foundation for long-term decision-making. Vinod Aggarwal has been appointed Executive Vice Chairman of EML and Chairman of the VECV Board, and continues to work closely with me on governance across EML, its joint ventures and subsidiaries.

> "We now have a clear long-term vision and a three-year plan, supported by more focused Board and committee discussions across our priority areas."

We are selective about where we place our energy, and then go extraordinarily deep. That, more than anything, is what took a brand fighting for survival at 100 to the world's number one at 125.

A hundred and twenty-five years in, it still feels like the beginning. Ten million motorcycles in, we see room – and every reason for optimism – to grow many times over. We will keep building enduring brands, keep our businesses sharp, and keep choosing the path less trodden.

Thank you to everyone who has been part of this ride – our customers, riders and drivers, our teams, partners, communities and shareholders. We are immensely proud of how far we have come, and even more excited about where we go from here.

Keep Riding,

Sid Lal

MESSAGE TO SHAREHOLDERS

"For VECV, crossing the milestone of 1,00,000 vehicle sales in a single financial year was the realisation of a long-cherished dream."

Vinod Aggarwal,
Executive Vice Chairman,
Eicher Motors Limited (EML) and
Chairman (Non Executive),
VE Commercial Vehicles Limited (VECV)

Dear Shareholders,

India continues to be the world's fastest-growing economy, supported by sustained investments in infrastructure, resilient consumer demand, and a strong policy framework. The positive impact of transformative government initiatives under the Viksit Bharat 2047 national agenda is also increasingly visible across sectors. The successful implementation of programmes such as the Production Linked Incentive (PLI) scheme, PM E-Drive, and several other initiatives is accelerating India's journey towards self-reliance, sustainability, and decarbonisation.

In a dynamic environment, FY 2025-26 has been a truly memorable year for your Company. Driven by strong execution and the collective efforts of our teams, both Royal Enfield and VECV (our joint venture with the Volvo Group) delivered record sales and profitability, helping EML achieve its strongest-ever performance. Combined revenue of both businesses - Royal Enfield and VECV crossed ₹ 50,000 Crores for the first time, while profit after tax reached a record ₹ 5,515 Crores. VE Commercial Vehicles Ltd. (VECV), also delivered its highest-ever profit after tax of ₹ 1,471 Crores.

Royal Enfield delivered a record 1.2 Million units during the year, reaffirming its position as one of the most admired motorcycle brands in the world. For VECV, crossing the milestone of 1,00,000 vehicle sales in a single financial year was the realisation of a long-cherished dream. These outstanding results are a testament to the disciplined execution of our strategic priorities. A continued focus on effective cost and price management, product mix optimisation, and operational efficiency enabled us to sustain healthy margins while continuing to invest in future growth opportunities.

At VECV, revenue from operations for the year stood at ₹ 27,077 Crores, with a growth of 15% over the previous year. We once again outperformed industry growth and strengthened our position across key commercial vehicle segments under both the Eicher and Volvo brands. Our Engineering Components and Power Solutions businesses continued to make significant progress during the year.

One aspect of our journey that gives me immense confidence for the future is the strength of our partnership with Volvo Group. Over the years, this relationship has evolved far beyond a conventional joint venture into a collaboration built on trust, mutual respect, and shared ambition. Together, we continue to create capabilities that not only strengthen our businesses but also contribute to India's growing stature as a global manufacturing and engineering hub.

During the year, VECV embarked on yet another prestigious project for the manufacture of technologically advanced Automated Manual Transmissions (AMTs). For the same, a new plant is being set up at Vikram Udyogpuri near Ujjain, Madhya Pradesh, with an investment of approximately ₹ 550 Crores. These 12-speed AMTs will be used by both Volvo Group and Eicher Heavy Duty trucks, further advancing our vision of "Make in India for the World." As many of you would know, VECV has been successfully exporting Euro VI-compliant medium-duty engines to Volvo Group all across the globe from its 'state-of-the-art' plant at Pithampur, Madhya Pradesh, since 2013.

Your Company's partnership with Volvo Group was further strengthened through the announcement of a new joint venture in the financial services business (May 21, 2026). The 50:50 joint venture will receive an investment of up to ₹ 750 Crores from your Company with a 50% equity stake in Volvo Financial Services (VFS) India. The proposed JV will be the captive financing arm for VECV, EML, and Volvo Group products in India and will combine VFS' strength and understanding in the financial services with Eicher's expansive product portfolio, network, and deep market understanding to capture new business in a more aligned and efficient manner.

As I look ahead, I remain optimistic about the opportunities. The outlook for the Indian commercial vehicle industry remains positive based on continued economic growth, infrastructure investments, and replacement demand. We will continue to strengthen our market position, particularly in heavy-duty trucks and buses, while maintaining our #1 position in the light and medium-duty truck segments. The successful launch of our Small Commercial Vehicle range during the year has opened up additional avenues for growth.

At the same time, we continue to invest in alternate fuel technologies and electric mobility solutions, making steady progress in developing future-ready products and capabilities. With a clear strategy, strong execution capabilities, and a future-focussed mindset, VECV is well-positioned to capitalise on the opportunities ahead.

We also remain mindful of geopolitical uncertainties and potential disruptions arising from developments in West Asia and other regions, and are fully prepared to navigate these challenges effectively with our operational resilience, adaptability, and agility.

One of the developments this year, which gives me great satisfaction, is the successful implementation of VECV leadership succession plan. Having spent around two decades building VECV alongside so many talented colleagues, it is reassuring to see the organisation transition smoothly into its next chapter under the leadership of B. Srinivas as Managing Director and CEO. Srinivas brings over three decades of experience with Eicher, having held leadership roles across multiple functions and contributed significantly to the Company's growth journey.

With this change, the Board has entrusted me with the responsibility of chairing the Board, and I assumed the responsibility as Chairman of VECV effective April 1, 2026. The foundations we have built together are strong, and I am excited to see VECV continue to scale new heights in the years ahead.

"One aspect of our journey that gives me immense confidence for the future is the strength of our partnership with Volvo Group. Over the years, this relationship has evolved far beyond a conventional joint venture into a collaboration built on trust, mutual respect, and shared ambition."

Before concluding, I want to thank our employees – their resilience and adaptability have been central to our success. We continue to remain committed to fostering a culture that champions innovation, accountability, and growth.

I remain excited about the road ahead and confident that, together, we will continue to create sustainable growth and lasting value for all our stakeholders.

With my best wishes,
Vinod Aggarwal

MESSAGE TO SHAREHOLDERS

> This year was made even more meaningful as Royal Enfield stepped into its 125th year. Few brands have remained relevant, loved, and aspirational for as long as we have.

B. Govindarajan,
MD, Eicher Motors Limited and
CEO, Royal Enfield

Dear Shareholders,

FY 2025-26 was a landmark year for Eicher Motors. Both Royal Enfield and VECV delivered their strongest performances yet, reflecting the sustained momentum we have built over the years through disciplined execution and a long-term commitment to building differentiated, category-leading businesses. Royal Enfield crossed one million motorcycle sales for the second consecutive year while VECV delivered a record 100k units – achievements that underscore our strength, resilience, and growing prominence of both businesses.

This year was made even more meaningful as Royal Enfield stepped into its 125th year. Few brands have remained relevant, loved, and aspirational for as long as we have. I believe the reason for that is simple. Across generations and geographies, we have stayed true to the philosophy that defines us – Pure Motorcycling. At the same time, we have continued to evolve and welcome new generations of riders without losing sight of who we are. That balance has allowed Royal Enfield to endure for 125 years and build a global community connected by a shared passion for riding.

A YEAR OF GROWTH MOMENTUM AND MILESTONES

FY 2025-26 was also Royal Enfield's strongest year yet. We crossed 1.2 Million motorcycles in annual sales, our highest ever, with domestic volumes growing 23% to 11,07,343 units and international sales rising 20% to 1,20,634 units. The festive season in Q3 was the strongest in our history, delivering 26% growth over the previous year and reaffirming the deep connection we continue to share with riders in India. Above all, it was a year that reaffirmed the strength of Royal Enfield – as a brand, a culture, and a community.

On the product front, this was a year of thoughtful upgrades shaped by the voices of our community; enhancements that elevate the riding experience while preserving the soul and character that makes each motorcycle special. The 2026 Guerrilla 450 APEX is the finest example of this – a sharper, more refined expression of an already exciting motorcycle, built for the rider who wants more without wanting it to be something different. The 2025 Hunter 350 continued this story with updates that were immediately embraced by riders, cementing its place as the definitive urban motorcycle in its class. The 2025 Meteor 350, the 2026 Goan Classic 350, and the Himalayan 450 each received their own updates – evolving with purpose, while staying true to character. Several products in the portfolio also achieved key milestones in their journeys. The Meteor 350 crossed six Lakh units in cumulative sales since launch and the Himalayan 450 had its strongest year to date, crossing 38,000 global sales while recording over 53% growth in international markets.

One of the most significant steps we took this year was the launch of our first electric motorcycle – the Flying Flea C6 – in April 2026, and the opening of our first Flying Flea store in Bengaluru. Flying Flea is our vision for City+ electric mobility and our approach to building this category is very clear. We will do it steadily, with a long-term intent, focussing on design that is functional and full of character, technology that serves the rider, and an ownership experience that goes beyond the machine. The response to the FF.C6 has been extremely encouraging.

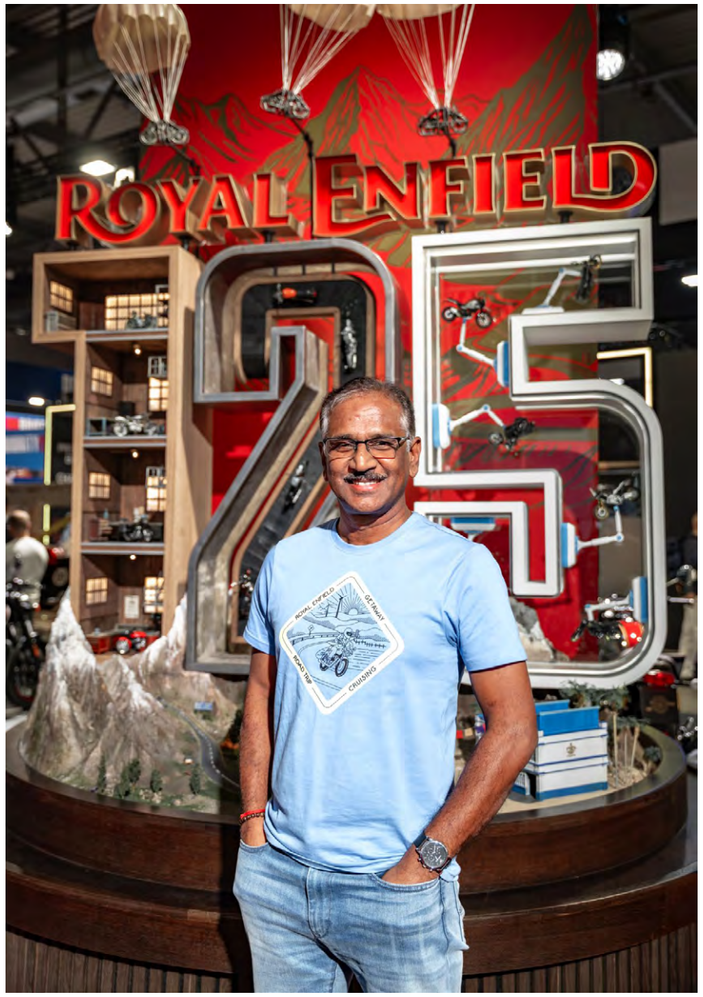
> Flying Flea is our vision for City+ electric mobility and our approach to building this category is very clear. We will do it steadily, with a long-term intent.

Beyond India, we continued to deepen our global footprint. The LATAM region registered 20% overall growth, led by a strong 71% growth in Brazil, which is now our largest and fastest-growing international market, a testament to how far the spirit of Pure Motorcycling has travelled and how genuinely it has taken root in cultures and communities far beyond where we began. Across Europe and Asia, we continued to strengthen our presence in the mid-size motorcycling segment. Today, Royal Enfield stands #2 in the mid-size segment in Europe, while also holding strong positions across key markets such as the UK, Italy, France, and Germany. In Asia too, we have established ourselves as the #2 player in markets including Thailand, Korea, and New Zealand. Closer to home, we are #1 in the mid-size segment across the SAARC region. This is a disciplined expansion that reflects the increasing global relevance of the Royal Enfield brand.

To support this growing demand, we recently announced a ₹ 958 Crores investment towards a brownfield expansion of our Cheyyar facility in Tamil Nadu. This phased expansion, expected to be completed by FY 2027-28, will increase our annual production capacity to 2 million units. This strategic investment reflects our confidence in the strength of our product pipeline and the long-term opportunity ahead of us. We have consciously chosen the brownfield route as an efficient way to leverage existing infrastructure, optimising capital deployment, and ensuring operational continuity. Most importantly, it ensures that we remain future-ready as our global community of riders continues to grow.

> Royal Enfield has built one of the largest and most passionate riding communities in the world and that spirit was visible throughout the year.

FY 2025-26 was also a strong year for VE Commercial Vehicles (VECV), which delivered a record performance with annual sales surpassing the 1,00,000-unit milestone and growth of nearly 15% over the previous year, strengthening its market position across segments. VECV retained its No. 1 position in the Light and Medium Duty (LMD) truck segment, while Heavy Duty trucks achieved their highest-ever annual sales, alongside steady performance in the bus business. Eicher Motors Ltd. recorded its highest ever annual financial performance with revenues at ₹ 23,408 Crores, EBITDA at ₹ 5,785 Crores and Profit after tax at ₹ 5,515 Crores with a growth of 17%. In recognition of our performance and continued momentum, the Board of Directors have recommended a dividend of ₹ 82 per share for FY 2025-26, reflecting our commitment to creating long-term value for our shareholders.



STRENGTHENING THE ROYAL ENFIELD ECOSYSTEM

In addition to motorcycles, our allied businesses also recorded a year of solid growth. Apparel grew 21%, with new collections that continue to resonate with riders and non-riders who see Royal Enfield as a way of life. The Royal Enfield accessories business delivered standout numbers with global revenue up 32% over the previous year. Our spare parts business also recorded a robust 18% year-on-year growth. This validates our belief that riders are not just choosing our motorcycles, they are investing in the holistic Royal Enfield experience.

Through all of this, our community remained our greatest strength. Over the years, Royal Enfield has built one of the largest and most passionate riding communities in the world and that spirit was visible throughout the year. Motoverse saw a 30% growth in participation, evolving into far more than a festival and becoming a powerful expression of everything Royal Enfield stands for. Alongside this, we continued to expand how we engage with our community through newer, more contemporary formats. Initiatives like Hunterhood and GRRR Nights have helped us connect with a younger, more diverse set of riders, bringing fresh energy into the ecosystem. These formats are accessible and reflective of how motorcycling culture is evolving. One Ride brought together more than 40,000 riders globally – a number that speaks for itself, but more than the scale, it was the spirit that stood out. Thousands of people choosing to ride together, to celebrate Pure Motorcycling and responsible riding, to feel part of something larger than themselves – these events remind us why we do what we do.

> Today, one out of every three Royal Enfield customers is below the age of 25 – a reminder that we continue to remain relevant, aspirational, and emotionally connected across generations.

GLOBAL ACCOLADES

The recognitions we received this year were equally motivating. Across India and international markets, Royal Enfield received more than 30 awards and accolades spanning motorcycles, design, quality, and sustainability. The Flying Flea C6 received the prestigious Red Dot Design Award, underscoring our growing focus on design and innovation. Beyond products, Royal Enfield ranked highest in Two-Wheeler Initial Quality by J.D. Power India, topped the FADA Dealer Satisfaction Survey, and was recognised by Brand Finance as the world's third strongest automobile brand.

SUSTAINABILITY-DRIVEN FUTURE

As we grow, we remain mindful of the way we grow. This year, our Oragadam facility was recognised as 'Sustainable Factory of the Year' by Frost & Sullivan – an affirmation that our commitment to responsible manufacturing is being built into the very fabric of how we operate. We continued our mission to support 100 Himalayan communities, bringing green infrastructure, clean water, and waste management solutions to some of the most remote and beautiful parts of India. From solar-lit stretches of highway to plastic-free water facilities and women-led green initiatives, every project is a reminder that the roads we ride on matter, and so do the people who live alongside them. Journeying Across The Himalayas grew as a platform bringing together over 11,000 visitors, reflecting how our Social Mission is finding expression not just in infrastructure, but in shared experiences that connect people to places. Purpose and innovation are not opposites. At Royal Enfield, they have always been the same thing.

OUR NEXT PHASE OF GROWTH

Looking ahead, FY 2026-27 marks one of the most ambitious product cycles in our history, with a strong pipeline of launches and platform expansions planned across segments. Flying Flea will continue its phased rollout, steadily building a new category of City+ electric mobility. Globally, we will continue strengthening our manufacturing and assembly footprint while deepening our retail, ecosystem, and community presence focussing on high potential markets. To support our next phase of growth, we recently announced our plans for a greenfield manufacturing facility in Andhra Pradesh. Currently we operate four world-class manufacturing facilities in Tamil Nadu, with a total projected capacity of two million units annually. This investment in Andhra Pradesh will augment that capacity and is part of our long-term strategic investment for future growth.

We are also mindful of the realities of the environment around us. Supply chain disruptions, geopolitical uncertainties, commodity inflation, energy costs, and evolving regulatory requirements will continue to shape the way businesses operate. At the same time, emerging priorities such as carbon neutrality, net-zero commitments, and future mobility regulations will demand new levels of innovation and adaptability. While these challenges are real, they do not diminish our confidence in the opportunities ahead.

Our focus is not only on growth but also on building a business that is resilient, adaptable, and future-ready. The investments we are making today are intended to ensure that Royal Enfield remains well positioned to navigate change while continuing to pursue our long-term ambitions. More importantly, they allow us to look to the future with confidence. The mid-size motorcycle segment continues to grow ahead of the industry, our global footprint continues to expand, and most encouragingly, a new generation of riders continues to discover the brand. Today, one out of every three Royal Enfield customers is below the age of 25 – a powerful reminder that we continue to remain relevant, aspirational, and emotionally connected across generations.

The road ahead is long, and we intend to ride every mile of it with the same intent and integrity that has brought us this far. Our brand is stronger than ever. Our community is more engaged than ever. And our readiness for the future will ensure we continue to grow.

To our riders, our partners, our teams, and our shareholders – thank you. You are the reason we are here, and the reason we keep going.

Keep Riding Pure,

BGR

ROYAL ENFIELD HIGHLIGHTS OF FY 2025-26

Q1

BUILT FOR THE STREETS: 2025 HUNTER 350

Inspired by and designed for the coolest neighbourhoods of the world, Hunter 350 arrived with new street-inspired colourways and upgrades like an agile new rear suspension and a slip-and-assist clutch – a first for any 350cc Royal Enfield.

HUNTERHOOD: RAW, IMMERSIVE CELEBRATION OF STREET CULTURE

A one-of-a-kind festival that went beyond towering skyscrapers and glittering city lights to embrace the raw, unfiltered and authentic pulse of the streets, Royal Enfield introduced HunterHood, capturing the city's essence through underground movements that define its being.

ROYAL ENFIELD X THE GREAT FROG LONDON

A unique collaboration rooted in craftsmanship, counterculture, and rock 'n' roll spirit. At its core was a custom Super Meteor 650, reinterpreted as a raw, Brit-style jewellery chopper inspired by the brand's deep ties to biker and music subcultures.

URBAN OUTERWEAR COLLECTION FOR EVERYDAY CITY RIDING

Designed specifically for city riders, the range included the CE-certified Urbanite Hoodie and Phoenix Leather Jacket, combining everyday usability with protective features such as abrasion-resistant materials and integrated armour.

CONSCIOUS COLLECTION: GREEN PURSUIT INITIATIVE

A sustainable apparel line developed under the brand's Green Pursuit initiative, it featured jerseys crafted from recycled materials, Himalayan grass (HimGra), organic cotton, and natural dyes, rendered in earthy, pastel tones.

21ST EDITION OF HIMALAYAN ODYSSEY

Spanning 18 days and over 2,600 km, the ride brought together 77 riders from across the globe, traversing the breathtaking terrains of Ladakh, Spiti, and Zanskar, including Umling La – the world's highest motorable pass.

HIMALAYAN ADVENTURE – EVEREST BASE CAMP

A 10-day high-altitude expedition from Kathmandu to Everest Base Camp, where riders traversed remote terrains across Nepal and Tibet, covering key locations like Timure, Kyirong and Tingri.

Q2

FROM THE SHADOWS TO THE STREET: THE GUERRILLA 450 SHADOW ASH

The Shadow Ash colourway of the Guerrilla 450 brought a striking new expression to this urban performance roadster, enhancing its bold, muscular stance and commanding road presence.

MADE FOR THE LONG RIDE: THE UPGRADED 2025 METEOR 350

In its refreshed avatar, the easy cruiser got equipped with new features and enhancements across its variants in seven striking new colourways.

STREET-INSPIRED: 2025 HUNTER 350 GRAPHITE GREY

Expanding the mid variant to three options alongside Rio White and Dapper Grey, and taking the total colour palette to seven, this new colourway is inspired by urban energy. Its matte finish with neon yellow graffiti accents, adds a bold, city-focussed character.

FLYING FLEA C6 WINS THE PRESTIGIOUS RED DOT DESIGN AWARD 2025

The Red Dot Design Award for Flying Flea's Design Concept reinforced the brand's design-first philosophy and fresh take on urban mobility. The FF.C6 draws inspiration from the original 1940s icon, reimagined with a minimalist silhouette, floating elements, and a distinctive forged aluminium exoskeleton frame.

GET IN-STREETS APPAREL COLLECTION

The range features two distinct capsules – 'Heritage', drawing from archival legacy and classic motorcycle elements, and 'A Page from a Motorcycling Diary', centred on everyday journeys with utility-driven, travel-inspired design.

ROYAL ENFIELD X FLIPKART

For the first time, Royal Enfield's entire 350cc portfolio was made available on an e-commerce platform, Flipkart, bringing its motorcycles closer to customers with just a click.

RIDE MORE, RIDE SAFE, RIDE TOGETHER: ONE RIDE 2025

The 14th edition of Royal Enfield's One Ride saw over 40,000 riders across 1,500 rides in 60+ countries come together for a 24-hour global celebration of motorcycling.

Q3

ROYAL ENFIELD X AMAZON

Further strengthening its online retail presence, Royal Enfield partnered with Amazon India, enabling customers to purchase their favourite 350cc motorcycles through a seamless interface and a dedicated Royal Enfield brand store on the platform.

ROYAL ENFIELD X VALLON

Royal Enfield introduced the Royal Enfield x VALLON Moto Aviators collection, inspired by the Classic motorcycle range and blending timeless motorcycling style with modern performance and safety.

ROYAL ENFIELD CELEBRATED 125 YEARS OF PURE MOTORCYCLING AT EICMA 2025

Marking a monumental milestone in its storied journey, Royal Enfield celebrated 125 years of Pure Motorcycling at EICMA with a showcase that commemorated this landmark occasion by offering experts and enthusiasts a glimpse into its historical journey and ambitious future.

SCRAMBLER-STYLED FLYING FLEA S6: FIRST LOOK

Inspired by the original Flying Flea motorcycles that were purpose-built for all-terrain mobility, the FF.S6 was showcased at EICMA 2025, blending refined design, scrambler-inspired capability, and advanced connected technology into a platform created for the urban environment and beyond.

MOTOVERSE: THE MAINSTAGE OF MOTOCULTURE

This year, the grounds in Vagator, Goa, saw almost 40,000 footfalls in from across the globe. The convergence came to life as riders and enthusiasts from diverse backgrounds immersed themselves in rides, races, hands-on workshops, and world-class performances.

STRENGTHENED RACING DNA: CONTINENTAL GT CUP SEASON 5

With nearly 6,000 online registrations this year from across the country, 64 made it to nationals. Contestants battled it out on the racetrack as this edition of the GT Cup expanded on the successful Street to Track format, nurturing the nation's finest racers.

ROYAL ENFIELD X ROYAL ALBERT HALL

In a landmark creative collaboration, an original musical composition and film, 'The Ballad of the Bullet,' was unveiled alongside the Bullet 650. The project brought together orchestral grandeur and traditional Indian percussion, creating a powerful narrative of the motorcycle's heritage.

STEALTH. PURPOSE. ADVENTURE: HIMALAYAN MANA BLACK

The Himalayan Mana Black Edition marked a striking new expression of Royal Enfield's celebrated adventure motorcycle. Inspired by the formidable Mana Pass, known as one of the world's most challenging high-altitude routes, the motorcycle channels a spirit of resilience and exploration.

METEOR 350 SUNDOWNER ORANGE: A TRIBUTE TO PURE CRUISING

This exclusive variant pays a vibrant tribute to the ever-growing Meteor 350 tribe, now more than half a million strong across the globe. The variant further celebrated the joy of endless skies, warm sunsets, and the timeless pursuit of easy cruising that defines the spirited Meteor community.

Q4

ROYAL ENFIELD X KRAFTON INDIA

A landmark partnership that bridges two of India's most influential cultural domains – mobile gaming and motorcycling. The collaboration introduced the iconic Royal Enfield Bullet 350 and Royal Enfield Continental GT 650 as rideable motorcycles inside the BGMI universe. Extending beyond the digital experience, Royal Enfield also showcased its BGMI-inspired custom-built Continental GT 650.

LEAN. MEAN. CORNERING MACHINE: THE 2026 GUERRILLA 450 APEX

Sharper, more focussed expression of its street-performance roadster, the APEX variant comes with new road-biased 17" Vredestein Centuro ST tyres, a sportier, more forward-leaning riding position, and refined Street and Sport ride modes, across three new colourways.

UNLOCKING CITY+ CAPABILITY WITH FLYING FLEA C6

The brand's inaugural EV offering and the first product from Flying Flea, the FF.C6 was launched in India with the first Flying Flea store in Jayanagar, Bengaluru.

PETROL MOTORCYCLES

Evolved for Today's Riders

Royal Enfield has always stayed true to its philosophy of Pure Motorcycling while evolving with the needs of riders across the world. This year, some of our most iconic motorcycles received thoughtful upgrades shaped by the voices of our riding community, enhancing capability, comfort, and the overall riding experience while preserving the soul and character that make each motorcycle distinctly Royal Enfield. From new editions to adventure-ready enhancements, every evolution reflects our commitment to creating motorcycles that inspire exploration, connection, and Pure Motorcycling.

BUILT FOR THE STREETS

The New Hunter 350

The 2025 Hunter 350, inspired by and designed for the coolest neighbourhoods of the world, arrived with four new street-inspired colourways, Rio White, Tokyo Black, London Red, and Graphite Grey, alongside a host of premium upgrades. These included an agile new rear suspension, a assist-and-slipper clutch (a first for any 350cc Royal Enfield), refined ergonomics, LED headlamps, a Tripper pod, and Type-C USB fast charging.

Continuing to raise the bar for what an urban motorcycle can be, the Hunter 350 is crafted for the new-age rider, whether navigating tight corners or pulling up at a neighbourhood café.

Since its launch, the motorcycle has built a loyal and growing community of over 8,00,000 riders globally, making it one of Royal Enfield's fastest-growing models. The motorcycle was unveiled at HunterHood, Royal Enfield's first-ever street culture festival, held simultaneously in Mumbai and New Delhi, and later in Chennai and Shillong.

Watch more

STEALTH. PURPOSE. ADVENTURE

Himalayan Mana Black

Launched at Motoverse 2025 following its global unveiling at EICMA 2025, the Himalayan Mana Black Edition marked a striking new expression of Royal Enfield's celebrated adventure motorcycle. Inspired by the formidable Mana Pass, one of the world's most challenging high-altitude routes, the motorcycle channels a spirit of resilience and exploration. A deep Stealth Black finish with matte details embodies minimalism, purpose, and unadulterated adventure, while factory-fitted, purpose-built equipment, including Black Rally hand guards, Black Rally seat, Rally mudguard, and tubeless spoked wheels, ensures readiness for the most demanding terrain. Powered by the proven Sherpa 450 engine platform with ride-by-wire technology, the Mana Black Edition is built for riders who view every route not as a challenge, but as a calling.

Watch more

MADE FOR THE LONG RIDE

2025 Meteor 350

The upgraded 2025 Meteor 350 further elevates the product in the mid-size cruiser segment. In its refreshed avatar, the easy cruiser now comes with new features and enhancements across its variants – Fireball, Stellar, Aurora, and Supernova – in seven striking new colourways. Powered by the proven 349cc air-cooled J-series engine, the 2025 Meteor 350 comes equipped with a host of standard upgrades across the line-up, including LED headlamps and turn indicators, a Tripper navigation pod, a USB Type-C fast-charging port, an assist-and-slip clutch, and adjustable levers.

Watch more

A TRIBUTE TO PURE CRUISING

Meteor 350 Sundowner Orange

Debuted at Motoverse 2025 in Goa, the Meteor 350 Sundowner Orange special edition, is a striking new addition to the 2025 Meteor 350 line-up, and radiates the spirit of pure cruising. This exclusive variant pays a vibrant tribute to the ever-growing Meteor 350 tribe, now more than half a million strong across the globe. Crafted for riders who chase horizons, the Sundowner Orange is factory-fitted with a deluxe touring seat, flyscreen, passenger backrest, and Tripper navigation pod, alongside premium aluminium tubeless spoke wheels, a slip-and-assist clutch, adjustable levers, LED headlamps, and a USB Type-C fast-charging port. Created for the spirited Meteor community, this variant celebrates the joy of endless skies, warm sunsets, and the timeless pursuit of exploration.

LEAN. MEAN. CORNERING MACHINE

2026 Guerrilla 450 APEX

The 2026 Guerrilla 450 APEX arrived at GRRR Nights, an immersive, performance-led event. It is a sharper, more focussed expression of the street-performance roadster. The all-new APEX variant brings a sportier, more forward-leaning riding position, new road-biased 17" Vredestein Centuro ST tyres, refined Street and Sport ride modes with mode retention, and a sharper visual identity across three new colourways, APEX Red, APEX Black, and APEX Green. Built on the proven Sherpa platform delivering 40PS and 40Nm, the 2026 Guerrilla 450 APEX appeals to riders seeking agility and control in everyday urban riding. The upgrades were shaped by our community, resulting in a motorcycle that has been very well-received in the market.

Watch more

BOLDER. MORE MUSCULAR

Guerrilla 450 Shadow Ash Variant

The Shadow Ash colourway of the Guerrilla 450 brings a striking new expression to this urban performance roadster. Inspired by stealth and muscle, it features an olive green tank in matte finish with blacked out detailing enhancing its bold, muscular stance and commanding road presence. Part of the Dash variant and equipped with a Tripper Dash, the motorcycle is powered by the advanced 452cc single-cylinder liquid-cooled Sherpa engine, delivering power on demand that matches the unpredictability of the streets.

Watch more

SAME SOUL, SMARTER RIDE

2026 Goan Classic 350

The 2026 edition of the bobber-inspired, free-spirited Goan Classic 350 was launched with a range of rider-focussed improvements that elevate the overall riding experience while staying true to its distinct character. Among the key upgrades are a new assist-and-slipper clutch for improved downshift control and lighter clutch action, along with an upgraded USB Type-C charging port for faster charging on the go. Powered by a 349cc air-oil-cooled, single-cylinder engine producing 20.2 bhp and 27 Nm of torque through a five-speed gearbox, the 2026 Goan Classic 350 delivers smooth, effortless performance across both city streets and open highways.

Watch more

OLD SCHOOL FOREVER

Bullet 650

First introduced in 1932, the Bullet is a cultural mainstay. The world's longest-running motorcycle in continuous production, it is currently in its 94th year of a resilient journey, carving a special spot in the motorcycling world across generations. Its unmistakable silhouette, upright stance, and iconic thump have become shorthand for authentic motorcycling. Now, the legend gathers fresh force. The Bullet evolves into its most powerful expression yet; stronger and more commanding than ever before, while remaining true to its iconic character. With this new 650cc avatar, the Bullet pays tribute to its impeccable British lineage and indomitable Indian soul, giving Bullet loyalists a new reason to celebrate the brand's enduring legacy.

COLLABORATIONS

ROYAL ENFIELD X ROYAL ALBERT HALL

In a landmark creative collaboration, Royal Enfield joined forces with London's Royal Albert Hall to present 'The Ballad of the Bullet', an original musical composition and film unveiled alongside the Bullet 650. The project brought together orchestral grandeur and traditional Indian percussion, creating a powerful narrative of the motorcycle's dual heritage. Set against the iconic stage of the Hall, the film transformed the Bullet into a cultural symbol, bridging continents, art forms, and generations. The collaboration elevated storytelling into an immersive experience, celebrating legacy through sound, emotion, and cinematic craft.

Watch more

ROYAL ENFIELD X KRAFTON India

Royal Enfield's collaboration with KRAFTON India marked a bold step into the world of gaming, bringing the Bullet 350 and Continental GT 650 into the BGMI universe as rideable in-game machines. This integration blended motorcycling heritage with interactive entertainment, unlocking a new dimension of rider engagement. Extending beyond the screen, a custom Continental GT 650, designed with tactical, game-inspired elements, served as the physical embodiment of the partnership. Built with a battle-ready aesthetic, the machine bridged digital imagination and real-world craftsmanship, redefining how motorcycling culture connects with next-generation audiences.

Watch more

ROYAL ENFIELD X THE GREAT FROG LONDON

Through an exclusive collaboration with the iconic London-based jewellery and lifestyle brand, The Great Frog, Royal Enfield brought together the distinctive worlds of motorcycling and rock 'n' roll-inspired jewellery. The range included a custom-inspired chopper motorcycle, a limited edition handcrafted sterling silver ring, and an exclusive apparel collection. Each item reflected The Great Frog's signature aesthetic and Royal Enfield's timeless design DNA. Unveiled at Bike Shed London, the collaboration stood as a bold expression of individuality, where heritage meets attitude in its purest form.

ELECTRIC TWO-WHEELERS

A NEW ERA OF CITY+ ELECTRIC MOBILITY

Flying Flea

Flying Flea is not just about going electric – it is about creating a new category. It reflects a clear intent to build products that are deeply connected to the city and the rider, where agility, technology and experience come together in a way that is intuitive, purposeful, and distinct. Powered by a team of 200+ engineers across India and the UK, and backed by 45+ patent applications, Flying Flea is developed entirely in-house.

SEXY SCIENCE

FF.C6: The First Expression of Flying Flea

With the launch of the FF.C6 in April 2026, Flying Flea embarked on its journey as Royal Enfield's new City+ electric mobility brand. The first product under the brand, the FF.C6 has been thoughtfully reinterpreted for today's urban rider, blending authentic design, lightweight agility, and advanced connected technology to deliver a deeply intuitive riding experience.

A homage to the original Flying Flea of the 1940s, engineered for frontline troops, the FF.C6 reinterprets the spirit of lightness and adaptability for today's rider. Hardcoded to be agile, visceral, and resilient, it delivers a deeply intuitive riding experience where hardware and software seamlessly work as one, engineered to connect, adapt, and evolve with its rider.

The FF.C6 is an embodiment of Artistry, Wizardry, and Chemistry. Artistry comes alive in the precision-engineered forged aluminium Girder fork, a contemporary interpretation of the original Flying Flea's iconic front suspension. The battery fins further reflect the Flying Flea ethos, bringing together tradition and innovation through a distinctive wing-shaped design inspired by motion and balance. Wizardry is reflected in a system that continuously learns from rider behaviour, with over-the-air updates and seamless control. Chemistry is delivered through a 3.91 kWh lithium-ion battery, best-in-class regenerative braking, instant acceleration, and advanced stability systems for a ride that is efficient, predictable, and effortlessly adaptable to the rider's world.

Through the year, the motorcycle was showcased globally across major cities, building momentum ahead of its official India launch alongside the opening of the first Flying Flea store in Bengaluru, India. The FF.C6 also emerged as a significant global design statement, winning the Red Dot Design Award 2025 in the Design Concept category, the 2025 Good Design Award in the Transportation category, and the iF Design Award 2026 in Product Design and Automotive category. These recognitions reinforce the motorcycle's compelling neo-vintage interpretation of electric mobility, blending emotion, craftsmanship, and contemporary urban functionality.

154 Km
IDC* Range

115 km/h
Top speed

3.91 kWh
Battery

20-80%
In 65 mins

*Indian Driving Cycle

THE URBAN EXPLORER

FF.S6 Unveiled

Furthering its commitment to keep moving forever forward, Flying Flea unveiled the scrambler-styled FF.S6, a City+ explorer engineered for agility, adaptability, and adventure, at EICMA 2025. The new FF.S6 builds on the same ethos and platform as the FF.C6, carrying forward a DNA rooted in lightness, agility, and adaptability; and purpose-built to be versatile across all urban environments. It features a high-torque motor and long suspension travel, paired with an enduro-style seat and off-road ride mode with switchable ABS. The FF.S6 is a significant and natural addition to the Flying Flea portfolio.

The FF.S6 was showcased at Motoverse in India too. The S6 has been chosen to be a lightweight electric scrambler aimed at city use, with the ability to explore broken roads and mild trails on the weekend. The electric scrambler will hit the market at the end of 2026. It definitely looks like a working template for how the brand wants its first generation of electric motorcycles to feel and function.

EXPANDING ACCESS. ELEVATING RIDER EXPERIENCE.

Royal Enfield continued to strengthen its allied business, expanding across apparel, accessories and parts. The focus remained on building a more integrated ecosystem around the rider, ensuring that every aspect of ownership, from what riders wear to how they maintain and personalise their motorcycles, is seamlessly supported. This growth was matched by a steady expansion of retail presence, improving access and consistency across markets while reinforcing Royal Enfield's position not just as a motorcycle brand but as a complete riding experience.

STYLED BY THE SPIRIT OF MOTORCYCLING

In FY 2025-26, Royal Enfield's allied businesses delivered strong growth across the board. The apparel business grew by 21% in FY 2025-26, driven by the launch of new collections, alongside an expanded collectibles portfolio. Royal Enfield Accessories recorded exceptional momentum, with global revenue increasing by 32% year-on-year, while the spare parts business delivered a robust 18% year-on-year growth.

Royal Enfield Apparel

BUILT FOR ON AND OFF THE SADDLE

GET IN-STREETS

A deliberate step in strengthening the brand's design-led apparel portfolio, the range features two distinct capsules – 'Heritage', drawing from archival legacy and classic motorcycle elements, and 'A Page from a Motorcycling Diary', centred on everyday journeys with utility-driven, travel-inspired design. Spanning T-shirts, polos, outerwear, shirts, and cargos, the collection combines carefully selected materials such as bonded fleece, drum-dyed leather, and paper-finish jersey with grounded colourways including Forest Olive, Transformative Teal, Crimson Red, and Rustic Brown, offering riders products built for both on and off the saddle.

NEW RIDING GEAR AND COLLECTIBLES AT MOTOVERSE 2025

Motoverse 2025 saw Royal Enfield broaden its world beyond motorcycles with a series of launches spanning protective gear, collectibles, and festival exclusives. The unveiling of the Comic Helmet, fresh colourways for the 1:12 Classic Scale Models, the return of the larger 1:3 Classic Scale Model in new finishes, and a limited-edition Motoverse Collection underscored the brand's belief that motorcycling is as much about identity and culture as it is about the ride itself.

URBAN OUTERWEAR COLLECTION FOR EVERYDAY CITY RIDING

Designed specifically for city riders, the range included the CE-certified Urbanite Hoodie and Phoenix Leather Jacket, combining everyday usability with protective features such as abrasion-resistant materials and integrated armour. Built for versatility, the collection balanced functional safety with contemporary design, catering to both commuting and lifestyle needs.

OFF-ROAD COLLECTION FOR THE MODERN EXPLORER

Created for riders who venture beyond the tarmac, Royal Enfield's Off-Road Collection brought together a suite of purpose-built gear engineered for demanding terrain. Comprising the Gravel Jacket and Trousers, Defender Pro Base Layer, MX Pro Gloves, and Escapade DS Edge Helmet, the range blended lightweight construction, enhanced protection, and all-day comfort to support serious adventure riding.

CONNECTED FOR THE MODERN RIDE

Designed to make every journey more seamless, Royal Enfield introduced the Motowave X2, a Bluetooth communication device engineered for riders on the move. Equipped with Bluetooth 5.3 connectivity, 16+ hours of battery life, IP67 water resistance, and noise-filtering technology for clearer conversations, the device combined practicality and convenience with a rider-first approach.

GREEN PURSUIT INITIATIVE

CONSCIOUS COLLECTION

A sustainable apparel line developed under the brand's Green Pursuit initiative, the range featured jerseys crafted from recycled materials, Himalayan grass (HimGra), organic cotton, and natural dyes, rendered in earthy, pastel tones. Designed with end-to-end sustainability in mind, from fabric composition to packaging, the collection marked a purposeful step toward responsible craftsmanship.

A NEW TAKE ON CLASSIC HEADWEAR

Royal Enfield introduced the Bobber Helmet, designed for riders who favour a minimalist aesthetic without compromising on everyday comfort. Built for urban use, the helmet paired a clean silhouette with durable construction and came with four interchangeable tinted visors, allowing riders to adapt both style and visibility to suit different conditions.

GLOVE UP FOR EVERYTHING

Designed for riders who refuse to be limited by the route ahead, Royal Enfield introduced a new range of street-touring gloves engineered to deliver protection, comfort, and adaptability in equal measure. Built to withstand long days in the saddle and changing riding conditions, the gloves were created to support every journey, wherever the road may lead.

COLLABORATIONS

ROYAL ENFIELD X VALLON

Royal Enfield, in collaboration with VALLON, launched the Royal Enfield VALLON Moto Aviators – a Classic edition lifestyle collection inspired by its iconic motorcycles, including the Classic 350, Goan Classic, and Classic 650. First unveiled at Motoverse 2025, the collection reflects the timeless charm, evocative design, and bold colourways that define the Classic range. Lightweight, durable, and safety-rated, the Moto Aviators blend the raw motoculture of the 1970s with modern technology and safety-rated lenses for enhanced clarity and protection. The three editions, Stay True, Stay Fast, and Stay Wild, each carry the distinct character of their respective motorcycles, offering riders eyewear high on style and performance.

ENHANCING EVERY RIDE WITH PERFORMANCE AND PRACTICALITY

Royal Enfield Accessories

The Royal Enfield Accessories business continued its strong growth trajectory, recording a remarkable 52x growth over the last nine years. In FY 2025-26, global accessories revenue grew by 32%, reflecting growing rider engagement with personalisation and bespoke accessories. During the year, Royal Enfield strengthened its accessories portfolio through focussed collaborations designed to enhance functionality, style, and the overall riding experience.

MAKE IT YOURS (MIY) CONFIGURATOR

The Make It Yours (MiY) configurator plays a central role in Royal Enfield's personalisation strategy, enabling customers to customise motorcycles digitally at the point of booking with accessories, seats, protection kits, and styling options. In FY 2025-26, MiY achieved peak booking penetration of 89%. Additionally, 87% of motorcycles booked via MiY included accessories, reinforcing the growing importance of personalisation within the ownership journey.

COLLABORATIONS

ARROW SILENCERS X HIMALAYAN 450

In partnership with Italian performance exhaust manufacturer Arrow Special Parts, Royal Enfield developed premium, street-legal exhaust systems for the Himalayan 450. The collaboration focussed on reducing weight while enhancing exhaust note and performance character for adventure riders, further integrating performance accessories into the motorcycle ownership experience.

GIVI LUGGAGE SOLUTIONS

Royal Enfield collaborated with Italian touring and luggage specialist GIVI to create hard and soft luggage systems tailored for Royal Enfield motorcycles. The partnership strengthened the touring and adventure ecosystem around the brand by offering purpose-built luggage solutions designed for long-distance travel and utility.

PURE MOTORCYCLING EXPERIENCES

Immersing in the World of Festivals, Rides, and Adventures

Pure Motorcycling has never been defined by the motorcycle alone but by the journeys, communities, and experiences built around it. Across marquee festivals, immersive rides, motorsport initiatives and custom culture, Royal Enfield continued to create experiences that bring riders together through a shared spirit of exploration, and self-expression. From global gatherings like Motoverse and One Ride to regional rides, purpose-led adventures, and emerging cultural formats, these experiences strengthened the emotional connection riders share with the brand while continuing to shape and grow motorcycling culture across markets and communities.

MOTOVERSE 2025: THE MAINSTAGE OF MOTOCULTURE

~40,000
Footfall

~51,000
Art of Motorcycling entries

Motoverse 2025 returned to Goa with another unforgettable edition, bringing together riders, creators, musicians, artists, and explorers from around the world in a celebration of Pure Motorcycling. Over three immersive days in Vagator, the festival once again became a vibrant convergence of riding culture, creative expression, motorsport, music, and community-led experiences, reaffirming Royal Enfield's commitment to nurturing a global motorcycling community built on shared passion and individuality.

Motorcycles unveiled

Bullet 650 I Indian Debut
Flying Flea S6 I Showcase
Himalayan Mana Black | Launch
Meteor 350 Sundowner Orange | Launch

SPIRIT OF ROYAL ENFIELD'S ETHOS.

True to its community-first ethos, Motoverse 2025 was shaped by the people who live and breathe motorcycling culture every day. From adrenaline-fuelled action at MotoThrill and the iconic Maut Ka Kuan, to inspiring conversations at MotoReel and immersive experiences at MotoVille, every corner of the festival reflected the diversity and spirit of the Royal Enfield community. The Art of Motorcycling arena showcased artworks under the theme of Cine-Verse, while the second edition of Revv'ed Up Runway brought vintage-inspired moto style to the forefront.

This year, Motoverse drew over 40,000 footfalls, with the Art of Motorcycling receiving more than 51,000 entries from across 12 countries.

Watch more

CULTURAL BONDING

As the sun set over Goa, MotoSonic brought the festival alive with electrifying performances from globally acclaimed and homegrown artists, including Diplo, Hanumankind, Euphoria, Parvaaz, The Yellow Diary and more. Beyond the music and machines, Motoverse 2025 continued to stand as a powerful expression of Royal Enfield's evolving culture – open, immersive, and driven by the bonds forged between those who ride.

WHERE THE COMMUNITY COMES ALIVE

HUNTERHOOD

HunterHood was launched as a street culture platform that celebrates a city's vibrant creative identity through music, art, and movement. Inspired by the urban spirit of the Hunter 350, the event took place across Delhi, Mumbai, Chennai, and Shillong throughout the year. It transformed the streets of each city into a dynamic canvas of self-expression, featuring BMX and skate showcases, live graffiti, custom motorcycles, and immersive cultural performances. Bringing together local artists, musicians, and communities, the festival extended beyond a traditional brand event to become a community-first initiative that blended motorcycles with the various subcultures.

Watch more

Watch more

GRRR NIGHTS X UNDERGROUND

GRRR Nights was conceived as an immersive, performance-led event that brings the Guerrilla 450's dynamic capabilities to life through high-energy, hands-on experiences. Blending motorsport-inspired formats such as drift runs, drag races, and controlled ride interactions, the platform allows participants to engage directly with the motorcycle's agility and versatility. Beyond riding, GRRR Nights integrates music, culture, and community, creating a multi-sensory environment that connects product performance with urban youth culture. The event brought together over 3,000 enthusiasts for an adrenaline-fuelled evening of drags, drifts, and live performances across Pune and Guwahati.

Watch more

HIMALAYAN SPIRIT 2025

Royal Enfield introduced Himalayan Spirit, a curated off-road learning experience designed exclusively for Himalayan riders. Conceived as a gateway to great adventures, it was positioned as the ultimate life hack for every rider who wanted to explore beyond the tarmac. Designed to lower the psychological barriers around adventure motorcycling, Himalayan Spirit equipped riders with essential riding techniques and life skills in a safe, structured environment.

ONE COMMUNITY, COUNTLESS ROADS

21ST EDITION OF HIMALAYAN ODYSSEY

Royal Enfield flagged off the 21st edition of the Himalayan Odyssey, marking over two decades of its iconic motorcycling expedition. Spanning 18 days and over 2,600 kms, the ride brought together 77 riders from across the globe, traversing the breathtaking terrains of Ladakh, Spiti, and Zanskar, including Umling La – the world's highest motorable pass. Divided into two routes, Team Spiti and Team Zanskar, the journey combined physical endurance with cultural immersion, beginning with a traditional Ladakhi blessing ceremony. Reinforcing its commitment to responsible travel, the expedition continued to champion the #LeaveEveryPlaceBetter initiative, promoting sustainable practices across the Himalayan ecosystem.

Watch more

ONE RIDE 2025

Royal Enfield brought together its global riding community for the 14th edition of One Ride in September 2025, uniting over 40,000 riders across 1,500 rides in 60+ countries. Celebrated as one of the largest annual motorcycling events in the world, the ride followed the sun across time zones – from the first sunrise in the East to the last sunset in the West – creating a seamless 24-hour global celebration. Bringing together riders of all backgrounds, the event highlighted individuality and self-expression while reinforcing the brand's ethos of Pure Motorcycling. Alongside camaraderie and shared passion, One Ride 2025 also championed responsible riding through safe route planning, community mentorship, and safety-led initiatives such as 'Helmets for India'.

THE COMMUNITY GETS BIGGER, RIDE BY RIDE, REGION BY REGION

62
Regional rides

1.88 Lakh
Customer participation, with a majority being unique customers

13,760
Ride-outs conducted at the dealership level

6
Strategic collaborations with the Indian Army, Indian Air Force, and State Tourism Boards

HIMALAYAN ADVENTURE – EVEREST BASE CAMP

Royal Enfield conducted the Himalayan Adventure-Everest Base Camp 2025, a 10-day expedition across Nepal and Tibet. Riders traversed remote high-altitude routes via Timure, Kyirong, and Tingri, covering Everest Base Camp along with Shishapangma, and Cho Oyu base camps. The ride combined endurance riding with immersive Himalayan exploration.

SOUTHERN TRAIL

The Southern Trail covered 750 km across Tamil Nadu, spanning highways, coastal roads, and off-road trails in the Western Ghats. Riders explored destinations including Kanyakumari, Tirunelveli, and Kodaikanal on the Himalayan platform. The experience combined exploration with training sessions and community engagement activities.

UNITY RIDE IN LUDHIANA

Royal Enfield brought together over 1,000 riders in Ludhiana for a large-scale Independence Day community ride. Participants formed the outline of India's map in a record attempt recognised by the Asia Book of Records and the India Book of Records. The event celebrated patriotism, community, and rider participation at scale.

AESTHETIC ANINI RIDE IN ARUNACHAL PRADESH

The Aesthetic Anini Ride 2025 was a five-day expedition across Arunachal Pradesh covering routes through Dibrugarh, Anini, Roing, and Etalin. Riders navigated challenging terrain while experiencing remote Himalayan landscapes and local culture. The ride blended endurance riding with regional exploration.

WESTERN TRAIL RIDE

The Western Trail ride covered nearly 400 km from Kolhapur to Amboli and Pargad Fort through the Western Ghats. Riders navigated winding roads, forest trails, and off-road terrain across scenic locations. The ride focussed on exploration and rider community engagement.

COASTLINE TO CLOUDLINE ACROSS THE WESTERN GHATS AND KONKAN COAST

The Coastline to Cloudline ride covered 710 km across Maharashtra's Western Ghats and Konkan coastline. Riders explored forest trails, beaches, waterfalls, and ferry crossings through destinations including Marleshwar, Ganpatipule, and Dapoli. The ride combined multi-terrain adventure with curated local experiences.

TOUR OF SIKKIM

The Tour of Sikkim 2025 was an eight-day expedition across West and East Sikkim covering approximately 650 km. Riders traversed high-altitude routes including Tsomgo Lake, Nathula Pass, and the Old Silk Route. The experience combined Himalayan riding with cultural immersion and community engagement.

TOUR OF BHUTAN

Royal Enfield conducted an eight-day expedition across Bhutan covering high-altitude routes, remote valleys and cultural landmarks. The ride offered participants an immersive Himalayan riding experience through scenic landscapes and local interactions. The initiative reinforced Royal Enfield's focus on adventure-led exploration.

BUILT TO STAND OUT

STRENGTHENING THE RACING DNA

Royal Enfield Continental GT Cup Season 5

The Royal Enfield Continental GT Cup 2025, presented by JK Tyre, concluded its fifth season with thrilling on-track action and standout performances across categories. Spanning six months of intense competition from May to November, the championship attracted nationwide participation, building on its Street to Track format to nurture grassroots talent. With nearly 6,000 registrations, a rigorous multi-stage selection process, and eight races across three rounds, Season 5 showcased exceptional racing skill, mentorship-driven dynamics, and Royal Enfield's continued commitment to developing motorsports talent in India and globally.

Watch more

ROYAL ENFIELD CHAMPIONS TAKE ON THE FLAT TRACK

2026 Slide School Cup

Royal Enfield concluded the 2026 edition of the Slide School Cup with an action-packed finale, bringing together the country's emerging flat-track racing talent. Spanning three months, the championship saw participation from riders across regional rounds held in Goa, Bengaluru, Pune, and Jaipur. The final showdown featured 12 finalists, competing aboard the Royal Enfield FT450, a flat-track motorcycle derived from the Guerrilla 450 platform, celebrating Royal Enfield's commitment to building flat-track racing culture in India.

SELF-EXPRESSION REIMAGINED

CUSTOM MOTORCYCLES SHOWCASED AT 33RD YOKOHAMA HOT ROD SHOW 2025

Two custom motorcycles, VITA and Carolina Reaper, were showcased at the 33rd Yokohama Hot Rod Custom Show 2025 in Japan. Developed under its Custom World initiative, the builds were created in collaboration with international custom builders and based on the Guerrilla 450 platform. Inspired by vintage racing aesthetics, the motorcycles combined design-led craftsmanship with modern performance elements. The showcase reinforced Royal Enfield's engagement with the global custom motorcycling community and its commitment to supporting creative expression within the segment.

LIMITED-EDITION SHOTGUN 650 X ROUGH CRAFTS DROP

Royal Enfield introduced the limited-edition Shotgun 650 x Rough Crafts Drop, a premium expression of the motorcycle's custom-first philosophy developed in collaboration with renowned custom builder Rough Crafts. Inspired by the "Caliber Royale" custom build, the motorcycle features bespoke detailing including real gold leaf striping, hand-cast solid brass tank badges, quilted leather seats, gold fork inner tubes, and contrast cut alloy rims. Limited to just 100 individually numbered units across India, Europe, North America, and APAC, this edition celebrated Royal Enfield's deep connection to the culture of customisation and collectability.

BEYOND BORDERS

Accelerating International Growth

In FY 2025-26, Royal Enfield continued to strengthen its global footprint across APAC, EMEA, the Americas, and the SAARC region, deepening its presence in both established and emerging markets. From new launches and market entries to strategic collaborations, retail expansion and international recognitions, the brand continued to build relevance across diverse riding cultures and communities worldwide. Guided by a long-term vision for global growth, Royal Enfield's international journey this year reflected not just growing business momentum but the increasing resonance of Pure Motorcycling across geographies, generations, and lifestyles.

APAC HIGHLIGHTS

Royal Enfield strengthened its momentum across the Asia-Pacific region in FY 2025-26, recording a robust 8% annual growth while expanding its footprint across key markets through new launches, experiential engagements, retail expansion, and strategic partnerships.

PRODUCT LAUNCHES & MARKET EXPANSION

Royal Enfield launched the Bear 650 across the APAC region through immersive experiential formats. The Classic 650 also made its debut through curated ride experiences in Thailand and Korea, blending local culture with the motorcycle's timeless design language. In Indonesia, the Goan Classic 350 was launched through a lifestyle-led showcase in Jakarta, while the Himalayan Mana Black was introduced in Australia through a media ride across Victoria's rugged high country, highlighting the motorcycle's off-roading capability and touring comfort.

Royal Enfield also officially entered Taiwan through a partnership with Taikoo Motors and set foot in Hong Kong with the inauguration of its flagship showroom in Chai Wan in partnership with DIDI Automotive and Man Wai Motorcycle Centre.

COMMUNITY, EXPERIENCES & RIDING CULTURE

One Ride 2025 recorded the region's highest-ever participation, bringing together 8,486 riders across more than 150 rides, marking a 35% increase over the previous year. Thailand, Indonesia, Australia-New Zealand and Japan emerged as the strongest participating markets.

The brand strengthened its presence across custom and motorsport culture through participation in marquee events such as the Yokohama Hot Rod Custom Show in Japan, Art of Speed Malaysia, MotoSpring Moscow, and IMIS St. Petersburg. At Yokohama, Royal Enfield unveiled the custom motorcycles VITA and Carolina Reaper, while in Russia, the brand introduced its first-ever Russian custom build, Cor Ferro by Copper Chopper. Royal Enfield also reinforced its visibility at Thailand Motor Expo 2025, where the brand unveiled the Classic 650 Teal alongside the Hunter 350 Rio White and Tokyo Black.

Experiential riding formats also continued to grow across markets. Royal Enfield organised the Tour of Tasmania in Australia, bringing together over 30 riders for a six-day riding journey across the island, while Malaysia hosted its first-ever Ride & Camp experience with participation from multiple Royal Enfield rider communities across the country.

COLLABORATIONS & LIFESTYLE PARTNERSHIPS

In Japan, the Himalayan featured in RS Taichi's Autumn/Winter 2025 collection campaign, positioning Royal Enfield alongside leading Japanese motorcycling brands and strengthening aspiration for the brand.

In Thailand, Royal Enfield partnered with the Tourism Authority of Thailand (TAT) for the third consecutive year under the "Amazing Thailand" initiative to create curated motorcycle journeys through the country's cultural and scenic landscapes.

RETAIL EXPANSION & NETWORK GROWTH

Japan became the first APAC market to cross 50 retail outlets with the addition of new dealerships across Kanagawa, Saitama, Yamaguchi, and Nagano. Thailand added a new Royal Enfield store in Bangkok's Rama 2 district, while South Korea expanded its network presence through the opening of Royal Enfield Hwaseong near Seoul.

AWARDS

- Goan Classic 350 bagged the Best Modern Classic Award at the Bangkok International Motor Show 2026
- Super Meteor 650 won the Best Cruiser in Middle Weight segment at the Annual Thailand Bike of the Year 2026
- Royal Enfield entered the Malaysia Book of Records for the largest gathering of Royal Enfield Riders (850 motorcycles at the Sepang circuit)
- The Bear 650 won Best Naked Bike at the Indonesia International Motor Show 2026, and the Prestigious Brands of Asia 2025 Award in the Mid-Size Motorcycle segment

AMERICAS HIGHLIGHTS

The Americas region continued its strong sales growth trajectory with Brazil emerging as Royal Enfield's second-largest global market and recording 71% year-on-year growth. The region saw significant expansion of Royal Enfield's retail footprint across Brazil and key LATAM markets, further strengthening accessibility and customer engagement.

PRODUCT LAUNCHES & BRAND EXPERIENCES

The launch of the Guerrilla 450 across the Americas marked Royal Enfield's strategic push to introduce more performance-oriented motorcycles in the region. Introduced through immersive media rides and experiential formats across Brazil, Argentina, Colombia, North America, and Mexico, the motorcycle received strong market response and engagement from the riding community.

The Bear 650 and Classic 650 further strengthened Royal Enfield's mid-size portfolio in the region. The Bear 650 was launched across Argentina, Colombia, and Brazil, alongside a dedicated relaunch at Big Bear in the USA, while the Classic 650 debuted in the market, reinforcing Royal Enfield's heritage-led appeal.

Across launches, Royal Enfield integrated motorcycles with apparel, lifestyle, and experiential engagement, strengthening its brand positioning in the region.

COMMUNITY, EXPERIENCES & RIDING CULTURE

Community engagement remained central to Royal Enfield's growth across the Americas. One Ride 2025 recorded participation from 14,478 riders throughout the region. In Brazil, the São Paulo edition of One Ride brought together over 1,000 riders in a large-format community experience featuring live music, food, and social spaces, reflecting the growing strength of the Royal Enfield rider ecosystem in the region.

RETAIL EXPANSION & NETWORK GROWTH

The Americas region saw a significant expansion of the exclusive dealer network, deepening market penetration, and enhanced customer accessibility in key territories. Fifteen new exclusive stores opened across Brazil, Argentina, and the rest of LATAM.

AWARDS

- In Brazil, the Himalayan 450 secured a historic double victory at the Estadão Mobility Award - MotoMotor 2026, winning both Motorcycle of the Year and Best Trail Bike, and the Guerrilla 450 won Motorcycle of the Year in the Naked up to 500cc category by Revista Duas Rodas.
- In North America, the Himalayan 450 was recognised by Cycle World Magazine as the 2025 Best Lightweight Street Motorcycle, while the Bear 650 won the 2025 Best Standard Motorcycle Award.

EMEA HIGHLIGHTS

Royal Enfield deepened its presence across the Europe, the Middle East, and Africa region through new motorcycle launches, rider experiences, strategic collaborations, and retail expansion initiatives.

PRODUCT LAUNCHES & PLATFORM UPDATES

FY 2025-26 saw the launch of the Goan Classic 350 across EMEA, strengthening Royal Enfield's mid-size portfolio internationally. The year also saw key updates across existing platforms, including the Classic 350 and the Himalayan Mana Black Edition, alongside the exclusive ICON Shotgun drop that continued to build excitement around Royal Enfield's custom culture.

COMMUNITY, EXPERIENCES & RIDING CULTURE

Royal Enfield partnered with the Rome Marathon 2026 as the official motorcycle partner of the prestigious global event. The collaboration brought together heritage, community, and culture through a series of immersive brand experiences, including a special showcase tracing Royal Enfield's 125-year journey from 1901 to 2026 and a parade ride across the iconic marathon route featuring both historic and modern motorcycles. Royal Enfield supported the marathon organisation with a fleet of 30 course motorcycles, comprising the Himalayan and Guerrilla, reinforcing the brand's growing global presence and spirit of exploration.

In addition to this, the City Test Ride Tour programme travelled across France, Italy, the UK, Germany, and Spain, covering more than 50 cities and enabling over 4,000 test rides during the season, bringing Royal Enfield motorcycles directly to new and existing riders across the region.

One Ride 2025 recorded the region's highest-ever participation with 12,122 riders across EMEA riding together in celebration of Pure Motorcycling and community spirit.

Royal Enfield further strengthened its experiential ecosystem through partnerships such as Malle London x Motoverse, which introduced the first-ever MotoPolo Championship at Motoverse 2025, blending motorcycling culture with contemporary lifestyle experiences. The brand also continued its partnership with Vintage Rides through the second edition of the 'Into The Motoverse' tour, offering riders an immersive Motoverse experience followed by a curated riding journey through Goa and Kerala.

RETAIL EXPANSION AND PARTNERSHIPS

Royal Enfield expanded its retail footprint across the EMEA region with the addition of nine new exclusive stores during FY 2025-26.

Watch more

SAARC HIGHLIGHTS

Royal Enfield strengthened its leadership position across the South Asian Association for Regional Cooperation (SAARC) region, maintaining its position as the #1 player in the mid-size motorcycle segment. The region accounted for 22% of total international volumes in FY 2025-26, reflecting strong brand resonance in key neighbouring markets. Across SAARC, the brand sustained its focus on retail expansion, product availability, and community engagement to deepen its penetration.

PRODUCT LAUNCHES

During the year, Royal Enfield expanded its portfolio across the SAARC region. In Nepal, Royal Enfield introduced the Classic 350, Meteor 350, Hunter 350, and Scram 440, a strong lineup that addresses the growing demand for premium, accessible mid-size motorcycles while deepening the connection with younger and evolving rider communities. In Bangladesh, the Meteor 350 was launched, marking another step in the brand's commitment to building a sustained presence across the region. Together, these launches reflect a deliberate, market-by-market approach to growth in South Asia.

ROYAL ENFIELD AWARDS

TIMES DRIVE 2025

Viewer's Choice Motorcycle of the Year for Hunter 350

BIKE INDIA AWARDS 2026

Bike of the Year up to 650cc for Classic 650

2026 THRUSTZONE AWARDS

2026 Readers Brand of the Year – Two-wheeler for Royal Enfield

2026 Editor Two-Wheeler of the Year for Scram 440

2026 Readers Two-Wheeler of the Year for Classic 650

2026 CARANDBIKE AWARDS

Modern Classic Motorcycle of the Year for Classic 650

AUTOX AWARDS 2025

Bike of the Year for Classic 650

NDTV AUTO AWARDS 2025

Modern Classic Motorcycle of the Year for Bear 650

Two-Wheeler Design of the Year for Goan Classic 350

Two-Wheeler Manufacturer of the Year for Royal Enfield

2025 CARANDBIKE AWARDS

Roadster Motorcycle of the Year for Guerrilla 450

Modern Classic Motorcycle of the Year for Goan Classic 350

Scrambler Motorcycle of the Year for Bear 650

MOTORING WORLD AWARDS 2025

Premium Motorcycle of the Year for Guerrilla 450

Feature of the Year for Tubeless spokewheels

Riding Apparel of the Year for Royal Enfield

ACKO DRIVE TOTM AWARDS 2025

Bike Manufacturer of the Year for Royal Enfield

Viewer's Choice of the Year for Goan Classic 350

Google Most Searched Bike for Classic 350

Best Film for Classic 350

International Awards

INDONESIA INTERNATIONAL MOTOR SHOW (IIMS 2026)

Best Naked Bike for Bear 650

THAILAND BIKE OF THE YEAR 2026

Best Cruiser in Middle Weight Segment for Super Meteor 650

JAPAN BIKE OF THE YEAR AWARD 2024

Gold Award in the Foreign Category for Bullet 350

ESTADÃO MOBILITY AWARD – MOTOMOTOR 2026

Motorcycle of the Year for Best Trail Bike for Himalayan 450

BANGKOK INTERNATIONAL MOTOR SHOW 2026

Best Modern Classic Award for Goan Classic

REVISTA DUAS RODAS

Motorcycle of the Year - Naked up to 500cc for Guerrilla 450

RED DOT DESIGN AWARDS 2025

Design Concept category for Flying Flea C6

Corporate and CSR Awards

BRAND FINANCE AUTOMOBILES 2026 REPORT

3rd Strongest Automobile Brand in the World for Royal Enfield

J.D. POWER 2025 INDIA TWO-WHEELER INITIAL QUALITY STUDYSM (2WIQS)

Most Reliable Two-Wheeler Brand for Royal Enfield

FADA DEALER SATISFACTION STUDY (DSS) 2025

Leader in the Two-Wheeler Segment for Royal Enfield

SUSTAINABILITY 4.0 AWARDS BY FROST AND SULLIVAN 2025

Sustainable Factory of the Year for Royal Enfield

A YEAR OF MILESTONES AT VECV

01 RECORD ANNUAL SALES ACHIEVED

VECV surpassed the 1,00,000-unit annual commercial vehicle sales threshold in FY 2025-26, registering its highest-ever production volumes and deliveries. This milestone underscores VECV's strengthening market position and robust demand across its product portfolio.

02 NEW PRODUCT LAUNCH: EICHER PRO PLUS – LIGHT & MEDIUM DUTY RANGE

Eicher Trucks and Buses introduced the Eicher Pro Plus range of Light and Medium Duty (LMD) trucks, expanding the product portfolio to address evolving customer requirements in the intermediate tonnage segment.

03 NEW PRODUCT LAUNCH: EICHER PRO X DIESEL – LAST-MILE LOGISTICS

The Eicher Pro X Diesel small truck was launched with a specific focus on transforming last-mile logistics efficiency in India, addressing a high-growth segment driven by e-commerce and urban distribution demand.

04 VECV HONOURED AT THE 17TH APOLLO CV AWARDS 2026

VECV received seven awards at the 17th Apollo CV Awards 2026, including the prestigious "CV Maker of the Year" Award, a recognition that affirms VECV's leadership in product quality, innovation, and industry impact.

05 RECOGNISED AMONG INDIA'S TOP 50 INNOVATIVE COMPANIES

VECV was conferred with the Innovation Excellence Award at the 12th CII Industrial Innovation Awards, becoming the only commercial vehicle OEM to receive this distinction, reinforcing the Company's commitment to technology-led differentiation.

06 STRATEGIC CPO PARTNERSHIPS TO ACCELERATE EV INFRASTRUCTURE

VECV formalised Charging Point Operator (CPO) agreements with Jio-BP, Tata Power, Statiq, and Zeon, establishing a broad public charging network for Eicher's electric truck and bus portfolio, a critical enabler for fleet operator confidence and EV adoption at scale.

07 EICHER PRO X EV SETS NATIONAL ROUTE PERFORMANCE RECORDS

The Eicher Pro X EV became the first electric truck to complete the demanding Kashmir-to-Kanyakumari long-haul route, establishing four performance records, validating the technical readiness of VECV's electric platforms for commercial deployment across India's diverse geographies.

08 ₹ 544 Crores INVESTMENT TO MANUFACTURE VOLVO GROUP AMTs IN INDIA

VECV announced plans to locally manufacture Volvo Group's Automated Manual Transmissions (AMTs) for the Indian market and select Asia-Oceania markets, backed by a capital commitment of ₹ 544 Crores, enhancing India's role as a global manufacturing hub within the Volvo Group ecosystem.

09 PARTICIPATION IN THE 15TH CEMENT EXPO – SUSTAINABLE LOGISTICS SHOWCASE

Eicher participated in the 15th Cement Expo, showcasing new CNG and LNG truck models designed specifically for the cement industry's logistical requirements, positioning VECV as a partner in India's sustainable industrial supply chain.

10 EEC AXLE ASSEMBLY PLANT COMMISSIONED WITH AN ALL-WOMEN TECHNICIAN TEAM

A new axle and transmission assembly line for the Eicher Pro X platform was commissioned at the EEC facility within eight months of project initiation. The plant is operated entirely by women technicians, exemplifying VECV's commitment to workforce diversity and operational excellence.

11 VOLVO TRUCKS' PRESIDENT VISITS INDIA

Volvo Trucks' President Roger Alm conducted a strategic visit to India, covering Bengaluru, Nagpur, the VECV headquarters, and the Volvo Trucks Service Centre in Gurugram. During the visit, he launched India's first road train solution on Volvo FM 420 4X2 tractor, a 24-ft containerised intermediate trailer and a 44-ft semi-trailer.

12 TAMIL NADU GOVERNMENT PROCURES 20 VOLVO 9600 COACHES FOR SETC

The Tamil Nadu Chief Minister formally flagged off 20 Volvo 9,600 coaches procured by the State Express Transport Corporation (SETC), demonstrating continued government confidence in VECV's premium passenger transport solutions and reinforcing public sector fleet relationships.

VECV AWARDS

17TH APOLLO CV AWARDS

CV Maker of the Year for VECV

Debutant of the Year for Eicher Pro X EV

School Bus of the Year for Eicher Starline Next Gen CNG AC School Bus

LCV Cargo Carrier of the Year (Up to 7.5T) for Eicher Pro 2059XP Plus

CV Transport Solution Provider of the Year for Eicher Trucks & Buses

CV Technology & Innovation of the Year for Volvo Road Train

CV Communications Excellence of the Year for Eicher Trucks & Buses

12TH CII INDUSTRIAL INNOVATION AWARDS

Top 50 Innovative Company for VECV

16TH AEGIS GRAHAM BELL AWARDS

Award of Excellence in the category of Innovation in Automobile

EXCHANGE4MEDIA MAVERICK AWARDS 2025

Best Customer Engagement Strategy for Eicher School Bus, Yellow Classroom Campaign

Best Customer Relationship Marketing for Eicher Life Badal De Campaign

Best Use of Storytelling in Marketing for Eicher Life Badal De Campaign

Gold for Best Product Launch Campaign for Eicher Pro X

Bronze for Best Influencer Marketing Campaign for Eicher Pro X

THE ECONOMIC TIMES AWARD FOR DESIGN AND CREATIVITY

Most Creative AI-driven Design for Eicher School Bus, Yellow Classroom Campaign

15TH ACEF GLOBAL CUSTOMER ENGAGEMENT AWARDS 2026

Best AI-Driven Content Creation/ Optimisation for Eicher School Bus, Yellow Classroom Campaign

Best Mobile Video Campaign for Eicher School Bus, Yellow Classroom Campaign

Best Use of Instagram for Customer Engagement for Eicher School Bus, Yellow Classroom Campaign

Best Interactive/Engagement-Driven Campaign for Eicher Turbo Mantra

FINANCIAL EXPRESS MOBILITY SUMMIT & AWARDS 2025

Excellence in Electric Mobility Provider (Commercial Electric Vehicles) for VECV

Excellence in Sustainable Fuel Solutions for VECV

BUSINESS INNOVATION AWARDS 2025

EV Product Launch of the Year for Eicher Pro X

ARJAN VASWANI FOUNDERS' LEADERSHIP AWARD

Presented to Mr. Vinod Aggarwal, Vice Chairman, Eicher Motors and MD & CEO, VECV, by the Institute of Indian Foundrymen (IIF)

#1 IN CUSTOMER SATISFACTION INDEX 2026 (#1 IN 12 OUT OF 15 PARAMETERS)

No. 1 Amongst 5 Market Players in LMD Trucks

No. 1 Amongst 4 Market Players in HD Trucks

No. 2 Amongst 5 Market Players in Bus Division

INTEGRATED REPORT

82 Value Creation Model
84 Operating Environment
86 Stakeholder Engagement
90 Materiality
94 Risk Management
98 Financial Capital
104 Manufactured Capital
110 Intellectual Capital
118 Human Capital
124 Social and Relationship Capital
142 Natural Capital
150 Governance

VALUE CREATION MODEL

BUILT TO CREATE VALUE

INPUTS

FINANCIAL CAPITAL
- ₹ 18,500 Crores net worth as at April 1, 2025

MANUFACTURED CAPITAL
- 4 Manufacturing units (India)
- 7 CKD units across countries (Argentina, Brazil-2, Colombia, Thailand, Nepal, Bangladesh)
- 14 Lakhs+ annual manufacturing capacity
- 4% recycled steel*
- 74% recycled aluminium*
- ₹ 1,256 Crores capex invested in operational efficiency
- 22,200+ Kaizen (continuous improvement projects) initiated to improve processes

INTELLECTUAL CAPITAL
- 2 R&D centres – Chennai, India and Bruntingthorpe, UK
- MiY (Make it Yours) for digital customisation
- 600+ dedicated R&D engineers
- ₹ 755 Crores invested in R&D (3% of total revenue)
- Continuous innovation aligned to global market trends
- Local part development for CKD markets and EV models

HUMAN CAPITAL
- 23,455 total employees
- 20,134 contractual
- 3,321 permanent employees
- 565 new hires
- 86,700+ learning hours to permanent employees

SOCIAL AND RELATIONSHIP CAPITAL
- ₹ 83 Crores invested in community development
- Partnerships with 280+ partners across Social Media and Journeying across The Himalayas
- 2,100+ dealerships (including 937 studio stores)
- Skill development and training programmes for dealer workforce
- ESG assessments initiated across supply chain

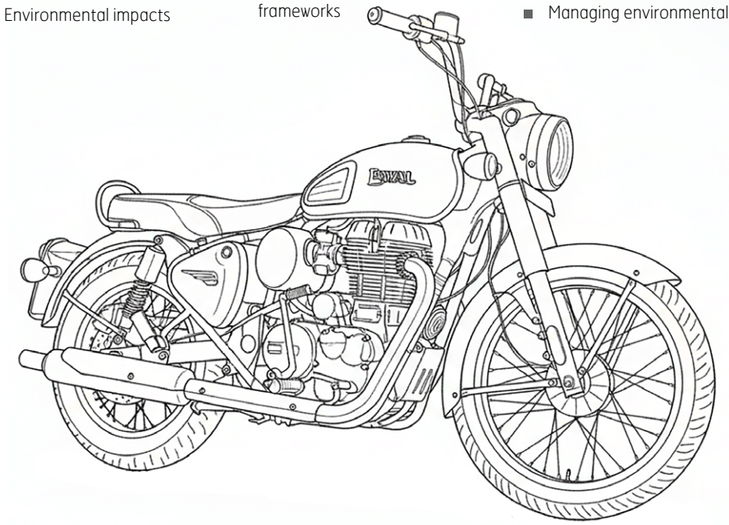
NATURAL CAPITAL
- 7,77,094 GJ of energy consumed
- 4,20,822 GJ from renewable sources
- 3,19,573 KL of water consumption
- 22 MW offsite solar power plant capacity
- Reduced environmental footprint through efficient operations
- Promoted responsible travel through community campaigns and rider initiatives

THE WAY WE DELIVER

Design
- Innovation in products and processes
- Brand reputation and customer-centricity
- Vehicle safety and quality
- Resource efficiency and circularity
- Environmental impacts

Procurement
- Raw material selection aligned with the ESG factors
- Established collaboration and partnership across supply chain
- Supporting local economy
- Sustainability risk assessment through supplier audit frameworks

Customers
- Ensure customer safety, experience, engagements to enhance brand loyalty and reputation
- Customer satisfaction through after-sales service
- Awareness for responsible travel
- Managing environmental footprint



Production
- Technology-driven, eco-efficient, and safe manufacturing facilities
- Focus on human rights and freedom of association
- Expert workforce with ability to cater and contribute to brand reputation
- High quality of product

Sales and distribution
- Strong global sales network
- Accelerated customer service through dealership collaborations
- Top-line growth
- Market expansion

End-of-life
- Future-ready for End-of-Life Vehicles (ELVs) management
- Products designed for effective recoverability and recyclability
- Endeavour to design for enhancing ELV optimisation

BUILT ON OUR LONG-TERM STRATEGIC VISION: RE-BALANCE

We are creating an agile, resilient, and timeless business for all

- **Products - Petrol motorcycles and EV** Balance EV as a game changer along with petrol motorcycle products
- **Growth Focus** Balance growth and profitability
- **Brand-led CX** Brand-led customer experience versus transactional focus
- **Sustainability** Balance social and commercial objective

Sustainable Development Goals (SDGs)

Aligned with key SDGs

OUTCOMES

FINANCIAL CAPITAL
- ₹ 21,808 Crores net worth as at March 31, 2026
- ₹ 22,700 Crores net revenue for FY 2025-26
- ₹ 5,813 Crores EBITDA for FY 2025-26
- ₹ 5,041 Crores PAT for FY 2025-26
- ₹ 4,709 Crores operating cash flows for FY 2025-26

MANUFACTURED CAPITAL
- 12,41,256 motorcycles produced
- 90% capacity utilisation
- 12,38,661 motorcycles sold
- Maintained highest quality standards; reduced cost of ownership

INTELLECTUAL CAPITAL
- Launched New Classic 350, New Guerrilla 450, Interceptor Bear 650, Scram 440, Goan Classic, and Classic 650
- New product refreshes and EV platform unveiled
- Completed the development of Flying Flea C6 and filed application for 45 patents

HUMAN CAPITAL
- 21% gender diversity among all employees and workers
- 12,167 trainees were trained in specialised areas through Gurukulam
- 912 concepts from RE Imagine
- Healthy, safe, and inclusive work environment

SOCIAL AND RELATIONSHIP CAPITAL
- 73%+ procurement from vendors in close proximity
- 85% vulnerable communities supported through CSR
- Shared value through community mobility and environmental campaigns

NATURAL CAPITAL
- 21,959 tCO_2e (Scope 1) and 7,206 tCO_2e (Scope 2) Total Scope 1 and 2 emission intensity per rupee of turnover - 1.3
- 540 MT hazardous waste recycled
- 1,723 MT co-processed
- Zero liquid discharge across units; 8th year of water-positive operations
- Sustainability integrated from design to post-use lifecycle
- 3,35,51,349 kWh of electricity generated through group captive solar plant
- 55,000 KL groundwater recharged

*To improve data accuracy and better reflect the actual materials embedded in our products, the methodology for calculating recycled content of steel and aluminium has been updated in FY 2025-26. Refer BRSR for more details

Note: Reported numbers are based on EML standalone.

VALUE CREATION MODEL

OPERATING CONTEXT

RIDING AHEAD OF THE CURVE

The automobile world is shifting at pace, with rider aspirations evolving, focus on sustainable mobility growing and digital technologies penetrating across every aspect of operations. As a Company with a rich legacy that has ridden through multiple shifts and continues to be driven by an innovative mindset, EML stayed ahead of the curve, reading these trends early and responding with intent.

The results are evident: in a year when supply chains were tight, both Royal Enfield and VECV delivered their highest-ever volumes and consolidated market share, while contributing meaningfully to advancing the broader motorcycling industry. With each step forward, the Company is focussed on creating lasting value for all stakeholders while staying the fiercely differentiated brand that it is.

ASPIRATIONS FOR PREMIUM MOTORCYCLES

Industry context:
Globally, there is a rising shift toward mid-size, premium motorcycles, as riders seek experiences beyond mobility. Purpose, personality, performance, and distinctive design have become the new benchmarks and attributes for consumer decisions.

EML strategic response:
Royal Enfield continues to deliver premium experiences through innovative launches, thoughtful upgrades to its portfolio, and shaping experiences beyond motorcycles. In FY 2025-26, the brand introduced upgrades, including the 2026 Guerrilla 450 Apex, Hunter 350, 2025 Meteor 350, 2026 Goan Classic 350, and Himalayan Mana Black, each broadening appeal and deepening the brand's distinctive character. Royal Enfield's product quality leadership was validated in securing the highest rank in J.D. Power's 2026 initial quality study in India. These efforts consolidated the brand's market share to 86.8% in the domestic mid-size segment.

GLOBALISATION AND EMERGING MARKET EXPANSION

Industry context:
Globally, aspirational and accessible motorcycles that come along with riding cultures and lifestyle-led choices are witnessing rising adoption as customers seek differentiated experiences.

EML strategic response:
In FY 2025-26, Royal Enfield strengthened its local presence across established and emerging markets in APAC, EMEA, the Latin America and the SAARC regions. The brand undertook several market-specific launches of its renowned motorcycles, including the Bear 650, Classic 650, Hunter 350 and Scram 440. Further, across regions, the brand strengthened community, experiences, and riding culture through international and region-specific community rides, participation in marquee events, lifestyle partnerships, and retail network expansion.

SURGE IN SUSTAINABLE AND ELECTRIC MOBILITY

Industry context:
Green mobility, across both personal and commercial segments, is witnessing growing adoption amidst tightening emission regulations and rising consumer awareness. Factors like low cost of running also continue to attract consumers.

EML strategic response:
FY 2025-26 marked a breakthrough year for Royal Enfield in the electric urban mobility space, led by its dedicated City+ brand Flying Flea. The brand launched its first electric motorcycle, FF.C6 and also unveiled the scrambler-styled FF.S6. Flying Flea, through these motorcycles and more in the pipeline, is all set to take the Royal Enfield's legacy into a new era.

VECV commercialised new electric and LNG trucks and buses. It also entered Charging Point Operator (CPO) agreements with strategic partners to strengthen the public charging network for wider adoption of its electric truck and bus portfolio.

DIGITISATION OF MOBILITY EXPERIENCE

Industry context:
Digital content integration into mobility and immersive digital experiences has evolved from a differentiator to a baseline expectation. Customers today are increasingly demanding experiences that are seamless, intuitive, and connected across all stages.

EML strategic response:
Royal Enfield has been at the forefront of integrating digital experiences across the riding experience, from exploring motorcycles on the website to customising them using Make-it-Yours (MiY) and how it engages. The brand continues to make motorcycles more feature-rich with connected and smart mobility solutions such as navigation and ride telemetry. Social media is leveraged for sustained digital engagement, helping build affinity through content, conversation, and shared riding culture. In FY 2025-26, Royal Enfield partnered with Flipkart and Amazon India, enabling customers in select cities to purchase its 350cc range online through a seamless end-to-end digital journey, making ownership more accessible.

SUPPLY CHAIN LOCALISATION AND RESILIENCE

Industry context:
Conflicts, disruptions, and shifting trade dynamics across the world have impacted supply chain continuity and cost efficiencies, necessitating localised sourcing and deepening supplier collaboration.

EML's strategic response:
Royal Enfield has pulled all levers of the supply chain to ensure resilience, including securing alternative vendors, prebuying and building inventory buffers, and optimising the variant-feature mix. Further, aligned with its capacity expansion, the brand has been working alongside the vendor ecosystem to debottleneck areas and ramp up supplies to meet future demand. The localisation strategy extends globally through CKD operations that bring assembly closer to demand.

STAKEHOLDER ENGAGEMENT

COLLABORATIVE PATH TO VALUE CREATION

EML's long-term growth and value creation are closely guided by active engagement with its diverse stakeholders. The company prioritises continuous, two-way, and transparent dialogue with all stakeholder groups to ensure their perspectives are integrated into EML's strategic decision-making. These engagements are anchored in EML's purpose of delivering responsible mobility, built on its legacy, and oriented towards future readiness. By continuously listening and responding through targeted initiatives, EML strengthens trust, deepens collaboration, and drives shared, sustainable outcomes.

How We Engaged in FY 2025-26

EMPLOYEES

Engagement Channels and Frequency of Engagement

- Awareness/shop floor/learning and development training
- Townhalls
- Annual satisfaction surveys and performance appraisals
- Formal grievance redressal mechanism
- Newsletters

Expectations

- Opportunities for personal growth and development
- Focus on health, safety, and well-being
- Rewards and recognition
- Engaging, satisfying, and supportive work culture

Measures Taken

- Enhanced focus on leadership and people management through structured development programmes
- Advanced diversity through focussed women hiring, Diversity, Equity, and Inclusion workshops, and women-led riding initiatives
- Upskilled workforce in EV, artificial intelligence and machine learning, and cybersecurity through digital and in-person training
- Strengthened safety through certified systems and continuous safety drills

Value Created

- Fostered a high-trust, inclusive, future-ready culture
- Built leadership pipeline and improved managerial effectiveness
- Increased diversity to 21% women in total workforce and 9% in revenue-generating functions
- Enhanced morale and innovation with 22,200+ Kaizens and ideathons
- Achieved 86,700+ trainings to staff and executives during the year

Frequency of Engagement Continuous

Capitals Impacted

- Social & Relationship
- Human

CUSTOMERS

Engagement Channels and Frequency of Engagement

- Product launch events, rides, after-sales and service engagements
- Customer satisfaction and market surveys
- Website, social media and apps

Expectations

- High-performing products and superior experiences
- Reliable quality, delivery, safety, and service standards
- Product customisation capabilities
- Efficient complaint resolution

Measures Taken

- Launched four new models: Guerrilla 450, Bear 650, Classic 650, and Goan Classic 350
- Introduced tubeless wheels for Himalayan 450, Borderless Warranty
- Conducted global rides, Motoverse, GT Cup, Spotify x RE music campaigns

Value Created

- Sold 12 Lakhs+ motorcycles, highest-ever, strengthening premium positioning
- Enhanced global accessibility and service satisfaction with 3,250+ service points
- Strengthened customer engagement and lifestyle connect through events and immersive rides

Frequency of Engagement Continuous

Capitals Impacted

- Financial
- Manufactured
- Intellectual

SUPPLIERS

Engagement Channels and Frequency of Engagement

- Supplier meets, site visits, and tech shows
- Supplier risk and ESG assessments
- Training, capacity building, and awareness programmes
- Pre-onboarding processes

Expectations

- Effective planning and execution strategy
- Consistent communication on orders and forecasts
- Fair contracts and timely payments
- Innovation and product development initiatives
- Co-creation of new technologies

Measures Taken

- Assessed above 90% of direct material suppliers on ESG and quality parameters
- Conducted tech shows, capacity building, and site visits
- Localised Anti-lock Braking System assembly and optimised sourcing

Value Created

- Improved supplier sustainability compliance
- Shortened lead times and enhanced supply chain resilience
- Strengthened co-development for new product launches

Frequency of Engagement Continuous

Capitals Impacted

- Financial
- Manufactured
- Social & Relationship

DEALERS

Engagement Channels and Frequency of Engagement

- Dealer meets and collaborative initiatives
- Marketing, website, and digital communications
- Training and continuous support
- Formal feedback mechanism

Expectations

- Sales and marketing plan
- Consistent product availability, quality, service, and new launches
- Incentives and rewards
- Improved customer experience
- Training, education, and technical support

Measures Taken

- Conducted 4,471 trainings across sales and service
- Rolled out Human resource management system / Learning management system to 27,469 dealer personnel
- Organised skill contests, soft skills training, and immersive brand sessions

Value Created

- Enhanced customer experience and service excellence at first touchpoint
- Standardised training across the dealer network
- Strengthened dealer morale, efficiency, and brand alignment

Frequency of Engagement Continuous

Capitals Impacted

- Financial
- Intellectual
- Human

INVESTORS

Engagement Channels and Frequency of Engagement

- Periodic publications on the website and stock exchanges
- Investor meetings, conferences and roadshows
- Annual General Meeting
- Tour of facilities for Investors & analysts

Expectations

- Strong financial performance and prudent fiscal management
- Visibility on future strategy and projects
- Updates on new launches and events
- Updates on ESG projects and roadmap

Measures Taken

- Sustained steady earnings growth supported by strong operating performance
- Regular engagement with Investors through calls, meetings and conferences
- Conducted Annual general meeting for shareholders

Value Created

- PAT of ₹ 5,041 Crores, 22.2% margin; RoE at 25.0%
- Dividend of ₹ 2,249 Crores declared for FY 2025-26; ₹ 1.8 Lakh Crores market capitalisation (+23.2% YoY)
- Strong liquidity position with net cash of ₹ 18,990 Crores

Frequency of Engagement Continuous

Capitals Impacted

- Financial
- Intellectual

LOCAL COMMUNITIES

Engagement Channels and Frequency of Engagement

- Community outreach initiatives
- Press releases and publications
- Surveys and site visits

Expectations

- Community development programmes in the areas of education, skill training, and healthcare access
- Sustainable operations and practices

Measures Taken

- Himalayan Hub infrastructure completed with focus on training, EV transport, and waste management
- Strengthened water storage in Spiti, and organised clean-up drives in Goa and Chennai
- Advanced sustainable tourism and conservation through 40+ fellowships and grants
- In Tamil Nadu, water conservation was supported through a 320% increase in pond storage capacity, the creation of ~10,000 sq. ft. of sponge gardens, the installation of over 110 groundwater recharge units, and the restoration of a 26-acre lake

Value Created

- Positively touched the lives of 92,000 direct beneficiaries; 85% from marginalised communities
- 10,500 sq.km Himalayan habitat covered
- 23 Lakh lives indirectly impacted through CSR programmes
- In partnership with UNESCO, documented 17 Intangible Cultural Heritage practices in Himachal Pradesh through the year

Frequency of Engagement Continuous

Capitals Impacted

- Natural
- Human

GOVERNMENT AND REGULATORY AUTHORITIES

Engagement Channels and Frequency of Engagement

- Mandatory compliance reports
- Onsite inspections
- Participation in industry forums
- One-on-one meetings

Expectations

- Regulatory, environmental, and social compliance
- Job creation, community development, and contribution to national growth

Measures Taken

- Achieved 100% compliance with applicable laws and environmental norms
- Participated in industry forums and policy consultations
- Continued development and execution of MoU-linked investments with the state government of Tamil Nadu and Andhra Pradesh

Value Created

- Zero non-compliances
- Proposed new greenfield manufacturing facility in Andhra Pradesh
- Announced brownfield expansion at Cheyyar
- Contributed to Make-in-India and green manufacturing goals

Frequency of Engagement Continuous

Capitals Impacted

- Natural
- Intellectual
- Human

MATERIALITY

TACKLING WHAT MATTERS FOR LONG-TERM VALUE

EML adopts a proactive approach to identifying and addressing material matters that could influence stakeholder interests and long-term business continuity.

RENEWING FOCUS ON ESG PRIORITIES

At EML, sustainability priorities continue to influence how the Company operates, collaborates with stakeholders, and makes investment decisions – ensuring alignment with evolving expectations and fostering resilience in an ever-changing landscape. EML's ESG focus is shaped by the perspectives of its stakeholders, including customers, regulators, suppliers, employees, and community partners. The goal is to build a future that is environmentally responsible and socially inclusive.

In FY 2023-24, EML undertook a comprehensive review to refresh its ESG priorities. The issues identified are relevant for FY 2025-26. Drawing from current and emerging sustainability trends, the Company engaged with key stakeholder groups – through both digital and in-person interactions – to assess the relevance of 23 ESG themes and identify those requiring greater focus.

The process involved feedback from seven stakeholder segments, including Royal Enfield employees and leadership, customers, investors, community partners, suppliers, and distributors. In addition, leadership insights helped evaluate the potential business impact and likelihood of these sustainability matters, enabling EML to prioritise actions that drive long-term value.

A STRUCTURED THREE-STEP APPROACH TO DEFINING ESG PRIORITIES

Step 1

Shortlisting ESG Topics

A set of 23 ESG priority areas was identified through a thorough review of global sustainability frameworks such as S&P Corporate Sustainability Assessment (CSA), Sustainability Accounting Standards Board (SASB), and Morgan Stanley Capital International (MSCI), along with benchmarking against industry peers.

Step 2

Prioritisation through Stakeholder Engagement

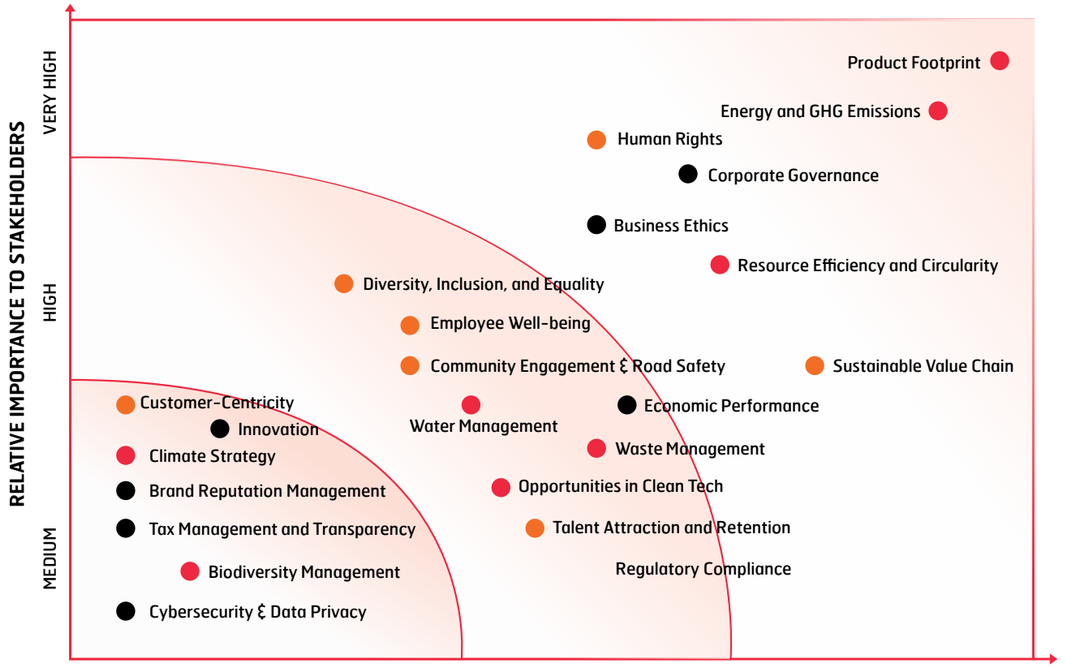
Customised surveys – both online and offline – were rolled out across various stakeholder groups to capture insights on priority ESG topics. These targeted consultations yielded over 469 responses, offering a comprehensive view of what matters most to each group.

Step 3

Validation and Refinement

Findings from both primary and secondary engagements were analysed using a weighted average methodology to rank ESG priorities across all stakeholder groups, incorporating inputs from frameworks and peers. A leadership workshop was then conducted to validate and finalise the refreshed ESG priorities for Royal Enfield.

MATERIALITY MATRIX



ESG Focus Areas

Very High

1. Product Footprint
2. Energy and GHG Emissions
3. Human Rights
4. Corporate Governance
5. Business Ethics
6. Resource Efficiency and Circularity
7. Sustainable Value Chain

High

8. Diversity, Inclusion, and Equality
9. Employee Well-being
10. Water Management
11. Economic Performance
12. Community Engagement & Road Safety
13. Waste Management
14. Opportunities in Clean Tech
15. Talent Attraction and Retention
16. Regulatory Compliance

Medium

17. Innovation
18. Customer-Centricity
19. Climate Strategy
20. Brand Reputation Management
21. Tax Management and Transparency
22. Biodiversity Management
23. Cybersecurity & Data Privacy

Note:
1. The above graph is not an accurate mathematical representation, it has been created for visual representation purposes
2. Equal weightage of 12.5% assigned across stakeholders to rank ESG focus areas: Investors, Employees, Suppliers, Community, Peers, Frameworks, Distributors, and Customers

The company is currently conducting a double materiality assessment to review and refresh its material sustainable topics. The detailed report will be published in the Annual Sustainability Journal.

HOW EML IS ADDRESSING HIGH PRIORITY ISSUES

PRODUCT FOOTPRINT

Reducing the environmental impact of Royal Enfield motorcycles by focussing on responsible raw material usage and transitioning towards cleaner fuels.

EML's Way Forward

- Adopted advanced manufacturing techniques and technologies to improve material efficiency
- Integrated sustainability into product development, with R&D dedicated to refining engine performance, enhancing fuel efficiency, and exploring alternative fuel options
- The company launched its first electric motorcycle - Flying Flea C6 - in April 2026, marking the beginning of its journet in city+ electric mobility
- Completed Reusability, Recyclability, and Recoverability (RRR) study for 350cc and 650cc platforms, compliant with AIS 129 (Automotive Industry Standard for End-of-Life Vehicles (ELVs) in India)
- Conducted lifecycle assessment of the Classic 350 model to evaluate its environmental impact

SDGs Impacted

Capitals Impacted

- Financial
- Intellectual
- Natural

ENERGY AND GHG EMISSIONS

Driving a shift to renewable energy sources such as solar, wind, and hydrogen, while adopting energy-efficient measures to reduce carbon emissions.

EML's Way Forward

- Implemented ISO 50001:2018 energy management system to monitor and optimise energy use
- Upgraded equipment and streamlined processes to improve energy efficiency and lower fossil fuel dependency
- Invested in 13 MW of solar energy infrastructure
- T- 100% Renewable Electricity (RE) share in Royal Enfield headquarters, Chennai and Spares warehouse, Chennai
- Overall RE share at 92% through captive and third-party across Royal Enfield operations
- Deployed laser welding technology to enhance energy performance

SDGs Impacted

Capitals Impacted

- Financial
- Intellectual
- Natural

HUMAN RIGHTS

Ensuring dignity, fairness, and equal treatment across the workforce through strong human rights policies.

EML's Way Forward

- Committed to upholding human rights across the value chain
- Maintained a clean record with no reported violations of the human rights policy

SDGs Impacted

Capitals Impacted

- Financial
- Social & Relationship

CORPORATE GOVERNANCE

Establishing robust frameworks for transparency, accountability, and ethical conduct at every level of the organisation.

EML's Way Forward

- Maintained a strong governance framework overseen by a seasoned and independent Board
- Supported unbiased and ethical decision-making – 63% of Board members are currently independent directors

SDGs Impacted

Capitals Impacted

- Financial
- Social & Relationship

BUSINESS ETHICS

Upholding a culture of integrity through strong ethical standards, anti-corruption practices, and compliance protocols.

EML's Way Forward

- Enforced a comprehensive Code of Conduct for employees and the extended supply chain, with zero tolerance for unethical behaviour
- Established transparent systems and controls to combat corruption and manage risks effectively

SDGs Impacted

Capitals Impacted

- Financial
- Social & Relationship

RESOURCE EFFICIENCY AND CIRCULARITY

Promoting zero-waste production by embedding circularity principles, optimising resource use, and enhancing recovery systems.

EML's Way Forward

- Adopted circular economy practices, including effluent and sewage treatment facilities at all plants
- Implemented effective waste management solutions such as co-processing in cement kilns
- Aligned with Extended Producer Responsibility (EPR) norms for plastic waste
- Promoted water positivity through rainwater harvesting, recycling, and efficient usage systems
- Integrated End-of-life Vehicles (ELV) management into design and production to enhance recoverability and recyclability

SDGs Impacted

Capitals Impacted

- Financial
- Social & Relationship

SUSTAINABLE VALUE CHAIN

Building a resilient and responsible supply chain through strong ESG integration, local sourcing, and supplier engagement.

EML's Way Forward

- Embedded ESG principles in procurement and supply chain processes
- Promoted local sourcing, with 77% of direct materials procured from suppliers located near manufacturing units
- Assessed direct material suppliers – representing 83% of total purchase value – on ESG performance, in line with SEBI's value chain disclosure guidelines

SDGs Impacted

Capitals Impacted

- Financial
- Natural

In line with evolving reporting standards, we are currently undertaking a comprehensive update of our materiality assessment for the current year. This ongoing process will ensure we identify and prioritise both, our external impacts on the environment and society, as well as the sustainability-related risks and opportunities influencing our enterprise value.

RISK MANAGEMENT

RESILIENCE BUILT FOR AGILITY

EML's risk preparedness is anchored in the ability to remain resilient while moving with agility across a dynamic mobility landscape. As customer expectations evolve, technologies advance, regulations tighten, and global supply chains remain exposed to volatility, we continue to strengthen our risk governance, controls, and response mechanisms. Our approach enables us to identify emerging risks early, assess their potential impact, and act with discipline, ensuring that business continuity, stakeholder trust, and long-term value creation are protected.

KEY RISKS AND MITIGATING ACTIONS

SUPPLY CHAIN DISRUPTION RISK

Capital impacted

- Financial
- Manufactured
- Natural
- Social & Relationship

Material issues

Economic performance, manufacturing efficiency, responsible supply chain, customer-centricity, responsible use of materials

Risk

Global shortages of semiconductors (microchips) and fluctuations in commodity prices, particularly metals & oil, can disrupt production schedules and increase input costs, thereby affecting profitability. Dependence on single-source vendors or specific countries for critical components or raw materials may result in concentration risk.

Mitigating action

- Implemented proactive steps to ensure availability and to reduce the impact of raw material shortages on supply chain continuity and manufacturing output
- Diversified sourcing through alternate vendors, strategic inventory buildup, and optimisation of variant-feature configurations to maintain steady availability
- Launched cost reduction initiatives, accelerated value engineering efforts, and introduced price increases to offset rising input costs

CONCENTRATION RISK

Capital impacted

- Financial
- Manufactured

Material issues

Economic performance, manufacturing efficiency

Risk

The Company's manufacturing operations are primarily based in a single location – Chennai – exposing it to potential geopolitical disturbances or natural disasters. Such events may lead to operational shutdowns, production delays, supply chain bottlenecks, or increased project and construction costs.

Mitigating action

- Built strong vendor relationships across multiple geographies to diversify supply chain dependencies and reduce material delay risks
- Designed plants with flexible, modular setups allowing agile model shifts and optimal resource allocation across units
- Established CKD (Completely Knocked Down) assembly units in strategic global locations to decentralise manufacturing and cater to regional markets
- Announced exploration of land acquisition for a new greenfield manufacturing facility in Andhra Pradesh.

TECHNOLOGY OUTDATING AND CHANGING CONSUMER PREFERENCE RISK

Capital impacted

- Intellectual
- Social & Relationship

Material issues

Customer-centricity, Innovation management

Risk

Dependence on Internal Combustion Engine (ICE) technologies and legacy features may make the brand appear outdated amidst shifting consumer sentiment and preference toward electric mobility. A lack of timely response or suitable EV products could present strategic risks.

Mitigating action

- Strengthened brand resonance with younger audiences worldwide, while preserving the unique, tactile Royal Enfield motorcycling experience
- Enhanced all aspects of customer interaction and experience to drive engagement and loyalty
- Built a future-ready, technology-led product pipeline centred on the spirit of pure motorcycling
- Launched Flying Flea C6, marking the company's entry in city+ electric mobility segment
- Formed a dedicated team to continuously monitor global trends and technological developments

REGULATORY RISK (EMERGING RISK)

Capital impacted

- Intellectual
- Social & Relationship

Risk

Rapid policy shifts and stringent regulations on petrol motorcycles, EV, and environmental compliance in operational markets may affect sales and operations.

Material issues

Regulatory compliance, climate change, energy and emissions, responsible use of materials

Mitigating action

- Maintained a robust compliance and risk framework that actively tracks regulatory changes, identifies risks, and ensures timely implementation
- Conducted quarterly global compliance checks and generated compliance certificates for all applicable rules
- Built deep technical expertise in emissions and engine management; homologation is managed by experienced professionals
- Sourced quarterly regulatory updates from Idiada Spain to remain ahead of evolving requirements
- Engaged with industry bodies like ACEM (Association des Constructeurs Européens de Motocycles) and SIAM (Society of Indian Automobile Manufacturers) for regulatory foresight and engagement with regulators
- Formed a dedicated Advanced Engineering team to work on future requirements and fast-track key regulatory projects
- Sustained market engagement through pre-launch campaigns and concept EVs to build anticipation among enthusiasts

PROFITABILITY RISK

Capital impacted

- Financial
- Manufactured

Risk

High raw material costs and relatively lower price points for electric vehicles in India may exert pressure on the Company's consolidated profitability.

Material issues

Economic performance

Mitigating action

- Rolled out measures to assess and mitigate the impact of commodity inflation across petrol motorcycles and EV product lines
- Set up a dedicated working group to analyse material cost trends and implement alternate sourcing and value engineering
- Focussed on balancing product mix, strategic pricing, and deeper market penetration to mitigate rising input costs
- Sustained market engagement through pre-launch campaigns and concept EVs to build anticipation among enthusiasts

CYBER SECURITY AND DATA PRIVACY RISK

Capital impacted

- Intellectual

Risk

The increasing prevalence of cyber threats, data privacy breaches, and evolving data regulations elevate the risk to IT infrastructure and business continuity.

Material issues

Ethical business practices/corporate governance

Mitigating action

- Implemented comprehensive security infrastructure including firewalls, routers, and anti-virus tools to protect against cyber intrusions
- Conducted periodic data backups across multiple sites to ensure data security and operational continuity

HUMAN RESOURCE RISK

Capital impacted

- Human

Risk

A shortage of skilled talent, rising attrition, and existing skill gaps can hinder operational efficiency, impact productivity, and affect future growth, potentially harming the Company's reputation. Insufficient succession planning for key roles and the loss of critical talent further heighten business risk. Moreover, challenges in upskilling employees on emerging technologies – such as electric vehicles (EVs) – along with difficulty in attracting specialised talent and extended hiring timelines, can impede EV-related ambitions and workforce readiness.

Material issues

Attraction and retention of talent

Mitigating action

- Introduced various programmes to attract and retain top talent while driving employee engagement
- Invested in capability building and talent augmentation to ensure skilled workforce availability
- Implemented a succession planning framework identifying internal high-potential talent and selectively hiring externally
- Strengthened retention efforts through the Long-Term Incentive Plan (LTIP), grooming key talent for leadership roles

In addition to operational emergency preparedness, the Company has also conducted a comprehensive Climate Risk Assessment that covers all our manufacturing facilities, research centres, and corporate offices. By focussing on both physical hazards – such as extreme weather events – and transition challenges – including evolving regulations and shifting market dynamics – we ensure a proactive approach. This allows us to safeguard our assets, build long-term business resilience, and confidently capture sustainable growth opportunities.

Physical Risks:
Climate modelling identifies long-term Temperature Extremes as a chronic risk across all global assets. Pluvial Flooding represents an acute short-term hazard highly localised around our Tamil Nadu operating footprint, managed via site-specific engineering adaptation controls.

Transition Risks:
Short-term focus centres on Extended Producer Responsibility (EPR) obligations for end-of-life vehicle treatment. Medium-to-long-term strategies govern product compliance for tighter tailpipe norms (BS VII) and emerging Carbon Pricing Mechanisms.

Note: Risk severities are determined via site-level financial impact modelling; specific numbers are omitted here as forward-looking projections.

FINANCIAL CAPITAL

BUILT TO ENDURE, BUILT TO GROW

FY 2025-26 has been an exceptional year for EML, with the strongest ever annual performance. This, combined with prudent fiscal management, has strengthened the Company's balance sheet and supported delivering healthy return on equity of 25%. Backed by a strong treasury position with strong reserves, steady cash generation, and low leverage, the Company is confidently pursuing strategic expansion plans and further strengthening financial value. Together, this positions EML to scale growth and maximise value for stakeholders in the long-term, all while maintaining financial discipline and flexibility.

SDGs IMPACTED

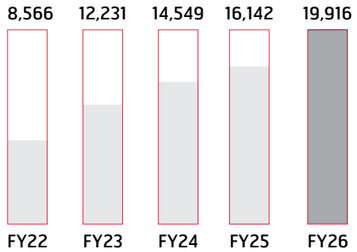
FY 2025-26 PERFORMANCE REVIEW

Net revenue from operations

Net revenue from operations increased by 23% to ₹ 22,700 Crores in FY 2025-26. The growth was driven by the highest-ever motorcycle volume sold, led by sustained momentum in the domestic business from portfolio upgrades and network. The international business registered a strong 20.5% growth, supported by the introduction of motorcycles across newer markets, retail expansion, and strategic collaborations.

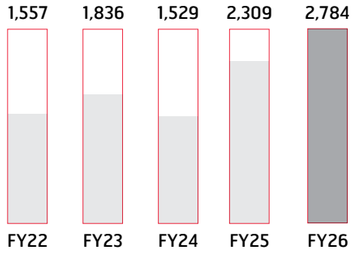
Revenue from India business

(₹ in Crores)



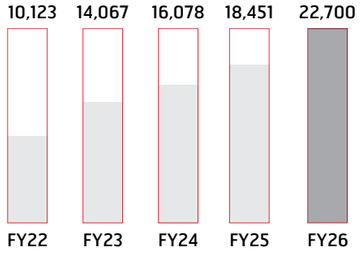
Revenue from International business

(₹ in Crores)



Net revenue from operations

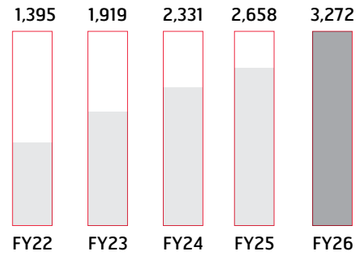
(₹ in Crores)



Revenue from Non-motorcycle business

Non-motorcycling business had a strong year across the board, with revenue growing by 23.1% to ₹ 3,272 Crores. Sustained growth in the business indicates its growing significance among consumers for pure motorcycling experiences, self-expression, and personalisation.

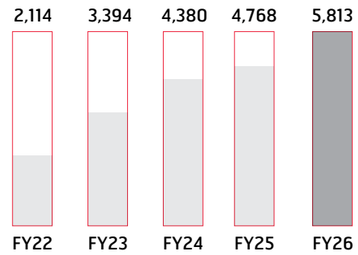
(₹ in Crores)



EBITDA

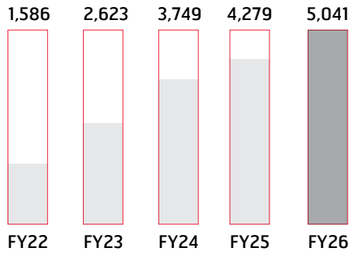
(₹ in Crores)

EBITDA increased 21.9% to ₹ 5,813 Crores in FY 2025-26, supported by operating leverage from increased volumes, better product mix, and cost optimisation efforts through Value Addition and Value Engineering. These efforts helped offset the increase in input costs.



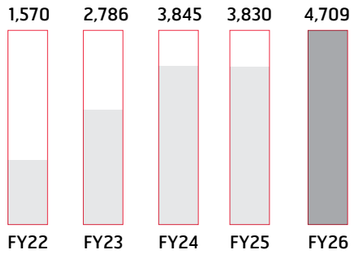
PAT
(₹ in Crores)

PAT increased 17.8% to ₹ 5,041 Crores, driven by growth in revenues from both motorcycling and non-motorcycling businesses and treasury income.



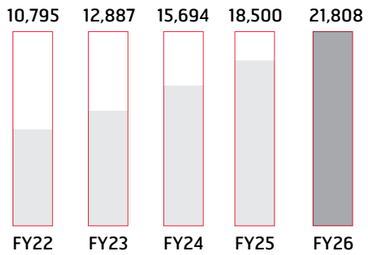
Operating cash flows
Operating cash flows increased 22.9% to ₹ 4,709 Crores, indicating effective conversion of profits into cash supported by healthy working capital management and improved operating leverage. This ensures high liquidity to fund capex, dividend, and working capital requirements.

Operating cash flows
(₹ in Crores)



Net worth
Net worth increased 17.9% to ₹ 21,808 Crores, indicating the ability to compound earnings and drive capital efficiency. This strong equity base provides a foundation to pursue growth opportunities while withstanding market uncertainties.

Net worth
(₹ in Crores)

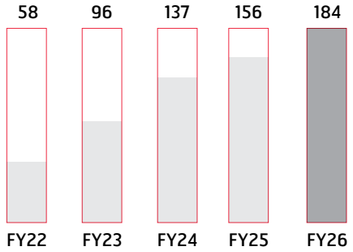


Net block (Property, plant and equipment, intangible assets and right of use assets)
The Company's net block was ₹ 3,670 Crores as at March 31, 2026, increased by 10.1% as compared to last year. This growth was primarily propelled by sustained capital expenditures directed toward product development, technology upgrades and infrastructure network expansion.

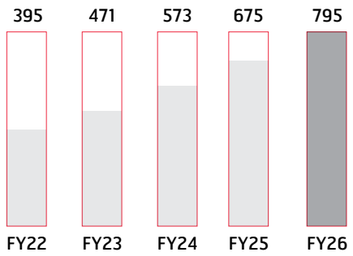
Property, plant and equipment, intangible assets and right of use assets
(₹ in Crores)

Earnings Per Share (EPS)
EPS increased to ₹ 184 and the book value to ₹ 795, reflecting the ability to enhance shareholder value through improved profitability and sustained growth.

Earnings per share
(₹)



Book value per share of Re. 1
(₹)

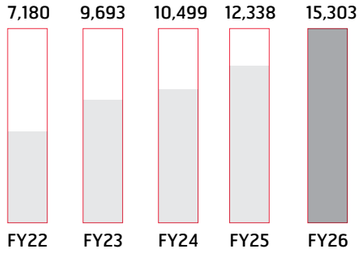


ECONOMIC VALUE CREATED AND DISTRIBUTED

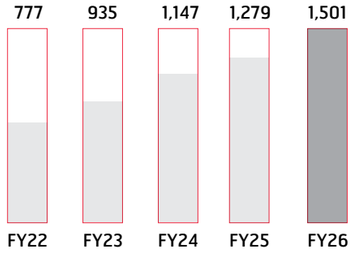
The economic value created by EML increased by 22.8% to ₹ 24,395 Crores in FY 2025-26. The Company adopts a balanced approach to allocating the value it creates, including contributions to the economy and its stakeholders, while retaining surplus for business requirements.

₹24,395 Crores
Total economic value created in FY 2025-26

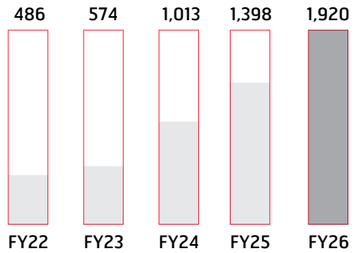
Operating costs
(₹ in Crores)



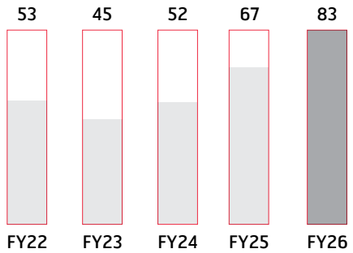
Employee wages and benefits
(₹ in Crores)



Payment to providers of capital
(₹ in Crores)

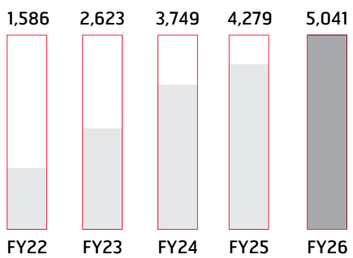


Community Investments
(₹ in Crores)



Payments to governments
(₹ in Crores)

Economic value retained
(₹ in Crores)



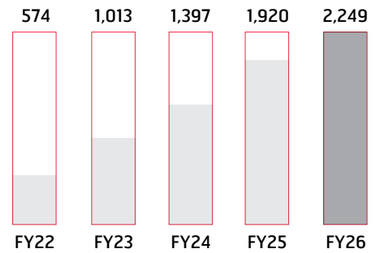
Note:

- Payments to governments represent the direct tax paid during the financial year and does not include deferred tax.
- Payments to providers of capital represent the dividend distributed from the retained earnings of the Company.
- Economic value retained represents Net profit after taxes of the Company.

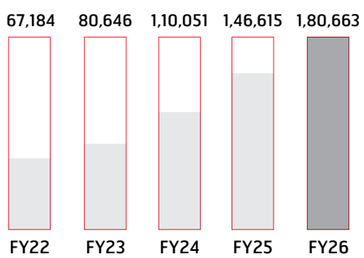
SHAREHOLDER VALUE CREATION

EML maintained its track of value creation in FY 2025-26, supported by strong business performance, improved outlook, and plans for expansion. The Company's market capitalisation increased by 23.2% to ₹ 1,80,663 Crores as on March 31, 2026, with return on equity sustained at 25%.

Dividend proposed
(₹ in Crores)



Market capitalisation
(₹ in Crores)



Return on Equity
(%)

MANUFACTURED CAPITAL

MADE LIKE A GUN. BUILT TO SCALE.

EML is strengthening its reputation as a global brand through consistent focus on a premium, distinctive, and rugged global motorcycle line-up, alongside customisation and thoughtfully engineered features. Each year, through investments in efficiency, automation, and global best manufacturing practices, the Company translates engineering discipline into tangible value.

In FY 2025-26, EML set new benchmarks in manufacturing efficiency to effectively meet the growing global demand, while ensuring best-in-class quality. Furthermore, a bold capacity roadmap has been established to drive the next chapter of global expansion and advance the pure motorcycling ambition.

PRECISION AS A DISCIPLINE

EML has one of the most modern manufacturing set-ups supported by cutting-edge technologies, global best manufacturing practices, and highly skilled technicians. The units carry DNV certification and have adopted Shoki Ryudo Kanri methodology, sharpening fault detection at every stage. This ensures manufacturing global standard motorcycles and sustaining Royal Enfield's distinctive 'Made Like a Gun' legacy. This quality framework is deployed horizontally across all Completely Knocked Down (CKD) facilities, lifting manufacturing efficiency without diluting the brand's quality.

World-class, highly automated manufacturing infrastructure

Vehicle assembly

- Flexible assembly line enabling production of 1,277 different models and variants of motorcycles
- 90+ Poka Yokes (mistake proof), nutrunners for safety-critical tightening joints and road/ dynamometer testing for 100% of vehicles

Engine assembly

- Automated sub-assembly operations, 100% tightening by DC nutrunners and 520 Poka Yokes
- Semi-automatic testing of 100% engines

Surface finishing

- 46 robots deployed for superior paint finish and better transfer efficiency
- Further enhanced corrosion protection, weather resistance, and sheen appearance measurement by gloss
- Paint shop handling 54 colours with provision of adding 15 more

Machining

- Increasing automation across 383 machining centres supported by 32 robotic washing stations and 19 robotic deburring units
- Online Statistical Process Control (SPC) systems with line interlocking for real-time monitoring and capturing critical process parameters

Fabrication

- 100% robotic welding of frames enabled by 103 robots with an intelligent power source, alongside an advanced laser welding process and robotic washing in fuel tanks fabrication

Auto buffing

- Two-stage automated planetary process and robotic buffing cells for enhanced component aesthetics (uniform and consistent finish)
- Sustainable process with an engineered dust extraction system

Royal Enfield has established a new plating line in Cheyyar facility which is capable of producing both Hexavalent and Trivalent products. This facility is the first in the automotive Industry in India to implement Trichrome plating in the Steel Exhaust system

INVESTING IN MANUFACTURING EXCELLENCE

EML is focussed on producing world-class premium motorcycles with global appeal, innovative features, and accessible pricing to meet its global aspirations. Aligned with this, the Company made strategic investments in the following areas during FY 2025-26:

Sustainable operations

- 100% Renewable Electricity (RE) share in Royal Enfield headquarters, Chennai and Spares warehouse, Chennai
- Overall RE share at 92% through captive and third-party across Royal Enfield operations

Cost optimisation

- Ideation on cost reduction across parts & assembly processes, and workshops for Value engineering (VAVE)
- Targeted commercial levers (strategic sourcing, negotiations, indigenisation, make-vs-buy, logistics optimisation) and engineering interventions (material substitution, process optimisation, lightweighting, and VAVE programs)

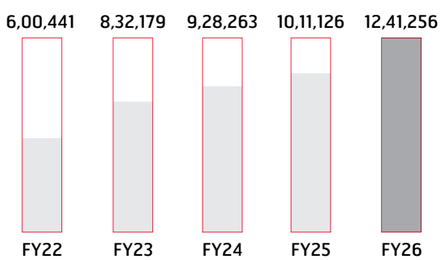
Capex spent
(₹ in Crores)

PERFORMANCE THAT SETS NEW RECORDS

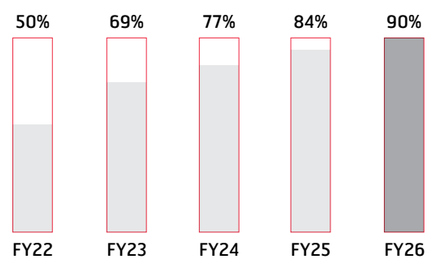
Royal Enfield motorcycles witnessed strong demand in FY 2025-26 in both domestic and international markets. Through sharp focus on manufacturing excellence, supply chain management, and debottlenecking initiatives, Royal Enfield ensured operational performance, resulting in its second consecutive year of over one million units produced.

The performance was supported by the launch of several upgrades across its popular motorcycles, including the 2026 Guerrilla 450 Apex, Hunter 350, 2025 Meteor 350, 2026 Goan Classic 350, and Himalayan Mana Black. Furthermore, several motorcycles were introduced across international markets in response to strong consumer demand.

Motorcycle production
(in no's)



Capacity utilisation
(in %)



EXPERIENCES BEYOND MOTORCYCLES

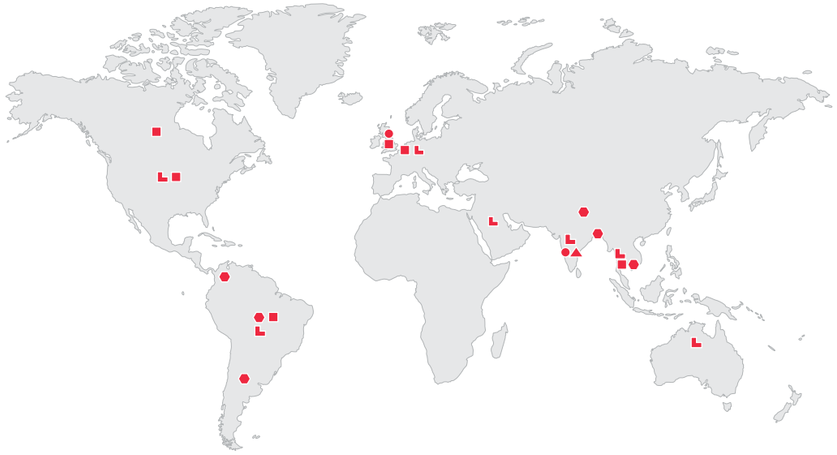
Royal Enfield's pure motorcycling ecosystem extends well past the showroom floor. Initiatives like extended warranty, roadside assistance, and the availability of genuine accessories through an extensive network ensure a superior after-sales experience. Royal Enfield ranked #1 in the FADA Dealer Satisfaction Survey 2025.

The brand also offers owners personalised lifestyle choices through Make-it-Yours (MiY) customisation and brand-inspired apparel. During the year, the non-motorcycling business registered growth with the launch of several purpose-built apparel lines and a growing interest in upgrading motorcycles through accessories.

ROYAL ENFIELD GLOBAL FOOTPRINT

India
Royal Enfield has an entrenched presence across India through a network of 2,100+ premium distribution touchpoints, including 937 studio stores and 1,177 large-size stores. It has four manufacturing plants, which cater to both Indian and International markets. In FY 2025-26, supported by a robust network and motorcycle portfolio, Royal Enfield enhanced its market share to 31.3% in the >125cc motorcycles segment in India.

International
Globally, Royal Enfield has established a presence in over 80 countries, served through subsidiaries, strategically located 7 CKD (assembly) units, and a network of 1,200+ premium touchpoints, including 356 exclusive stores and 869 multi-brand outlets.



14.6 Lakh
Motorcycle manufacturing capacity across four units

7
CKD assembly units globally

2,100+
Premium distribution network in India

1,200+
Premium touchpoints in international markets

Subsidiaries – Brazil, Canada, North America, Thailand, the UK, the Netherlands (Europe)

Completely knocked down (CKD) assembly units – Argentina, Brazil (2), Colombia, Thailand, Nepal, Bangladesh

Technical Centres – Chennai, the United Kingdom

Manufacturing – Chennai (4 units)

Market presence – 80+ Countries

CKD UNITS: THE ENGINE OF GLOBAL AMBITION

CKDs or assembly units are key to expanding Royal Enfield's global presence in a cost-effective manner. The brand currently has seven CKDs with a combined assembly capacity of 1,50,000 units.

GLOBAL REGULATORY READINESS & COMPLIANCE INFRASTRUCTURE

To secure seamless access to highly regulated international markets and future-proof our export footprint, we have initiated comprehensive mapping for compliance with the European Union Batteries Regulation (Regulation (EU) 2023/1542). We are systematically engineering the data architecture required to execute product-level life-cycle Carbon Footprint Estimations alongside strict supply chain due diligence tracing.

This data infrastructure establishes our baseline readiness for upcoming mandatory compliance frameworks, including carbon declaration protocols, third-party verified supply chain mapping for critical battery materials, and the data backbone required for the phased rollout of the digital Battery Passport. By proactively aligning our petrol motorcycle starting batteries and upcoming Electric Vehicle (EV) battery ecosystems with these stringent international standards, we ensure operational continuity and robust risk mitigation against evolving global ESG mandates.

Global recognition in manufacturing

FROST & SULLIVAN

Sustainable Factory of the Year 2025

(Royal Enfield - Oragadam Facility)

ManufacturingToday
DECISIVE TOOL FOR MANUFACTURING EXCELLENCE

Excellence in Supply Chain, Sustainability and Circular Economy Award (Royal Enfield) - 2026

J.D. POWER

Royal Enfield ranks highest in the overall two-wheeler initial quality study with 68 PP 100.

Award facilitation was done in the Oragadam plant

Won the Golden Peacock Award for excellence in corporate governance in 2025.

IGBC

CII
Confederation of Indian Industry

Indian Green Building Council (IGBC)

hereby certifies that

Eicher Motors (Unit: Royal Enfield)
Cheyyar, Tiruvannamalai, Tamil Nadu
(IGBC Registration No: GFB 25 1016)

has successfully achieved the Green Building Standards required for the following level of certification under the
IGBC Green Factory Buildings Rating System

Platinum
March 2026
(This certification is valid for next 3 years)

Pradeep Bhargava, Chair, IGBC Green Factory Building
B Thiagarajan, Chairman, IGBC
K S Venkatagiri, Executive Director, CII-Godrej GBC

IGBC GREEN FACTORY BUILDING · INDIAN GREEN BUILDING COUNCIL · Eicher Motors (Unit: Royal Enfield), Cheyyar, Tiruvannamalai, Tamil Nadu · PLATINUM · 2026 - 2029

The Company achieved Platinum Green Factory Certification this year, with both its Global HQ and new Cheyyar facility setting new benchmarks in sustainable infrastructure and operations.

SCALING MANUFACTURING FOR THE NEXT

Royal Enfield plants operated at 90% utilisation in FY 2025-26. To meet rapidly rising domestic and international demand, Royal Enfield has planned a brownfield expansion with an estimated capex of ₹958 Crores at Cheyyar facility, Tamil Nadu, to enhance production capacity from 14.6 Lakh units to 20 Lakh units by FY 2027-28. The Company has further announced a exploration of greenfield expansion in Andhra Pradesh to build future-ready capacity.

INTELLECTUAL CAPITAL | R&D

ENGINEERING THE FUTURE OF MOTORCYCLING

Our R&D capability is anchored in the pursuit of distinctive motorcycling experiences. We continue to deepen our engineering, design, testing, and manufacturing strengths to enhance our ICE portfolio and build future-ready EV platforms. With every platform, we are advancing performance, quality, reliability, and innovation while staying true to the character that defines Royal Enfield across global markets.

SDGs IMPACTED

ADVANCING EXCELLING IN PETROL MOTORCYCLES EXCELLENCE

Our petrol motorcycles R&D continues to reinforce the strength of our established platforms while enhancing product expression, performance, durability, sustainability, and customer experience. During the year, we progressed across new launches, platform refreshes, component-level improvements, digital diagnostics, electronics, regulatory readiness, and validation capability.

Product and platform progress

The year saw continued momentum across Royal Enfield's petrol motorcycles portfolio, with new expressions of existing platforms and targeted upgrades that strengthened customer appeal across segments.

Area	Key developments
NEW LAUNCH	Bullet 650, a powerful expression of the Bullet legacy inspired by the world's oldest motorcycle in continuous production, the Bullet 350
REFRESHES AND UPGRADES	Meteor 350 Sundowner Orange and Classic-styled tubeless spoked wheel variant
SHERPA PLATFORM	Guerrilla 450 Apex, a new sporty roadster variant
HIMALAYAN PLATFORM	Himalayan 450 Mana Black, a rally-inspired Himalayan variant

Strengthening core engineering capability

Our engineering work on petrol motorcycles platforms remained focussed on functional improvement, customer comfort, premiumisation, weight reduction, and long-term regulatory readiness. The expansion of United Kingdom Technical Centre facilities with an in-house prototype development centre has strengthened our global prototyping capability. Our advanced engineering team continued to work on future technologies across instrumentation and connectivity, alternative fuels, alternative powertrain technologies, weight reduction, and CO_2 reduction across all models. Cybersecurity compliance is also under development to meet future EU regulations.

Key engineering interventions during the year included the introduction of phosphate coating to improve Molycoat adhesion on piston skirt surfaces, Assist & Slipper clutch technology to reduce clutch effort in Meteor and Hunter, and Platinum Group Metals synergy technology for improved PGM utilisation in catalysts.

Platform-specific vehicle development

Platform	Development focus
350cc	Classic-styled aluminium tubeless-type wire spoke rims for Meteor, frame weight reduction through thickness optimisation using higher-grade steels, enhanced brake pad life through a new organic material composition, and tyre mass reduction through new construction
450cc	Hydroformed aluminium handlebar for mass reduction and improved wet grip performance through a new tyre compound
650cc	Stainless steel clutch cable with nylon coating for enhanced life, gold-hued surface finish for front fork inner tubes, premium leather seating with intricate quilted stitching, and handcrafted brass tank badge using the traditional lost wax investment casting method

SUSTAINABILITY, ELECTRONICS, AND VALIDATION

Sustainability-led engineering continued to progress through a flex-fuel vehicle based on the 350cc platform, CE marking of SLI (Starting, Lighting and Ignition) batteries in the EU along with EPR (Extended Producer Responsibility) for waste management, and certification of all Royal Enfield models as per the draft AIS 129 requirement for reusability, recyclability, and recoverability. All models have surpassed the standard requirements.

In electrical and electronics development, we introduced a ferrite-based magneto as an alternative to rare earth magnets, implemented a Type C USB fast charger, introduced a roll-over sensor with non-heavy rare earth magnet, and developed a chrome-plated metallic switch module. We also developed an in-house pass-by noise setup in a semi-anechoic room by establishing correlation with pass-by noise track testing.

DIGITAL EXCELLENCE

Our digital engineering initiatives supported improved connectivity, diagnostics, and service readiness across new models. Telematics with 2G GSM cloud communication and GPS was implemented in Interceptor Bear 650, Classic 650, New Himalayan, and Guerrilla 450. We also developed and introduced RE Mechanic, a Bluetooth-based e-diagnostics tool for Royal Enfield technicians, implemented for service diagnostics across Goan Classic, Scram 440, Interceptor Bear 650, Classic 650, New Himalayan, and Guerrilla 450.

BUILDING EV CAPABILITY FOR THE FUTURE

Our electric vehicle journey has been built as a structured capability programme across platform development, in-house design, manufacturing readiness, supplier ecosystem development, and validation depth. EV development began in 2022, along with EV team building. Early mule development helped enhance e-powertrain testing, followed by a platform-led approach that started with the 96V–120V architecture for Flying Flea C6.

EV manufacturing readiness

Our EV manufacturing infrastructure has supported vehicle batches from Engineering development through the post production stages and now start of production. By integrating advanced automation and digital interlocking early in the cycle, we have strengthened quality validation and process stabilisation from prototypes to the final pre-production series.

The Battery Module and Pack line has transitioned to support the latest battery architecture with a focus on throughput and safety. It includes an in-house 2kW laser welding machine with 4-axis servo system, PLC (Programmable logic controller) and CNC (Computer numerical control) logic, and vision-based bus bar centre detection for precision and reduced heat impact. Robotic systems govern every assembly station, enabling a zero-manual-intervention workflow.

We have also implemented Autonomous Mobile Robots for seamless pack transport from the assembly line to the cycler area and across floors through automated Vertical Reciprocating Conveyors and auto-doors. This marks a first-of-its-kind logistics automation for the plant. A Cell CT scan machine supports high-precision, non-destructive testing, enabling cell analysis across lots and supplier comparisons for part selection. A dedicated Thermal Propagation Prevention machine has also been integrated to ensure every pack meets safety protocols before vehicle integration.

The Motor Assembly line has been developed as a fully integrated ecosystem for high-precision EV powertrain output. Stator winding and assembly conveyors are operational with 100% error-proofing and interlocking.

The Vehicle Assembly line has been digitised for high traceability across every unit. Torque data, software flashing, and test results are digitally tethered to the VIN, creating a robust audit trail. Sub-line interlocking is also being finalised to mirror mainline digital standards and support zero-defect flow into primary assembly.

Strategic sourcing for EV development

Our EV sourcing strategy has been categorised across key modules to better manage risk and ensure business continuity. Critical components such as motor, on-board charger, battery management system, and motor control unit are being developed through both internal and external channels to prevent bottlenecks.

We have initiated localisation of aluminium forged parts with an Indian supplier to optimise costs and reduce

lead times. The transition from HRE (Heavy rare earths) to HRE-free motors has been completed successfully.

Process enhancements have strengthened part development. The assembly of Vehicle Control Unit and Instrument Clusters is now fully robotic, reducing human error, ensuring precise torque control, and maintaining high-speed throughput. We have mandated 100% end-of-line, in-circuit testing and functional circuit testing for every controller unit and formally deployed the SRK process across all EV suppliers.

World-class EV lab for subsystem validation and reliability

Our EV lab has become the backbone of our iterative design process, supporting component-level testing, prototype maturity, and validation across all stages of development. Preliminary testing began in August 2024, followed by formal commissioning in 2024. The facility received DSIR (Department of Scientific and Industrial Research) certification on 2025, validating our commitment to R&D excellence and enabling significant fiscal incentives.

The battery and motor prototyping laboratory provides end-to-end capability for design, development, and validation of advanced powertrain concepts. This facility acts as a sandbox for rapid prototyping, proof-of-concept verification, and technical risk reduction before design freeze and large-scale implementation.

A DEFINING EV MILESTONE

Flying Flea C6

Flying Flea C6 represents a major milestone in our EV journey. It brings together a distinctive electric motorcycle platform with rider assistance, safety-led technology, and modular ergonomics designed for urban mobility.

Feature	What it enables
Cruise Control	Allows the rider to lock a specific speed without holding the throttle open, with one-button activation on the switchgear. It supports comfort on long city flyovers and flat highway stretches.
Traction Control	Manages instant electric torque delivery of 60Nm. It reduces power to the motor when rear tyre slip is detected on wet asphalt, gravel or slick surfaces. The C6 offers three traction control levels that can be changed in Custom mode.
Cornering ABS (Anti lock braking system)	Uses an internal measurement sensor within the ABS unit to detect lean angle and dynamically alter braking pressure during mid-turn braking. This helps reduce the risk of the motorcycle standing up or sliding out under braking.
Bi-directional Crawl Mode	Enables controlled low-speed movement in both forward and reverse directions, supporting ease of manoeuvring in tight parking spaces, slopes, and garages.
Auto-Hold	Holds the brakes automatically when the motorcycle stops on an incline. It activates when the brakes are held for two seconds and releases smoothly when the rider applies throttle.
Swappable Footpegs	Uses the clutchless automatic EV layout and handlebar rear brake to free the feet from control functions. The modular footpegs can be placed in the centre position for an upright commuter stance or moved forward for a relaxed cruiser layout.
Front Girder Fork Suspension	Brings visual distinction and mechanical character to the C6, with the contemporary reinterpretation of a historic Flying Flea design cue.
Forged Aluminium Exoskeleton Frame	Creates a continuous structural line from the front to the swingarm, supporting lightness, strength and design purity with a weld-free forged aluminium construction
Sculpted Magnesium Battery Case	Works as a structural heatsink, helping regulate heat while reducing mass and enhancing efficiency.
Laser-welded Battery Cells	Offer quick power delivery and thermal stability, thanks to the 224 laser-welded Nickel Cobalt Aluminium cells.
Lightweight Metallurgy	Reduces weight and improves efficiency, courtesy the magnesium battery case, forged aluminium chassis, and cast alloy wheels

STRENGTHENING THE NEXT PHASE OF MOBILITY

Our R&D capability continues to expand across petrol motorcycles refinement and EV readiness. With in-house design, advanced validation, digital manufacturing, strategic sourcing, and platform-led development, we are strengthening the intellectual capital needed to create distinctive, reliable, and future-ready mobility experiences.

INTELLECTUAL CAPITAL | DIGITAL

DIGITAL EXCELLENCE FOR CONNECTED RIDING EXPERIENCES

Digital technologies are strengthening the way we engage with riders, motorcycles, service networks, and enterprise platforms. We are building a connected architecture that enhances the Royal Enfield ownership experience through intelligent diagnostics, rider-focussed interfaces, EV readiness, data-led insights, and secure digital systems, while preserving the distinctive experience our global community expects from us.

BUILDING AN INTEGRATED DIGITAL ECOSYSTEM

Our digital ecosystem is designed to connect the vehicle, rider, service network, charging infrastructure, and enterprise backend into one cohesive architecture. This approach allows us to support both petrol motorcycles and EV platforms with improved connectivity, diagnostics, personalisation, ride intelligence, and data security.

Android cluster for a smarter riding interface
We have developed a circular cluster powered by Android Automotive Operating System, bringing an enhanced interface and a comprehensive app ecosystem from Royal Enfield and third parties. The cluster extends beyond conventional display capability and supports essential EV functions, rider aids and navigation features.

It includes a dynamic charging screen that accurately reflects charging states, along with a refined passcode entry system optimised for switchcube navigation. The interface also supports Cruise Control status indicators and Google Maps navigation mirroring, making the riding experience more intuitive and connected.

Wingman suite for connected mobility
The Wingman suite represents a significant extension of advanced telematics and connected vehicle capability across Royal Enfield's EV and petrol motorcycles platforms. It enables us to bring core digital excellence into electric mobility while strengthening the connected ownership experience.

Wingman integrates 4G LTE and GPS modules to enable live location tracking, remote vehicle status monitoring, and e-diagnostics for service technicians. Riders can access information linked to ignition, battery, and signal strength, supporting greater transparency and convenience.

The suite also includes patented features such as SOS support, remote lock and unlock, and vehicle and charger configuration. These features work in collaboration with the Android Automotive cluster, creating a more seamless interaction between the motorcycle, rider, and digital interface.

Strengthening security and ride intelligence
Security is a core part of our connected vehicle architecture. Wingman includes two-factor authentication for engine activation, geofencing with entry and exit alerts, and Tow Away or tampering notifications. These features are designed to enhance rider confidence and strengthen vehicle protection.

Capability area	Key infrastructure and purpose
Vehicle Layer	Android Automotive OS, Vehicle Control Unit and OBU integration
Connectivity and Telematics	Wingman suite with 4G LTE, GPS, real-time vehicle status monitoring, SOS support and geofencing
Charging Ecosystem	Home, public and dealer charging infrastructure, grid support and Charging Diagnostics SDK
User-facing Apps	Remote control, personalisation features such as new thump audio and deep sleep, and ride intelligence
Cloud and Backend	Data lake integration through BigQuery, predictive maintenance models, feature and subscription management, and microservices architecture
Security and Governance	GDPR compliance, Security Shift-Left development practices and robust data privacy protocols

Our trip intelligence capability has also been refined to provide more accurate trip reporting. It analyses harsh acceleration, braking and lean angles, while allowing riders to merge or unmerge auto-generated trips. This supports a richer understanding of riding patterns and improves the overall digital ownership experience.

Enabling EV readiness through digital platforms
As we advance our EV journey, digital systems are becoming integral to product performance, charging, diagnostics, and user experience. Our charging ecosystem development covers home, public, and dealer charging infrastructure, grid support and the Charging Diagnostics Application.

These capabilities support the transition to connected electric mobility by enabling better charging visibility, service readiness, and integration across vehicle and infrastructure layers. Together with app-based controls, remote features and backend intelligence, they help create a more complete EV ecosystem.

Cloud, data, and backend intelligence
Our cloud and backend systems provide the intelligence layer that supports connected mobility at scale. Data lake integration through BigQuery enables structured data management and analytics. Predictive maintenance models are being developed to improve service foresight and vehicle health monitoring.

We are also building feature and subscription management capabilities through a microservices architecture. This allows us to support scalable digital features, flexible product experiences, and faster deployment of future digital services.

Digital trust and governance
As our connected ecosystem grows, security and governance remain central to our digital approach. We are aligning our systems with General Data Protection Regulation requirements, strengthening data privacy protocols, and embedding Security Shift-Left practices into development.

This means security considerations are integrated earlier in the development cycle, helping us identify and address risks before deployment. Through this approach, we are building digital platforms that are connected, scalable, and trusted.

Connecting the next phase of mobility
Our digital capability is strengthening the way we design, operate, and support connected mobility. By integrating vehicle systems, telematics, charging infrastructure, user apps, cloud intelligence, and security governance, we are building a digital foundation that supports today's motorcycles and tomorrow's mobility platforms.

HUMAN CAPITAL

THRIVING PEOPLE & WINNING CULTURE

We are building a unique, high-performance culture powered by collaboration, agility, harmonious industrial relations, and an unwavering, shared passion for Pure Motorcycling. This year, we evaluated our global people systems with fresh eyes, modernising frameworks to build organisational capacity for new geographies, streamline processes, and deliver future-ready capabilities.

SDGs IMPACTED

TALENT MANAGEMENT AT EML

At EML, talent management is a core corporate enabler of sustained business success. To maintain our competitive edge in an evolving global market, we employ a multifaceted talent acquisition and retention strategy anchored in strategic sourcing, framework optimisation, and robust internal development.

Talent Acquisition
We continuously strengthen our employer brand by leveraging elite campus hiring and multidisciplinary internship programmes to secure a high-calibre entry-level talent pipeline. We optimised our operational frameworks this year by redrafting our engineering trainee scheme; this targeted intervention allows us to actively attract talent, specifically pulling in experienced, high-potential professionals within a crucial three-year growth window.

Talent Development
We anchor talent development through an environment of continuous professional development and strategic mobility, actively prioritising internal growth for roles at all levels, including at the leadership level. This is supported by our merit-based performance management system, which shifts career ownership to the workforce by empowering individuals to map and advance their professional journeys through tailored Individual Development Plans.

WORKFORCE SNAPSHOT (AS ON March 31, 2026)

23,455
Total employees

3,321
Permanent employees

20,134
Others

2,305
Junior management employees

935
Middle management employees

81
Senior management employees

LEARNING AND DEVELOPMENT: BUILDING FUTURE-READY SKILLS

At EML, building future capabilities is central to navigating an increasingly dynamic automatic landscape. As the industry continues to evolve through technological advancements, changing consumer preferences, and sustainability-led innovation, the Company remains focussed on strengthening workforce readiness. Through targeted learning and development interventions, EML enhances critical skills, addresses emerging competency needs, and enables employees to contribute effectively to long-term business growth and transformation.

Key learning programmes in FY 2025-26
Learning Management System (LMS)

This sophisticated digital education portal provides an improved experience via self-directed and interactive hybrid learning. Through concise microlearning segments, the platform ensures an effortless and compelling process tailored for effective knowledge retention.

EMPLOYEE LEARNING INTERVENTIONS IN FY 2025-26

Programmes	Impact achieved
People Manager Development Programmes Middle management programmes include Situational Leadership, Performance Conversation, Diversity, Equity and Inclusion, First Time Managers, Art of People Manager Conversation, and Matrix Manager, enhancing operational and managerial abilities.	Four Essential Roles of Leadership Situational Leadership - **175** First-Time Managers - **165** Achieving Excellence Through People for middle and senior management
EV Specific training We are proactively implementing specialised training programmes to cultivate EV-specific skills, ensuring our resources are future-ready. These initiatives aim to upskill our talent, equipping them to thrive in the evolving electric vehicle landscape.	**282 employees** empowered through Electric Vehicle upskilling, covering courses that include: ■ Cybersecurity (ISO 21434) ■ Battery Management System ■ Motors and Controllers ■ Design Tools (CATIA/CREO) ■ Electric Vehicle Intermediate ■ Functional Safety (ISO 26262)

Programmes	Impact achieved
Campus Talent / Young Talent Programme This intensive programme cultivates new leaders through multidisciplinary skill development, emphasising a holistic understanding of technical and strategic business aspects for future success.	**45 Engineering and Management graduates** were recruited from various institutions across the country. **17 Associate Engineers** were included in the 12-month Young Talent programme giving them multi-level experience.
Kaizen EML's Kaizen framework encourages employees to solve problems collaboratively and innovatively, fostering shared responsibility, collective intelligence, and unlocking potential. During the year, submissions were focussed on six critical areas: ■ Safety ■ Delivery ■ Quality ■ Cost ■ Productivity ■ Morale	Achieved **22,282** Kaizens. These have a positive impact on Safety, Quality, Productivity, Delivery, Cost and Morale. **Kaizen Spotlight** is a dedicated forum to recognise the most impactful kaizen, where employees showcase their improvement ideas and solutions to a jury. Small Group Activities - **77** During the year, teams represented Royal Enfield in Prestigious Quality Circle events and won **14** awards at the domestic and international levels.
Gurukulam EML prioritises dexterity-based skill development for trainees to learn the skills faster and maintain a high safe work environment.	**12,167** trainees were trained in specialised areas.
Learning Hours **~86,700+ hours** of training imparted to staff & executives **~6,81,000+ hours** of training imparted to new trainees at the factories	Maximised learning hours covering factory and S&E employees (India & overseas at Royal Enfield distributed in classrooms and digital learning)

Winning Accolades at Prestigious Quality Forums
EML earned significant recognition at the Quality Forums across India and overseas, a prestigious global-level event for Improvement and Innovation Teams to showcase their excellence. During the year, EML secured 10 Gold, 4 Silver awards, competing against many teams in the Mega Quality Circle Competition.

Dealership learning interventions in FY 2025-26
In FY 2025-26, EML continued to invest in capability-building interventions for its dealer network, elevating service excellence and providing a differentiated customer experience at the first point of contact.

Key highlights

46 Dealer Principals
covered through an intellectually stimulating programme for developing the next-generation of entrepreneurs, in partnership with IIM Indore

4,471 Training
conducted (Sales: 2,670 | Service: 1,801) through the Training Hub

Soft Skills Programmes
conducted for Sales Consultants, Service Consultants, CREs, and SMEs

Pan-India HRMS/LMS
rollout, empowering 27,469 dealership personnel

Super Squad Skill Contest 4.0
organised, engaging 1,097 teams across sales and service

STRENGTH IN DIVERSITY, EQUITY AND INCLUSION

EML is fundamentally committed to Diversity, Equity, and Inclusion (DEI), cultivating a collaborative workplace free of bias and discrimination. The diversity of perspectives and experiences within the teams enhances problem-solving, innovation, and overall effectiveness. A culture rooted in diversity, inclusion, and equal opportunities helps EML s attract and retain high-caliber talent, creating lasting value for the organisation. The strategic impact of our DEI commitment is evident across the organisation, from improved product design to increased market reach, showcasing that diversity is a strategic advantage.

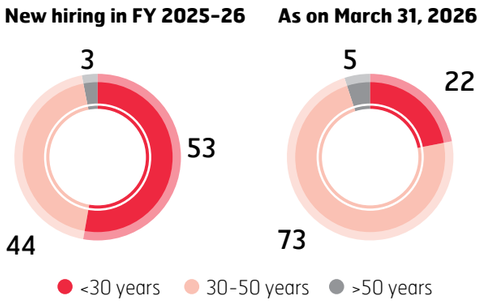
EML actively champions the inclusion of women through dedicated initiatives focussed on strategic hiring, career progression, fostering personal and professional development, and promoting their transition into managerial roles. As of March 31, 2026, EML had 4,825 women in its workforce (permanent and non-permanent), representing 21% of the workforce.

ENABLING WOMEN TO LEAD AND SUCCEED

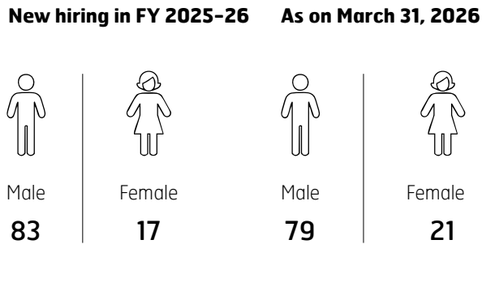
Programmes	Impact achieved
RE Enrich: Women Mentorship Programme This structured six-month initiative was established to accelerate the professional advancement of potential women employees through strategic mentorship, career coaching, and growth-focussed guidance.	Women employees across diverse functions and locations were successfully identified for the mentorship programme.
Open Road Riders A women-only riding group, on the advent of International Women's Day 2026, rode alongside the leadership team.	Trained by the professionals, this riding group ventured on a celebratory ride.

DIVERSITY AND EQUAL OPPORTUNITY AT EML

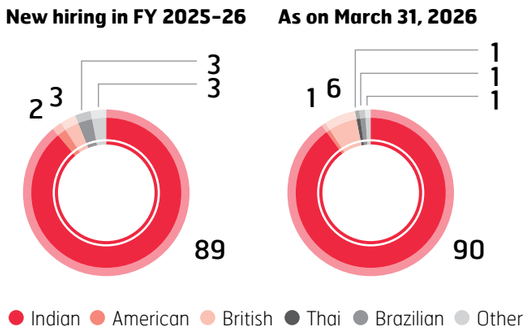
Age diversity
(in %)



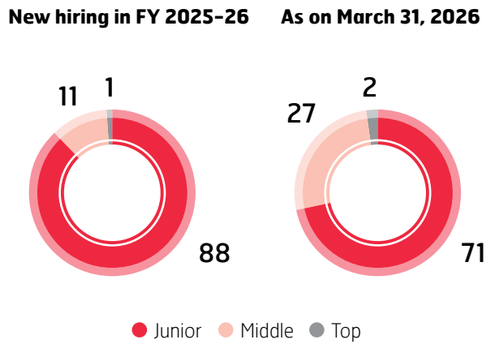
Gender diversity
(in %)



Geographic diversity
(in %)



Management role diversity
(in %)



Women representation

	2026	2025
Share of women in total workforce (as a % of total workforce)	21%	18%
Share of women in total workforce (as % of the permanent workforce)	7%	8%
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	10%	10%
Share of women in junior management positions, i.e. first level of management (as % of total junior management positions)	11%	12%
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as % of total top management positions)	5%	2%
Share of women in management positions in revenue-generating functions (e.g. sales) as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	9%	8%
Share of women in STEM-related positions (as % of total STEM positions)	7%	8%

STRENGTHENING WORKPLACE HEALTH AND SAFETY

At EML, safety remains a fundamental priority, with a clear focus on achieving a zero-harm workplace. A comprehensive governance framework anchors this approach, with the central safety committee, plant-level safety, and additional committees leading the safety implementation across the operations.

All EML plants are certified to ISO 45001 (Occupational Health and Safety Management System) and strictly operate within its guidelines. The Company continues to strengthen its safety culture through routine mock drills, safety training, Kaizen-led improvements, and proactive risk management using Hazard Identification & Risk Assessment tools. Lost Time Injury Frequency rate of 0.05 was reported in FY 2025-26 through sustained focus on preventive safety measures and continuous improvement.

DRIVING ENGAGEMENT THROUGH MEANINGFUL EXPERIENCES

We remain dedicated to delivering an exceptional employee experience, anchored in industry-benchmarked compensation and a holistic approach to engagement and wellness. To cultivate a harmonious work-life equilibrium, we empower our workforce through integrated support systems, including on-site childcare and flexible hybrid or remote work frameworks. We also support our people through their personal milestones by providing inclusive parental leave for both primary and non-primary caregivers.

Some of the key employee engagement initiatives undertaken by the Company include celebration of festivals and occasions, REsmiles, sports activities, fitness programmes, and regular health camps.

REImagine

REImagine is a dedicated innovation hub that empowers our people to contribute transformative ideas aligned with core business imperatives. Each submission is rigorously evaluated on innovation, feasibility, impact, and scalability, with top-tier concepts recognised and shortlised for implementation. Implementation of shortlisted ideas by cross-functional teams directly accelerates our strategic growth roadmap.

FY 2025-26, the REImagine ecosystem witnessed strong participation and creative excellence across the organisation. Through a series of ideathons, 912 pioneering concepts successfully surfaced from across the global enterprise.

SOCIAL AND RELATIONSHIP CAPITAL – COMMUNITIES

JOURNEYING FOR ECOLOGICAL AND CULTURAL CONSERVATION

The Himalayas, home to some of the world's highest peaks, fragile ecosystems, and the source of major river systems, are increasingly impacted by climate change and yet remain underserved. EML recognises the significance of the Himalayas and dependent communities and actively works to build adaptive capacity across communities and ecosystems through three strategic pillars, conservation, culture, and materiality. Anchored by the Himalayan Hub, our initiatives foster local innovation, knowledge systems, and partnerships to enable future-ready, resilient mountain communities while securing long-term ecological and livelihood sustainability.

SDGs IMPACTED

OUR SOCIAL MISSION

About 75 years ago, the Himalayas became Royal Enfield's spiritual home. Royal Enfield Social Mission is catalysing an ecosystem of collective action partnering with 100 Himalayan communities by 2030 and build towards climate resilience.

Through the Social Mission, Royal Enfield is also encouraging and inspiring one million riders to explore sustainably and 'Leave every place better'.

1. Himalayan Hub

UN SDGs IMPACTED

The Hub is a collective learning centre focussed on developing solutions for environment sustainability in the Indian Himalayan Region. It serves as Royal Enfield Social Mission's nerve centre, working through its three pillars: fellowships and grants, labs and solutions centre, and responsible tourism. The Himalayan Hub will work towards equipping Himalayan youth to become leaders in mitigating and adapting to climate change through fellowships and other programmes, and building resilience in their communities by focussing on conservation of natural resources and biodiversity in the region as well as propagating green and circular practices. The Himalayan Hub will also focus on skill building programmes, education, vocational training, and livelihood enhancement for these communities along with safeguarding and promoting the cultural heritage of the Himalayas.

Key CSR Highlights in FY 2025-26

₹ 83 Crores
Total CSR Spend

92,000
Lives directly reached/impacted

>23 Lakh
Lives indirectly impacted/reached

85%
Impacted groups from vulnerable & marginalised communities

10,500 sq.km
Himalayan Habitat covered

280+
Partners across Social Mission & Journeying Across the Himalayas

The second edition of Journeying Across the Himalayas positioned itself as a cultural anchor for this growing ecosystem – bringing together over 50 Himalayan communities, 450+ creative practitioners, and 280+ partners.

1.1 FELLOWSHIP AND GRANTS PROGRAMMEME IN FY 2025-26

WESTERN HIMALAYAN OUTREACH
The **Green Hub x Royal Enfield Fellowships's** second edition supported 21 fellows (indigenous youths) in their conservation and social change-focussed film making journey. Engaged 16 organisations for field learning, culminating in the March 2026 Green Hub Festival, with 24 fellows selected for the next cohort.

The **Green Hub x Royal Enfield Responsible Tourism Fellowship** engaged 16 Himalayan local youth to create four site-specific Responsible Tourism Action Plans, addressing waste management, visitor awareness, community governance, and livelihood opportunities.

The **Green Hub x Royal Enfield Conservation Grants**, supported, and community-based grassroots conservation; completed inaugural projects including a millet manufacturing unit, nature guide training, and dry compost toilets. Awarded 10 new grants from 119 applications for FY 2025-26, targeting cultural safeguarding, brown bear conflict mitigation, and pond revival.

The **Mool Sustainable Kashmir Fellowship – RISE UP** empowered its second cohort of 10 youth (including four women) in leadership, climate resilience, and ecological entrepreneurship.

The **Margshala - Swarozgar Fellowship** graduated 25 fellows from its fifth cohort and selected 30 new fellows (including first-generation women entrepreneurs) for the sixth cohort. Delivered over 20 structured capacity-building sessions and field immersions focussed on digital, market, and sustainability readiness.

The **Himalayan Fellowship for Creative Practitioners** partnered with FICA to support 10 fellows merging ecology, contemporary art, and traditional knowledge via a two-week residency in Theog, Himachal Pradesh.

Dharamshala International Film Festival (DIFF) Collaboration initiated a strategic partnership to amplify the reach and impact of Himalayan storytelling through curated screenings and filmmaker engagement. Secured a strong presence at DIFF 2025 and drove community outreach via regional screenings across the Kangra Valley and Shimla.

Alumni from the Responsible Tourism Fellowship worked with the communities across five Himalayan locations to initiate community-led tourism models centred on trekking routes, campsites, awareness generation, and waste management. These were carried out through seed funding, stakeholder workshops, and knowledge documentation.

The Future Ready Leaders Fellowship supported organisational development and leadership capacity among the young changemakers working in the areas of mental health, disability, and conservation-linked livelihoods.

"Royal Enfield has built one of the largest and most passionate riding communities in the world and that spirit was visible through the year."

Dr. Anna Pantelic, Executive Director, MIT D-Lab

EASTERN HIMALAYAN OUTREACH

The **Green Hub Fellowship** engaged 25 fellows from 16 indigenous communities across various North Eastern states. These fellows participated with leading conservation organisations and undertook projects spanning biodiversity conservation and community-led environmental action.

The **Green Hub x Royal Enfield Conservation Grants** supported several grassroots initiatives focussed on wildlife conservation, livelihood generation through cultural safeguarding, creation of community assets, and resource management. Key interventions included creation of a living library, cultural museum, an upcycling enterprise, and protection of a seed farm.

At Journeying Across the Himalayas 2025, the Himalayan Hub showcased community-led interventions across livelihoods, culture, and conservation through the Hub of Heart(h)s platform. The festival also launched the Culinary Lab Fellowship with Zubaan and featured responsible tourism action plans through exhibition and Pitch films.

"For marginalised voices, speaking for themselves is not enough. Getting a space for expression is important, and that is why we need to create platforms which can showcase not only books but art, cinema, dance, music, and food. This is, to my mind, what the Royal Enfield Social Mission is trying to do."

Urvashi Butalia, Publisher, Zubaan

1.2 RESPONSIBLE TOURISM

EML supports responsible tourism in Himalayan regions through community-led livelihoods, including training for homestay owners, nature guides, cultural heritage mapping, storytelling, resource management etc.

Climate Resilient Initiatives – Himal Prakriti

EML initiatives, in partnership with Himal Prakriti, advances agroecology training, forest restoration, and plantation drives with Van Panchayats. The programme enabled registration of 30 homestays, and formation of local tourism committees. Sarmoli's Maati Nature Centre functions as a community café, library, and learning space.

Youth Engagement and Story Telling on Himalayan Ecology

The Himal Media Hub, and the Himal Prakriti Storytelling Fellowship (Batch 3) engaged youth across three states, producing 25 published stories from Uttarakhand under "Baarish ki Pehli Boonde", strengthening biodiversity awareness and cultural narratives.

People Owned, People Governed Tourism Models

in partnership with People for Himalayan Development in Lahaul, included the following interventions:

- Developed three regulated ATV routes protecting ~69 acres of pastureland
- Improved resource efficiency across 30 homestays by reducing ~50,000 plastic bottles annually
- Trained 60 participants in astro-tourism

In Pangi, the partnership with Collective Effort for Voluntary Action:

- Enabled 60 homestay registrations
- Operationalised a campsite in Hillu
- Conducted plantation drives
- Supported youth training in river rafting and skiing

"Embarking on the Future Ready Leaders Fellowship has been a transformative chapter in my life. As someone deeply committed to sustainable development and grassroots leadership, this nine-month fellowship offered an unparalleled opportunity to engage with real-world challenges. As I began my journey as the leader of an NGO, being selected as a Future Leader Fellow was a great opportunity, especially since I have always been keen to learn from the experienced leaders and pioneers of the NGO sector in Assam."

Beauti Tamuli, Fellow, Future Leaders Fellowship, Cohort 1

1.3 CIRCULARITY AND SOLUTIONS LAB:

(i) WASTE MANAGEMENT

Solid Waste Management in Partnership With SAAHAS

Decentralised waste systems were established across regions along the Leh-Manali highway, processing over 20 tonnes of waste through engagement with over 4,100 community members in 11 Gram Panchayats. Khimsa Kiosk further integrated waste management into the responsible tourism ecosystem.

Sustainable Waste Management and Livelihood Systems in Eastern Himalayas

Root Connect with Kohua and The Midway Journey developed vermicomposting systems and livelihood groups in Dehing Patkai. In Manas and Raimona, waste management implemented across households, resorts, and villages processed over 10 tonnes of waste and generated revenue from recyclables.

Community-Funded Waste Management Under The Himalayan Fringes Initiative

With Further & Beyond Foundation, over 25,000 kg of waste was processed with 81% recyclables in Zemithang. It was based on a community-funded model using contribution fee from 533+ households across 27 villages and generated ~2.7 Lakhs in the initial phase.

As a result, the Gorsam Kora Festival 2026 recorded ~48% of waste reduction over two years.

(ii) LIVING LABS

Himalayan Story Lab

Expanded its regional footprint for its third cohort, drawing over 50 applications from India, Nepal, and Bhutan while providing grants and international exposure.The alumni secured major global recognition, including selections at Tokyo Docs, and a project by Manisha Halai winning a USD 40,000 Chicken & Egg Grant and The Whickers Bursary.

The Wellness Lab & The River Project

The Wellness Lab engaged 10 Northeastern fellows in community well-being, while The River Project drove local freshwater ecosystem storytelling through workshops and documentation. This advanced community-led ecological belonging and established a digital archive to scale national-level engagement on freshwater conservation.

Youth for Forests & The Canopy Collective

Youth for Forests backed restoration and nursery efforts via tools like the Tree Track app, while The Canopy Collective convened over 80 practitioners across 14 organisations. Thus deployed community-led ecological infrastructure in Pakke and launched specialised new programmes, including the Future Full of Forests and Nature-Culture fellowships.

(iii) DISASTER RISK REDUCTION

Disaster risk reduction initiatives strengthened community resilience across the Himalayan villages through participatory, locally-led approaches.

Himachal Pradesh

Jagori Rural conducted Participatory Rural Appraisal in Niyangal and Boh, engaging Panchayats and households to identify hazards and design preparatory tools, including IEC materials and training resources.

Darjeeling

Anugyalaya trained 118 households and 200 community members in disaster preparedness and response systems.

Sikkim

With Sikkim Development Foundation, the efforts began to document the traditional Lepcha cane bridge or Ru-Soam and its indigenous construction knowledge. The structure is critical for restoring connectivity after the October 2023 Glacial Lake Outburst Flood (GLOF).

2. Green Pit Stops (GPS)

UN SDGs IMPACTED

GPS is an initiative to create livelihood opportunities for the local communities while providing environment-friendly amenities to tourists such as access to clean drinking water, sanitation, waste management, local and hygienic food, charging facilities, service check-points, and local handicrafts. These centres are managed by Self-Help Groups of women and serve as an interacting point for local communities and travellers. These pit stops are designed sustainably using local material and architecture, and also act as a showcase and marketplace for local handicrafts, art, and culture.

2.1 PIT STOP KHARU, LADAKH

Pit Stop Kharu in Ladakh continued to strengthen its operational model, recording an estimated footfall of over 3,500 visitors across the café and facilities. Skill enhancement initiatives included refresher training in dry felting and participation in a 15-day culinary programme to improve food quality and hygiene practices. In addition to café operations, diversified revenue streams such as merchandise pop-ups and event-based sales contributed to total earnings of over ₹ 15 Lakh, supporting financial sustainability. The site also hosted the Ice Hockey exhibition,

which drew more than 1,500 visitors, and integrated marquee rides such as Moto Himalaya and Odyssey, alongside EV test rides, enhancing visitor engagement and experiential tourism.

2.2 PIT STOP BABELI, HIMACHAL PRADESH

At Pit Stop Babeli, Himachal Pradesh, construction has entered its final phase, with upholstery, furniture, and lighting work underway. Farm and craft product lines are taking shape, gaining exposure through exhibitions and beginning to generate early revenue streams. The pit stop logo has also been "finalised, and the collaborative efforts of BDO Kullu, People for Himalayan Development (PHD), NORTH, Woolknitters, and other partners have ensured smooth progress across construction, design, and operational aspects. Final permissions are currently awaited to enable full-scale operations.

2.3 PIT STOP MANAS, ASSAM

At Pit Stop Manas, Assam, the initiative reached a key milestone with its announcement following the completion of necessary approvals. This marks a significant step towards expanding community-led livelihood opportunities and responsible tourism interventions in the region.

3. The Himalayan Knot

UN SDGs IMPACTED

A flagship initiative of Royal Enfield, The Himalayan Knot is a large collaborative effort focussed on textile conservation by bringing together Himalayan communities, conservation specialists, craftspeople, and designers to preserve pastoral landscapes, safeguard living heritage, and enhance local livelihoods.

3.1 RANGELAND CONSERVATION AND LIVELIHOOD SECURITY

Strengthening Wool Value Chain
In partnership with Centre for Pastoralism, the programme engaged several herders in Himachal Pradesh across wool shearing, sorting, and grading activities. More than 14 tonnes of wool were processed to market standards, while 18 tonnes were linked to buyers directly, strengthening market access and pastoral livelihoods.

Diversifying Rural Livelihoods
Several herder families were supported through formal market integration, milk and value-added dairy production, and capacity building. The initiative enables diversified and resilient income streams for the pastoral communities.

Community-led Conservation in Ladakh
In Eastern Ladakh, the programme supported Changpa pastoralists through the construction of predator-proof winter corrals safeguarding, emergency fodder support during extreme winters, community-based insurance systems, knowledge, and outreach.

> We work with 350 Ladakhi women across 20 villages from Changthang all the way to Kargil. The vision that guides us is that women artisans should be the owners of their own craft, that they are not just employers to others or artisans for others, but working for themselves and their community.
>
> **Nishant Raj,** Creative Head, Looms of Ladakh

3.2 TRAINING AND PRODUCTION

Capacity Building
Several artisans across Himachal Pradesh, Assam, Kashmir, Ladakh, and Uttarakhand received capacity building support through various support groups in tailoring, weaving, business management, design development, market linkage, social media marketing, etc. These trainings were delivered in partnership with regional organisations and institutions.

Production and Market Linkages
The initiatives supported wool procurement, decentralised production systems, natural dyeing, branding, and retail visibility. Collaborative strengthened artisan incomes, expanded market access, enabled product development and enhanced visibility for the regional crafts through exhibitions, showcases, and supply chain development initiatives.

HIMALAYAN KNOT COLLECTIONS

The Himalayan Knot expanded the reach of Himalayan textiles through design collaborations, curated showcases, and pop-up retail experiences. Three collection launches during the year – Royal Enfield x Countrymade for The Woolknitters (Letters to Home), Royal Enfield x SUKETDHIR for Looms of Ladakh (Higher Plains), and Royal Enfield x Margn (The Fifth Gesture), were showcased across national and international platforms.

The Himalayan Knot recorded total sales of ₹57 Lakhs in FY 2025-26, including ₹ 38 Lakhs from the Knot collections and ₹ 19 Lakhs from capacity building products.

For 27 women artisans in Uttarakhand, training and equipment support from the Centre for Pastoralism led to

~40% income increase

and the establishment of decentralised, home-based production systems

For women artisans in Kashmir, advanced design and production training increased tailoring income to ₹10,000+ per month and income for embroidery groups to ₹20,000+ per month.

4. The Great Himalayan Exploration

UN SDGs IMPACTED

The Great Himalayan Exploration (TGHE), undertaken in partnership with UNESCO, combines responsible tourism and cultural preservation across the Himalayas. The initiative promotes sustainable tourist behaviour by allowing rider-researchers to engage in community and environmental interventions, document Intangible Cultural Heritage (ICH) practices, participate in waste clean-up activities, road safety & emergency response support, and volunteering activities to provide basic amenities in remote areas. The programme promotes information on sustainable tourism through Information, Education and Communication (IEC) resources and instil a deeper understanding of the region's socio-cultural fabric.

TGHE Highlights in FY 2025-26

110+ ICH
practices documented through 29+ explorations across 60+ Himalayan communities

TGHE engaged
180+ rider-researchers
over four editions to promote responsible tourism

TGHE Edition IV in Himachal Pradesh documented
17 regional practices through 5 curated explorations

A four-part documentary series with National Geographic and JioHotstar is completed, drawing on the previous documentation of Edition III in Ladakh which reached
over 12 million viewers across television and digital platforms.

Through rider researchers, The Great Himalayan Exploration (TGHE) aims to document 100 intangible cultural heritage (ICH) practices from the Eastern and 100 from the Western Himalayas.

Reinforcing Intangible Cultural Heritage of Himalayas
Journeying Across the Himalayas celebrated Himalayan cultural heritage through storytelling, artistic collaborations, and documentation.

- Launch of a publication documenting 35+ ICH practices from the Eastern Himalayas
- A live Sand Mandala by monks from Namgyal Monastery in Dharamshala
- A Living Roots bridge installation made of recycled materials by Sumant Jayakrishnan
- Textile showcases by Julie Kagti and the Ritek Pavilion by Vishal K. Dar reinterpreting the Adi community's traditional communal structure from Arunachal Pradesh

> "There has been a lot of rapid change due to modernisation in the past 20 years, because of which we are going to lose much of our history and traditions. And this is why there is a need for documentation. When we say documentation, we mean that culture has to be showcased in many different forms for others to discover. But more importantly, it has to be documented for future generations to hold on to."
>
> **Julie Kagti,** Fibre artist and Curator

5. Water Conservation

UN SDGs IMPACTED

SPITI WATER ACCESS INITIATIVE

The Spiti Water Access Initiative with MUSE addressed extreme water scarcity in high-altitude cold deserts where mercury drops to -30°c, freezing water sources and forcing long journeys for daily water needs.

Key Interventions

14 citizens rode from Chandigarh to Spiti to help construct an all-season, community water facility in Pangmo village. The initiative established solar-passive water infrastructure, providing year-round water access for 280+ residents.

COMMUNITY AWARENESS FOR LONG-TERM WATER SECURITY

Public outreach with Himmothan Society improved community awareness and long-term water security across 50 villages in Ladakh, Uttarakhand, and Himachal Pradesh. World Water Day was also observed across project areas in Uttarakhand and Himachal Pradesh to raise awareness on water conservation.

6. Biodiversity Conservation And Nature-Linked Livelihoods

UN SDGs IMPACTED

EML is expanding conservation initiatives for critical Himalayan landscapes and keystone species to strengthen human-animal co-existence and support sustainable, nature-linked livelihoods for local communities.

6.1 CONSERVATION OF KEYSTONE SPECIES

Snow Leopard

The Status of Snow Leopards report for Himachal Pradesh, developed in partnership with the Forest Department, Nature Conservation Foundation, and the Snow Leopard Trust, identified 44 individual snow leopards across landscapes such as Pangi, Kibber, and Spiti. The efforts recorded 83 snow leopards in Himachal Pradesh and 12 in Jammu & Kashmir.

In Ladakh, the initiatives on conservation and coexistence in Zangskar and Sham Valley, implemented by Snow Leopard Conservancy India Trust, strengthened both ecological knowledge and community engagement. Community-led construction of 20 predator-proof winter corrals in Kherapullu and Hanle in Ladakh to safeguard approximately 6,000 livestock during the harsh winter months is underway.

Himalayan Brown Bear

Human-wildlife coexistence measures included installation of 100 solar-powered street lights and 15 wildlife information boards up in Kargil and Drass. Bear-proof food caches were constructed in Uttarakhand villages in partnership with the Centre for Pastoralism.

Golden Langur

In Assam's Great Manas landscape, a Golden Langur food plant nursery is underway to support habitat restoration and electrocution risk mitigation.

Other Species

Additional measures with the Wildlife Trust of India are being strengthened for protection of wild cat species and other mammal and bird species around Shergaon region.

6.2 MARINE CONSERVATION

Community-led protection of coastal ecosystems in Tamil Nadu and Goa was undertaken through partnerships with TREE Foundation and ReefWatch. This includes awareness and capacity-building of artisanal fishers, students, veterinary and forest officials, removal of 14,000+ kg of abandoned fishing nets through incentive-based community participation, strong ecosystem monitoring, and response systems.

9,000+
artisanal fishers

800+
students

40+
veterinary and forest officials trained

300+ Olive Ridley nests protected,
enabling release of 1,800+ hatchlings

"Platforms like Journeying Across the Himalayas are exactly what we need. Here we are, in the middle of Delhi, yet we're engaging with stories from the Himalayas – about conservation, about Brown Bears in the upper reaches, and so much more. These narratives are being brought into a contained space. In that sense, the Royal Enfield Social Mission has become a powerful medium for storytelling and also for connection. It allows people to experience these stories and meet one another. I've personally met people here, and some of those conversations have even evolved into collaborative projects."

Jose Louies, CEO, Wildlife Trust India

Nature-linked livelihoods
Ladakh and Uttarakhand

- 20 youth trained as nature guides and 10 homestay owners engaged as conservation stakeholders
- Community-led livestock protection against predators, and building market linkages for wool-based products strengthened income resilience
- 10 locally trained nature guides hosted visitors during the 1st Gangotri Nature Festival, led by the Titli Trust and Taknaur Hills Conservation Society

Conservation Livelihood Model in the Northeast

- 450+ bird species and a new micromoth species documented in Siang Valley, Arunachal Pradesh, under Titli Trust's conservation-livelihood model
- Mawmluh Nature Guides programme launched in Meghalaya and trained 10 nature guides
- Pastoral and rangeland-based livelihoods strengthened in Sikkim through the ATREE partnership, with yak pastoralism and women-led training in yak wool processing
- Integrated habitat restoration with livelihood training in crafts, nature guiding, and hospitality in Assam and Arunachal Pradesh with the Wildlife Trust of India

7. Road Safety: Helmets For India (HFI) Programme

UN SDGs IMPACTED

Helmets for India (HFI), Royal Enfield's Social Mission initiative, promotes safe riding by collaborating with the global motorcycling community and artists, transforming helmets into powerful medium of creativity and road safety awareness.

COMMUNITY-LED ROAD SAFETY: KEY HIGHLIGHTS IN FY 2025-26

HunterHood Roadshow in Chennai

Engaged 5,000 visitors and ~200 participants through art-driven road safety awareness

#ArtForChange Campaign

Engaged 47,000+ visitors on Art Mumbai and Motoverse platforms for road safety messaging

Emergency Response Across Remote Regions in Himachal Pradesh and Ladakh

Trained community members in emergency response, first aid, and Basic Life Support (BLS) in partnership with Lady Willingdon Hospital

Critical Emergency Supplies

Equipped at each remote site ensuring sustained readiness

Fully Equipped Advanced Life Support Ambulance

Along with a dedicated helpline support for emergency medical access deployed in Manali

"I used black and white colours for my helmet art piece because it takes from the visual vocabulary of cautionary road signs. Art can turn something ordinary into something poetic. When you attach meaning to the helmet through art, it changes the mindset towards safety as something meaningful rather than just compliance."

Khatra, Vadodara-based visual artist

8. Sports, Education, and Health

UN SDGs IMPACTED

Through community-centric partnerships, Royal Enfield's Social Mission promotes grassroots sports, alternative learning, and accessible healthcare to strengthen wellbeing and local resilience across Ladakh, Himachal Pradesh, and Uttarakhand.

> Ice hockey is not a famous sport in India today, but this was also the situation in my country (Hungary) 25 years ago. That said, India has a much bigger population and with the support we have seen, especially from Royal Enfield, for the dreams of young people, I think the Olympic dream is a possibility.

Peter Gebei IIHF, Certified instructor

8.1 ICE HOCKEY AND WINTER SPORTS

65 coaches and 19 referees trained by international instructors in ice hockey to lead Learn to Play (LTP) and team training initiatives in their communities	Himalayan Pond Hockey Championship (1st season) witnessed 17 teams, 170+ matches, and participation from seven nationalities, including differently-abled sledge hockey players
LTP camps in Ladakh extended to 24 villages, engaging 1,000 children in skating and ice hockey fundamentals	Spiti Cup hosted 22 matches for men, women, and U-18 boys alongside speed skating events in Himachal Pradesh
Royal Enfield Ice Hockey League (season 3) featured 16 teams and 71 matches	300+ players across 21 clubs supported through winter sports infrastructure and training programmes

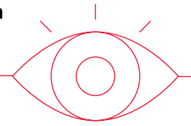
8.2 FOOTBALL

360 girls and boys from 21 villages participated and trained by 10 certified coaches and a national-level coach
Changthang girls won Asmita U13 Football Cup; player Jigmet Chunzen captained Indian Women's National Futsal Team to SAFF runner-up finish
Installed a FIFA-standard astroturf pitch in Nimoo village to support community training and sports

8.3 HEALTH AND EYECARE

Remote regions such as Pangi and Spiti face significant barriers to healthcare and eyecare access due to difficult terrain, extreme weather, and limited medical facilities.

Key Vision Care Highlights in FY 2025-26



2,442 individuals screened across 40+ villages; 285 referred for cataract surgery by Dr. Shroff Charity Eye Hospital
18 surgeries and 1,500+ outpatient consultations delivered free of cost through surgical camps by Lady Willingdon Hospital
500+ remote community members benefited from health and hygiene awareness sessions

8.4 EDUCATION

UN SDGs IMPACTED

Alternative Learning Ecosystem
In Ladakh and Uttarakhand, alternative learning initiatives with Snow Leopard Conservancy India Trust and rZamba, engaged 1,117+ students across 27 villages in Kargil and Leh. Over 50 trained facilitators supported winter learning camps and village centres integrating STEM, environmental education, and social-emotional learning with local cultural knowledge.

Sustainability and Citizen Learning
In Uttarakhand, the Nature Science Initiative reached over 2,700 students through experiential sustainability education in biodiversity monitoring, waste management, and citizen science.

Community Learning and Resource Awareness
70+ children, youth, and families were engaged in sustainable waste management and eco-friendly practices, in partnership with the Usha Mahajan Memorial Social Service Organisation.

School Renovation
An old school building was renovated into a Children's Library using local materials and solar light installation in partnership with People for Himalayan Development under the Bodh-yig initiative.

9. Local Area Community Development

UN SDGs IMPACTED

EML aims to foster resilient communities near the manufacturing facilities by anchoring localised development in robust health, WaSH, education, and sustainable livelihood frameworks.

9.1 SKILL DEVELOPMENT – TAMIL NADU

The Royal Enfield Academy for Technical Skills upskilled 1,065 local youth in FY 2025-26 on technical training, industry exposure, and soft skills which resulted in 99% placement in the automobile industry.

9.2 WATER & ECOSYSTEM RESTORATION – TAMIL NADU

Through community-led interventions, a defunct pond in Eraiyur village was revived, expanding its capacity from 5,000 KL to over 21,000 KL. The initiative established community recharge wells, rainwater harvesting structures, and 9,800 sq. ft. Sponge Garden. In Perinjambakkam, WASH initiatives improved sanitation, access to clean drinking water, and solar lighting for ~600 residents. In Chennai, lakes rejuvenation programme and habitat restoration are underway.

10. Education and Health

UN SDGs IMPACTED

10.1 SHIKSHAK PAHAL PROGRAMME

EML, with Bodh Shiksha Samiti, runs 32 schools in Alwar, Rajasthan and serve 4,688 children to improve enrolment, attendance, and learning outcomes for marginalised communities.

Key Highlights in FY 2025-26

- Strong student representation at district and state-level sports and academics
- 90% of Grade 4-5 students achieved reading levels above system benchmarks
- 783 students engaged through educational tours
- 208 teachers trained for capacity building
- Nutrition support under the Poornma initiative provided to 100% of attending students

10.2 IMPROVING HEALTHCARE ACCESS THROUGH DR. SHROFF CHARITY EYE HOSPITAL

Since 1996, EML has supported Dr. Shroff's Charity Eye Hospital (SCEH) in New Delhi in strengthening its governance, infrastructure, and operations. Annual support enabled 300+ CCTV installations across hospitals and 44 vision centres, serving over 28,000 people in North India.

11. Strategic Education Initiatives

UN SDGs IMPACTED

LEARNING WITH MOZHIGAL

Mozhigal, EML's flagship English learning initiative, is evolving into Mozhigal 2.0, an AI-enabled adaptive platform, enhancing language learning across Tamil Nadu government schools. It introduces Mozhigal AI diagnostics, personalised learning pathways, and adaptive content, while Mozhigal 1.0 continues across 6,000+ schools. Integration with THIRAN, the state remedial initiative for Grades 6-8, is being explored to strengthen foundational English learning at scale.

Mozhigal has an estimated reach of

~8 Lakh students across all 38 districts

12. Disaster Relief

UN SDGs IMPACTED

During the 2025 monsoon, EML supported disaster-affected regions of Western Himalayas and North India through relief and recovery initiatives, in partnerships with several organisations. Aid was extended to the regions of Himachal Pradesh, Uttarakhand, Jammu & Kashmir, Punjab, and the Northeast.

Key Interventions in FY 2025-26

150
households received solar lamps and prefabricated homes in Thunag

700
children were provided nutrition and learning kits

45
homes were supported in repair works in Pangi and Bharmour

200
individuals received capacity-building support and 300 households in Darjeeling received emergency relief

Read more about our CSR Journey in FY 2026-27 in our Annual CSR Report.

NATURAL CAPITAL

RIDING THE ECO-FRIENDLY ROUTE

Sustainability is built into the strategic vision and operational core of EML. The company is moving toward a planet-positive future by prioritising carbon footprint reduction, water-positive operations like zero liquid discharge, and circularity via Zero Waste to Landfill (ZWTL) goals. Beyond its own operations, EML is catalysing a broader environmental shift by engaging its supply chain and community to scale sustainable outcomes.

ADVANCING TO A CLIMATE-RESILIENT FUTURE

Target

- 80% emission intensity reduction from FY 2020-21 (tCO_2e/motorcycle) by FY 2029-30
- Increase renewable electricity mix in FY 2025-26

SDGs impacted

Impact achieved (FY 2025-26)

78%
reduction in Emission (Scope 1 & 2) from FY 2020-21 (tCO_2e/motorcycle)

92%
renewable electricity in operations

0.63 GJ/motorcycle
energy intensity in manufacturing units

OPTIMISING ENERGY CONSUMPTION

Our energy management strategy focusses on lowering costs, minimising energy consumption, and shrinking the environmental footprint while simultaneously enhancing operational efficiency and sustainability. To support these strategic goals, the company prioritises systemic process optimisations and a phased transition to highly energy-efficient machinery.

Enhancing Efficiency Through Process Optimisation
Royal Enfield has advanced its operational energy management through several key initiatives:

- In Paint shops Robot line-colour change optimisation and Jig density improvement resulted in huge energy savings across the manufacturing plants
- Compressor idle time reduction and Lighting Distribution Board timer implementation were key projects that Royal Enfield has implemented in enhancing process energy efficiency

Capitalising on efficient Machinery
To prioritise energy efficiency, Royal Enfield has integrated advanced manufacturing technologies and equipment, including:

- Replacement of pneumatic guns with electric versions for assembly
- Lighting system upgrades and the transition from pneumatic to electrical movement for the engine assembly transfer slide at the Vallam Vadagal facility

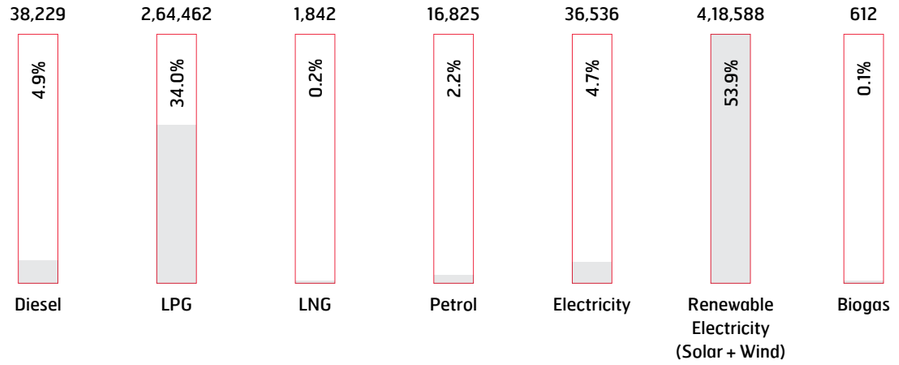
Managing Energy Security
Amidst the global LPG crisis, Royal Enfield has implemented several initiatives focussed on curtailing reliance on volatile energy markets, successfully achieving a reduction of 2.71 Million tonnes in LPG consumption.

Investing in Energy-Efficient Equipment

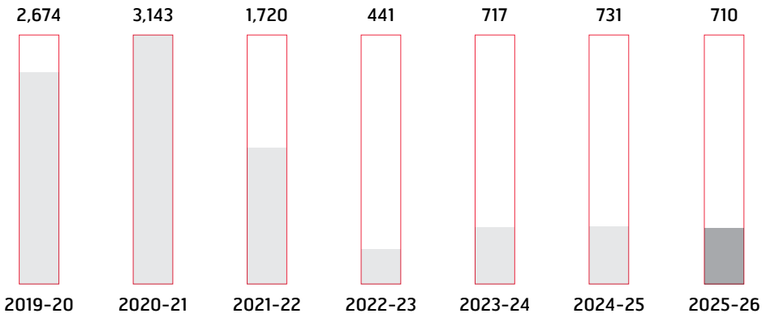
- Variable Frequency Drives have been integrated across multiple sites, including the paint shop, plating operations, scrubber, and wash water RO skid
- The installation of motion sensors in low-traffic zones such as the Uninterruptible Power Supply and filter pump rooms has effectively lowered power consumption

Royal Enfield has achieved ISO 50001:2018 certification for Energy Management System Implementation across manufacturing locations and global headquarters.

Energy consumption mix in FY 2025-26 (GJ)



Electricity savings achieved (MWh)



MINIMISING CARBON FOOTPRINT

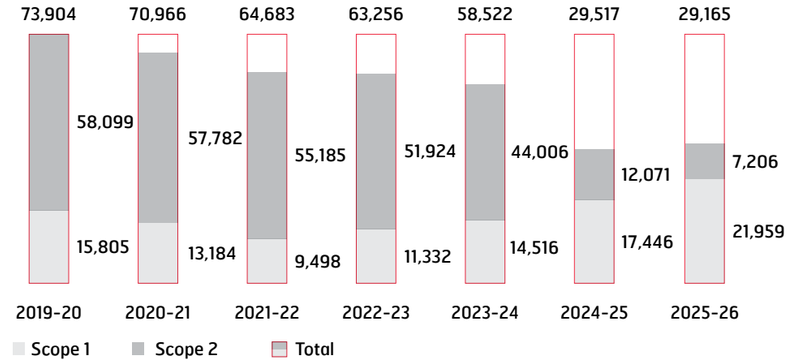
EML is deeply committed to achieving carbon neutrality by proactively adhering to regional emission norms and implementing robust monitoring systems to reduce Scope 1 and Scope 2 emissions across its operational landscape.

Clean Energy Transition

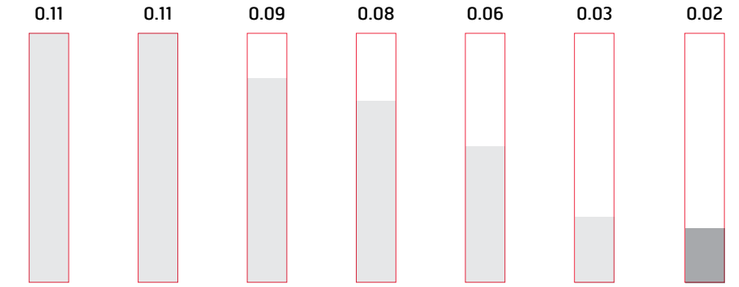
In FY 2024-25, EML achieved significant reduction in Scope 1 and Scope 2 emission intensity. And the Company continued this momentum in FY 2025-26. This improvement was largely driven by the Company's transition to renewable energy through expanded solar capacities and the procurement of renewable electricity from third-party providers.

Additionally, EML continues to explore avenues to integrate cleaner alternative fuels (Biogas, LNG & PNG) and optimise fuel consumption across various operational applications.

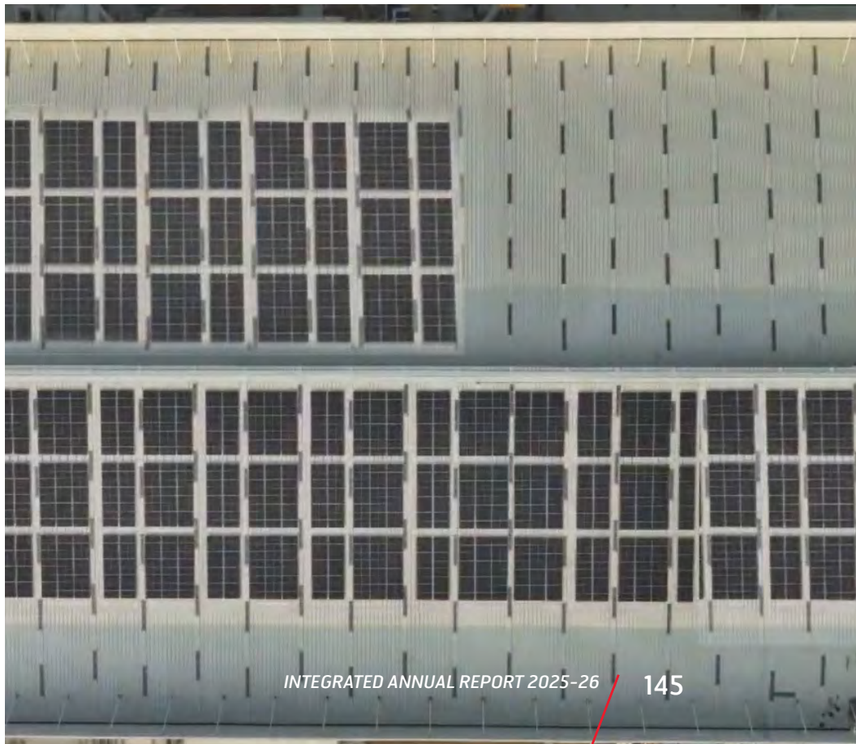
GHG Emissions (tCO_2e)



GHG Emissions Intensity (tCO_2e/Motorcycle)



100% of the electricity requirement for Chennai Global Headquarters and spare warehouse, Chennai and 92% for the overall operations are now met through renewable power. EML also maintains ~20,000 trees in Open Space Reservation areas in Oragadam and Vallam, which acts as an active carbon sink.



MAINTAINING THE AMBIENT AIR QUALITY

Target	Impact achieved (FY 2025-26)	SDGs impacted
Maintaining PM, SOx, NOx under limits set by TNPCB	In compliance with pollution control board norms	

EML engages third parties to monitor the ambient air quality including Particulate Matter (PM), Sulphur Oxides (SOx), and Nitrogen Oxides (NOx) emissions around its plants. Accordingly, investments have been made in cleaner technologies, improving energy efficiency, implementing emission control systems, and reducing fossil fuel usage. This ensures emissions remain below limits set by the Tamil Nadu Pollution Control Board (TNPCB).

ACHIEVING WATER-POSITIVE OPERATIONS

Target	Impact achieved (FY 2025-26)	SDGs impacted
Maintain water positivity across manufacturing plants & global headquarters	**4,59,592 KL** Total water recycled/treated **0.26 KL/motorcycle** Water intensity **5,08,001 KL** Total water reused	

EML follows a circular management approach with a focus on reducing, recycling, and reusing water to prevent stress on local communities and ecosystems.

Reducing Freshwater Consumption
EML has installed effluent and sewage treatment plants (Installed Effluent Treatment Plants (ETP) and Sewage Treatment Plants (STP)) across all units to support zero discharge of wastewater. These systems treat and lower the chemical content in effluents while enhancing water recovery. The treated wastewater is reused for landscape irrigation and toilet flushing, optimising EML's water consumption.

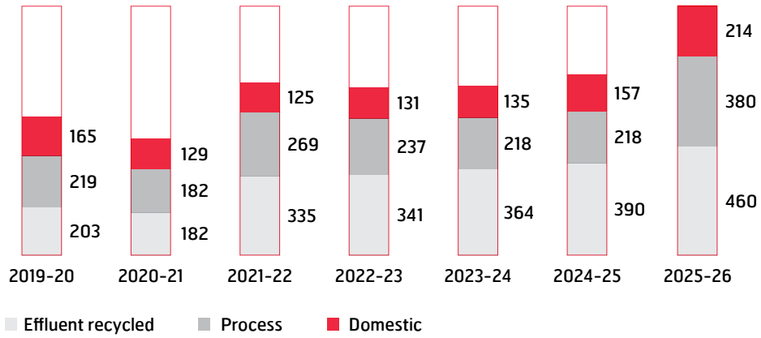
Additionally, rainwater harvesting ponds are installed to collect rainwater, which is reused in manufacturing processes and operations, while also contributing to groundwater recharge.

Eliminating Water Wastage
To minimise water wastage, EML has installed several water-efficient structures across operations such as orifice taps in canteens and motion sensors and reducers for taps, improving overall water efficiency.

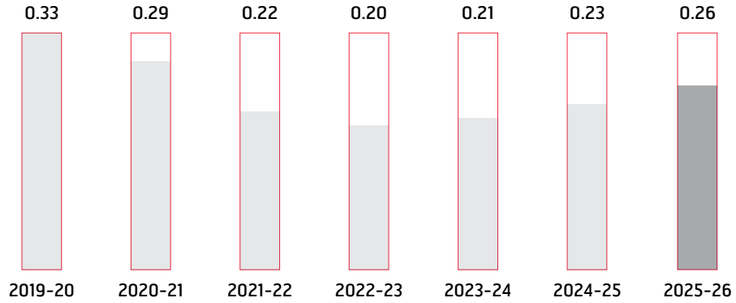
EML's sustained efforts to reduce freshwater consumption has helped the Company ensure water positive operations for the seventh consecutive year.

Transitioning to Advanced Aquatron-RFOD Water Technology
In line with our commitment to sustainable manufacturing practices, Royal Enfield is currently in the process of implementing Aquatron-Reduction Facilitated Osmotic Diffusion (RFOD), a pioneering water-treatment technology that marks a significant leap forward at our Zero Liquid Discharge (ZLD) capabilities in our Vallam Vadagal Vadagal manufacturing unit. This advanced system utilises cutting-edge molecular-breaking resonance technology to revolutionise our effluent management. By transitioning to this innovative process, we are completely eliminating the energy-intensive RO3, RO4, and RO5 skids, as well as our traditional evaporator plant operations. The Aquatron system efficiently breaks down polluting compounds to recover high-quality potable water, delivering dual benefits of ecological responsibility and operational efficiency. Once fully commissioned, this upgrade is projected to achieve an annual industrial Reverse Osmosis (Industrial Reverse Osmosis) water saving of 3,600 KL and a recurring cost saving of ₹ 9 Lakhs per annum, further decoupling our production growth from our environmental footprint.

Water Consumption and Effluent Recycled (ML)



Water intensity (KL/ motorcycle)



ENSURING A GREENER BUSINESS MODEL

Target

Zero waste to landfill

Impact achieved (FY 2025-26)

540 MT
Hazardous waste recycled

1,723 MT
Hazardous waste co-processed

SDGs impacted

EML has adopted a greener business model for efficient natural resources management and to progress on the objective of circularity. This ensures conservation of critical resources and minimises the impact of operations on biodiversity.

Driving Circularity Across Operations

EML actively advances circular economy principles by minimising operational waste and maximising material lifecycle efficiency. The Company follows a stringent approach for treating all hazardous wastes prior to disposal. All operational waste is disposed via Central Pollution Control Board approved recyclers. Further, EML converts sewage sludge into vermicompost and utilises waste food to generate biogas for cooking purposes. Wastes like Effluent Treatment Plant (ETP)/phosphate/paint sludge, powder, residue containing oil, and filter waste are co-processed in cement kilns.

In the India market, EML is registered and in compliance with the Extended Producer Responsibility (EPR) norms set by the CPCB for plastic packaging waste, used oil and battery waste registration. EML is currently in the process of registering under the E-Waste & End-of-Life Vehicle categories.

EML is the first Original Equipment Manufacturer (OEM) to conduct a formal **Recyclability, Recoverability, and Reusability (RRR)** assessment for four of its motorcycle models. By evaluating the circular economy potential of its vehicles, EML is setting a new benchmark for sustainable product design in the automotive industry.

Recent evaluations highlight remarkable efficiency across four core models:

- **Meteor 350:** 93% Recyclable | 98% Recoverable by mass
- **Hunter 350:** 97% Recyclable | 99% Recoverable by mass
- **Continental GT650:** 97% Recyclable | 99% Recoverable by mass
- **Himalayan 450:** 97% Recyclable | 99% Recoverable by mass

TRACKING OPERATIONAL FOOTPRINT ACROSS VERTICALS

(I) Apparels

Through strategic material transitions and supply chain interventions, our Apparel vertical successfully mapped and minimised its environmental footprint this year.

(i) Water Ecosystems Preservation

The Apparel division successfully mitigated **256 Million litres** of volumetric water risk across its production lifecycle through two distinct process changes:

216 million litres of water consumption avoided

by successfully transitioning **100% of the Apparel catalogue to BCI-certified cotton**, by transitioning 100% of the apparel catalogue to Better Cotton Initiative (BCI) certified cotton.

40 million litres of additional process water reclaimed

through expanded closed-loop Zero Liquid Discharge (ZLD) covering 19% of the total business volume.

(ii) Waste Management & Circular Packaging

To accelerate our progress toward zero-waste retail operations, the division substituted linear packaging components with regenerative alternatives, yielding a 78-ton diversion from municipal landfill channels.

95% of our entire distribution footprint

transitioned to biodegradable, compostable polybags, completely avoiding 78 tonnes of single-use fossil-fuel plastic packaging waste.

(iii) Forest & Terrestrial Biodiversity Protection

The Apparel vertical finalised 100% implementation of Forest Stewardship Council (FSC) verified cartons across all shipments.

Clear-cutting the equivalent of 2,780 mature trees was avoided,

which helped secure biodiversity values in production supply bases

(iv) Operational Energy Mix Decarbonisation

20% of the overall electrical consumption

is now procured from green power sources across the vertical's core business infrastructure, reducing indirect Scope 2 carbon exposure.

(II) Genuine Motorcycle Accessories

During the year, the Company:

Achieved nearly 100% sustainable packaging

across its Genuine Motorcycle Accessories range, with all carton boxes now sustainably sourced.

Eliminated 85% of single-use plastic covers

replacing them with biodegradable and compostable alternatives, within the parts packaging segment.

GOVERNANCE

PRINCIPLES AND GOVERNANCE ARCHITECTURE

In an evolving regulatory and economic landscape, effective governance continues to be the cornerstone of sustained performance at Eicher Motors Limited. The Company takes governance as a strategic enabler rather than a compliance requirement. Grounded in integrity, transparency, and accountability, the Company's governance framework is benchmarked against global best practices.

With 63% of the Company's Board composed of Independent Directors with specialisation from varied fields, including a woman Independent Director, there is independent decision-making in the interest of the Company and its shareholders. The Board functions as per the responsibilities bestowed on them by the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other laws and regulations applicable on the Company.

The Company has appointed separate persons to the post of the Chairman and the Managing Director, with Mr. Siddhartha Lal being the Executive Chairman of the Board and Mr. B Govindarajan being the Managing Director of the Company. The Company has also designated Mr. Tejpreet Chopra (Independent Director), as the Lead Independent Director of the Company as per the best corporate governance practices.

To support the Board, robust Committees are formed by the Company majorly composed of Independent Directors with defined roles and responsibilities.

The Company reinforces its commitment toward best governance practices through strong codes and policies and a culture that promotes responsible conduct across all levels of the organisation.

ETHICS AND RESPONSIBLE CONDUCT

The Company fosters a culture rooted in ethics, accountability and responsible business practices. Company's Code of Conduct and Policies guides all employees and external partners towards transparent and compliant operations. Supported by strict oversight, comprehensive policies and a zero-tolerance towards unethical behaviour, the Company safeguards its reputation, strengthens stakeholder trust, and ensures responsible business conduct.

ESG INTEGRATION AND ACCOUNTABILITY

The Board of the Company has also constituted an Environmental, Social and Governance (ESG) Council consisting of the Managing Director, Chief Financial Officer and Head of Corporate Social Responsibility. The ESG Council, among other things, is responsible for assisting and guiding the Risk Management Committee and the Board in identifying and setting ESG goals, ESG focus areas and ESG vision for the Company.

Core Governance Policies:

- Code of Conduct for Directors and Senior Management
- Whistleblower Policy
- Anti-Bribery and Anti-Corruption Policy
- Code for Prohibition of Insider Trading
- Code of Fair Disclosure
- Board Diversity Policy
- CSR Policy
- Policy for Determining Material Subsidiaries
- Policy for Related Party Transactions
- Supplier Code of Conduct
- Policy for Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace

BOARD OF DIRECTORS

Mr. Siddhartha Lal
Executive Chairman

Experience: 29 years

Qualification: Master's degree in Automotive Engineering from the University of Leeds and qualified mechanical engineer from Cranfield University. Economics graduate from St. Stephens College in Delhi and an alumnus of The Doon School

Mr. Siddhartha Lal is the Executive Chairman of the Company and a Non-Executive Director on the Board of VE Commercial Vehicles Limited (VECV), Company's material subsidiary and a joint venture with Sweden's AB Volvo.

Siddhartha joined Eicher Group in 1999 and has since played an instrumental role in reviving the Royal Enfield brand, steering it to become a global leader in the middleweight motorcycle segment (250cc - 750cc). He has been deeply involved in the strategic realignment of Royal Enfield's product portfolio as well as shaping the brand and the business over the last 26 years, which led to Company's phenomenal global success. The resurgence of Royal Enfield in the early 2000s, and the position it holds today in the global middleweight motorcycle segment, is an outcome of the razorsharp focus and patient nurturing of the business for more than two decades. He also played a significant role in setting up VECV. VECV is engaged in the business of manufacture and sale of 'Eicher' branded trucks and buses, Volvo branded Buses as well as distribution of 'Volvo' branded trucks. His close engagement with the commercial vehicle business over the past two decades has resulted in VECV emerging as a leading, and fast growing commercial vehicle player in the industry.

For the past 26 years, Siddhartha has been at the helm of EML in various capacities, shaping strategy and defining the long-term growth charter for both Royal Enfield and VECV. Siddhartha's strategic and astute long-term approach to business has greatly strengthened stakeholders' trust and involvement in EML. This has resulted in the emergence of a robust and formidable organisation that is strongly rooted in its foundations, and at the same time intelligently diversifying to cater to the aspirations of a global consumer.

Mr. Vinod Kumar Aggarwal
Executive Vice Chairman, EML and
Chairman (Non Executive) of VE Commercial Vehicles Limited

Experience: 46 years

Qualification: Commerce graduate from Punjab University, a fellow member of the Institute of Chartered Accountants of India (FCA) and an associate member of Institute of Cost Accountants of India (CMA)

Mr. Vinod Kumar Aggarwal is an industry veteran with an experience of 46 years, out of which 43 years has been with Eicher Group. In his long and successful career with Eicher, spanning over four decades, Mr. Vinod Kumar Aggarwal has held several management positions including being the Chief Financial Officer of the Eicher Group from 2005-2009 and President of Eicher Trucks and Buses. After leading VE Commercial Vehicles Limited ("VECV") (Company's joint venture with AB Volvo) for around 16 years, initially as CEO and thereafter as CEO and Managing Director, Mr. Vinod Kumar Aggarwal was appointed as the Non Executive Chairman of VECV (as a nominee of Eicher Motors Limited) w.e.f April 1, 2026.

Over the years, Mr. Vinod Kumar Aggarwal has won several awards for his contributions to the Indian Commercial Vehicle industry including "CV Man of the Year" twice in 2019 and 2014, "Best CEO - Medium and Heavy Duty truck makers" in 2016 by World Auto Forum, "Hall of Fame 2015" by Manufacturing Today, 'Automotive Hall of Fame 2019' by The Economic Times, 'Lifetime Achievement Award' at the Apollo CV Awards 2025, CEO of the Year 2025 (Automotive) by ET Now, The Arjun Vaswani Founders' Leadership Award 2026 and Life Time Achievement Award by Time Drive in 2026.

Mr. Vinod Kumar Aggarwal is the Past President of both the Society of Indian Automobile Manufacturers (SIAM) and the Automotive Skills Development Council (ASDC).

Mr. B Govindarajan

Managing Director of Eicher Motors Limited and CEO, Royal Enfield

Experience: 35 years

Qualification: Mechanical Engineering from Annamalai University, Tamil Nadu and a Post Graduate Diploma in Materials Management

Mr. Govindarajan joined the Board of the Company in August 2021 as Executive Director (Whole Time Director) and was appointed as Chief Executive Officer-Royal Enfield in May 2022. He was appointed as the Managing Director of the Company in February 2025.

Mr. Govindarajan's association with the Company dates back to 1995. Before joining the Board in August 2021, Mr Govindarajan, as Chief Operating Officer (since 2013) and as a key member of the Company's management team, has been instrumental in conceptualising and executing the key strategic project for growth of Royal Enfield. He was actively involved in ramping up Royal Enfield's production capacity multifold, pathbreaking improvement in quality and also spearheaded the establishment of world class manufacturing plants at Oragadam and Vallam Vadagal near Chennai. He has also been instrumental in the revamp of the entire supply chain, implementing effective cost management strategies and creating a backend organisation which is very agile and ready for the next stage of growth for Royal Enfield.

He has also been the driving force behind expanding Royal Enfield's global footprint and led the setting up of motorcycle assembly facilities in 6 countries outside India. He also led the establishment of two Technology centres in Leicestershire, United Kingdom and in Chennai, India.

Over the last 4+ years under the leadership of Mr. Govindarajan, the Company has made tremendous progress towards expansion of product portfolio, international operations, electric vehicle program, sustainability amongst others and the Company recorded its highest ever net revenue and net profits consecutively over the last four financial years.

Mr. Inder Mohan Singh

Non-Executive Independent Director

Experience: 40 years

Qualification: Fellow member of the Institute of Company Secretaries of India, a law graduate from Delhi University and a Postgraduate in Finance from Delhi University

Mr. Singh is a practising Lawyer and Founder of IMS Lex Advisory, has vast experience in the automobile industry especially in matters related to joint ventures, distribution networks, business transfers and technology licensing issues. He has vast experience of advising Indian and international companies on corporate restructuring, amalgamation, merger, demerger & acquisitions. He has worked across cement, media and entertainment, telecom, real estate and education sector. He had served as an Equity Partner for 19 years with Shardul Amarchand Mangaldas & Co., a leading law firm and specialises in various practice areas including General Corporate, Mergers & Acquisitions, Private Equity, Corporate Governance and Education.

Mr. S Madhavan

Non-Executive Independent Director

Experience: 40 years

Qualification: Member of the Institute of Chartered Accountants of India and a MBA from IIM Ahmedabad

Mr. Madhavan has immense experience in accountancy, economics, finance, law, information technology, human resources management, risk management, business management, and banking. He has served as a Senior Partner and Executive Director at PricewaterhouseCoopers for several years and has held several senior positions there. He started his career with Hindustan Unilever Limited where he spent several years in the 1980s.

In addition to this, he has been the President, the Northern Region at the Indo-American Chamber of Commerce, and the Co-Chairman of the Taxation Committee, ASSOCHAM. He is on the board of several listed companies, such as ICICI Bank, Procter & Gamble Health, Welspun Enterprises Ltd and Anthem Biosciences Ltd and is Chairman/ member of various Board committees.

Mr. Tejpreet S Chopra

Non-Executive Lead Independent Director

Experience: 27 years

Qualification: Graduated from The Lawrence School, Sanawar, holds an MBA degree from Cornell University and a B.A. Honours degree in Economics from St. Stephen's College, Delhi University. He has also attended an executive programme at the Harvard Kennedy School

Mr. Tejpreet is the Founder and CEO of the Bharat Light & Power Group (BLP), one of the leading renewable energy generation and technology companies in India.

Starting his career in 1996, Tejpreet has worked extensively with General Electric. He brings extensive global management and finance experience, having held various business roles in France, England, Hong Kong, India and the USA, including over 14 years at General Electric. Until 2010, he was the President & CEO of General Electric in India, Sri Lanka and Bangladesh, responsible for directing growth strategies in these countries. He was earlier at GE Capital Aviation Services (GECAS) and arranged over USD 1 billion in financing for India's growing airline industry.

Ms. Ira Gupta

Non-Executive Independent Director

Experience: 28 years

Qualification: MBA from XLRI Jamshedpur in Personnel Management & Industrial Relations and a BA Honours degree from Lady Shri Ram College, New Delhi

Ms. Ira Gupta leads a HR advisory practice specialising in leadership coaching, succession and culture. She brings 28 years of experience as an HR leader and coach and believes in the ability to scale impact for organisations and people through helping leaders achieve their full potential. She has held prominent roles including CHRO at Microsoft India and South Asia and led HR functions in organisations that spanned product engineering, development centres, services delivery consulting and sales and marketing.

Prior to 12 years in Microsoft, she was HR leader at GlaxoSmithKline.

Her expertise spans succession and talent management, leadership coaching and development, organisational transformation and culture building across tech, pharma and FMCG sectors. She has also served as Director for the governing bodies of NGOs, advisory boards of educational institutions such as XLRI, and committees at CII and FICCI. She is on the Board of SRF Limited, Max Estates Limited and Amagi Media Labs Limited as an Independent Director, and is also a senior advisor to McKinsey.

Mr. Arun Vasu

Non-Executive Independent Director

Experience: 36 years

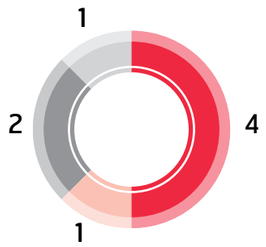
Qualification: Commerce graduate of Loyola College, Chennai (1989)

Mr. Arun Vasu is the third-generation torchbearer of the esteemed TTK family legacy, whose career has been marked by strategic vision and entrepreneurial acumen. Arun's entrepreneurial journey commenced in the early 1990s. He capitalised on the Reserve Bank of India's relaxed norms in 1992 to launch India's first foreign exchange business. This pioneering spirit continued with the founding of TT Services in 2000, the world's inaugural visa outsourcing service. Today, as Chairman and Managing Director of the TT Group of Companies, Arun oversees a diversified portfolio encompassing air cargo, logistics, supply chain solutions, trucking, insurance brokering, hospitality, and water sports training and development. His passion for water sports also led him to introduce wind surfing, surfing, and stand-up paddle boarding to the coastal fishing village of Kovalam near Chennai, empowering the local community through a socioeconomic initiative. This garnered enough attention to make government agencies look at supporting these sports to take them to National and International level.

Arun Vasu was a director of Tamil Nadu Infrastructure Fund Management Corporation Limited, which has been set up by the Government of Tamil Nadu to attract private capital for commercially viable enterprises in priority areas. Arun Vasu is Honorary Consul, Consulate of Sweden, South India, Pondicherry, and Andaman & Nicobar Islands, President of Surfing Federation of India, President of Tamil Nadu Surfing Association and Member of National Sports Skill Council. He is also on the Board of MRF Limited as an Independent Director. Arun is an avid motorcyclist and has toured extensively in India and around the world.

Director tenure

(No. of Directors)



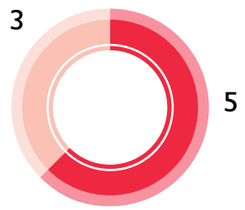
6 years

Average tenure of Board members

0-3 years
3-6 years
6-9 years
>9 years

Age diversity

(No. of Directors)



50-60 years
60-70 years

BOARD COMMITTEES

Audit Committee

Name of Members	Chairperson/ Member	No. of meetings attended/No. of meetings eligible to attend
Mr. S. Madhavan	Chairperson	8/8
Mr. Inder Mohan Singh	Member	7/8
Mr. Arun Vasu	Member	8/8

Nomination & Remuneration Committee

Name of Members	Chairperson/ Member	No. of meetings attended/No. of meetings eligible to attend
Ms. Ira Gupta	Chairperson	4/4
Mr. S. Madhavan	Member	4/4
Mr. Tejpreet Chopra	Member	4/4

Stakeholders Relationship Committee

Name of Members	Chairperson/ Member	No. of meetings attended/No. of meetings eligible to attend
Ms. Ira Gupta	Chairperson	3/3
Mr. Vinod Kumar Aggarwal	Member	2/3
Mr. Govindarajan Balakrishnan	Member	3/3
Mr. Tejpreet Chopra	Member	3/3

Corporate Social Responsibility Committee

Name of Members	Chairperson/ Member	No. of meetings attended/No. of meetings eligible to attend
Mr. Arun Vasu	Chairperson	5/5
Mr. Siddhartha Lal	Member	4/5
Mr. Inder Mohan Singh	Member	4/5
Ms. Ira Gupta	Member (w.e.f May 14, 2025)	4/4

Risk Management Committee

Name of Members	Chairperson/ Member	No. of meetings attended/No. of meetings eligible to attend
Mr. Tejpreet Singh Chopra	Chairperson	1/2
Mr. Siddhartha Lal	Member	2/2
Mr. Arun Vasu	Member	2/2
Mr. Govindarajan Balakrishnan	Member	2/2

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

Indian Economy

India retained its position as one of the world's fastest-growing major economies in FY 2025-26, with Real GDP growth estimated at 7.6%, accelerating from the 7.1% in FY 2024-25. Strong domestic consumption, public capital expenditure, and resilient services exports drove the expansion, with agriculture supported by a favourable monsoon. In US dollar terms, India's GDP stood at approximately USD 3.92 Trillion, with the economy placed sixth in global rankings, reflecting the impact of rupee depreciation and a statistical revision of the GDP base year, rather than any underlying slowdown. Inflation remained benign through the year, supported by a prolonged decline in food prices. Consumer Price Index (CPI) eased to 3.4% by March 2026, well within the RBI's target band, prompting the central bank to reduce the repo rate to 5.25% to support growth.

Source: 1) https://www.pib.gov.in/PressReleasePage.aspx?PRID=2233518&reg=3&lang=1

2) https://timesofindia.indiatimes.com/business/india-business/explained-on-way-to-4th-largest-how-india-slipped-to-6th-rank-what-it-means-for-3rd-largest-economy-dream/articleshow/130356662.cms

Global Economy

Global economic growth remained moderate in Financial Year 2026, with the International Monetary Fund (IMF) projecting global output growth at around 3.1%. Escalating geopolitical tensions in the Middle East, elevated trade uncertainty, energy market disruptions, and tighter financial conditions weighed on global trade, investment activity, and business sentiment across regions. However, resilient services activity and technology-led investments provided partial support to economic momentum.

Global inflation, after easing through 2025, witnessed renewed pressure during 2026 due to higher energy and food prices arising from supply-side disruptions. The IMF expects global headline inflation to rise to around 4.4% in 2026 before moderating gradually. In major developed economies such as the USA, the UK, Europe, Australia and Japan, inflation remained relatively stable within the range of 2%-3.5%, enabling selective monetary easing in certain markets. Meanwhile, several emerging economies continued to face elevated inflation, currency volatility, and tighter monetary conditions, resulting in sustained higher interest rates across markets.

Source: IMF, World Economic Outlook April 2026

INDUSTRY OVERVIEW

Indian Two-Wheeler Industry

The two-wheeler segment posted its highest-ever annual sales in FY 2025-26 of 2.17 Crore units, with a growth of 10.7% over FY 2024-25, crossing the previous peak of 2.12 Crore units achieved in FY 2018-19, as per SIAM (Society of Indian Automobile Manufacturers). The implementation of GST 2.0, repo rate cuts, and income tax relief provided a strong impetus to consumer demand, though growth was back-ended for the two-wheeler industry. First half of FY 2025-26 (H1) was flat at sub 1%, while Second half posted growth of approximately 21.5%. The exports of two-wheelers from India recorded highest ever mark at 51.8 lakh units in FY 2025-26, marking a growth of 23.4% over last year, driven by a wider product range, growing global recognition of Indian two-wheeler brands, and support from a depreciated rupee as per SIAM.

Source: SIAM's official press release dated 14 April 2026

Global Motorcycle Industry

The global motorcycle industry continued its upward trajectory in 2025, with worldwide sales reaching 65.2 Million units, reflecting a 4.7% year-on-year growth despite ongoing macroeconomic uncertainties. India retained its position as the world's largest motorcycle market, supported by sustained domestic demand and continued premiumisation trends, while Latin America and ASEAN markets also recorded healthy momentum during the year.

The premium motorcycle segment witnessed strong traction, driven by rising demand for lower-displacement motorcycles, adventure touring, and lifestyle-led mobility experiences. Simultaneously, electric two-wheelers continued gaining global acceptance as manufacturers accelerated investments in cleaner and technology-led mobility solutions. India's two-wheeler exports remained robust during the year, supported by deeper market penetration across Africa, Latin America, and other emerging international markets.

Source: MotorCyclesData – Global Motorcycle Industry 2025 Report https://www.fortunebusinessinsights.com/motorcycle-market-105164

COMPANY OVERVIEW

Eicher Motors Limited (EML) (Bloomberg: EIM IN) is a leading Indian multinational automotive company, listed on the BSE and NSE, with diversified interests in motorcycles and commercial vehicles. EML owns Royal Enfield, the world's oldest motorcycle brand in continuous production since 1901, and a pioneer in shaping the mid-size motorcycle segment globally. EML owns 54.4% stake in VE Commercial Vehicles Limited (VECV), a joint venture with the Volvo Group of Sweden, a global leader in commercial vehicles.

About Royal Enfield

The oldest motorcycle brand in continuous production, Royal Enfield has created beautifully-crafted motorcycles since 1901. From its British roots, a manufacturing plant was established in Madras in 1955, a foothold from which Royal Enfield spearheaded the growth of India's mid-size, two-wheeler segment. Royal Enfield Motorcycles are engaging, uncomplicated, accessible, and fun to ride; a vehicle for exploration and self-expression. It's an approach the brand calls Pure Motorcycling.

4 platforms and 14 motorcycles:

1. 350cc platform : Bullet, Classic, Goan Classic, Hunter & Meteor
2. 440cc : Scram 440
3. 450cc : Guerrilla & Himalayan
4. 650cc : Classic, Continental GT, Interceptor, Bear, Shotgun, Super Meteor

The company recently unveiled its new City+ motorcycle brand – the Flying Flea – a fresh take on urban mobility, blending authentic design with advanced technology.

About VE Commercial Vehicles Limited (VECV)

VE Commercial Vehicles Limited (VECV) is a joint venture between the Volvo Group and Eicher Motors Limited. In operation since July 2008, the company includes the complete range of Eicher-branded trucks and buses, alongwith Volvo Buses, and exclusive distribution exclusive distribution of Volvo Trucks in India. VECV also supports engine manufacturing and export for the Volvo Group, while operating divisions such as Eicher Power Solutions and Eicher Engineering Components. Known for its commitment to innovation and reliability, VECV has played a key role in modernising commercial transportation in India and other developing markets.

FY 2025-26: Another great year for Royal Enfield

FY 2025-26 marked another defining chapter in Royal Enfield's enduring 125-year journey. Rooted in a deep understanding of motorcycling and the spirit of its riders, the brand continued to strengthen its approach across motorcycles, services, and community experiences, guided by its unwavering commitment to Pure Motorcycling. Backed by strong momentum across markets, Royal Enfield further deepened its global resonance and cultural relevance among riders worldwide.

The year stood as Royal Enfield's strongest yet with the company achieving its highest-ever volumes and revenue. Royal Enfield sold 12,27,977 motorcycles in FY 2025-26, reflecting a 22% year-on-year growth, while domestic sales grew 20% to 11,07,343 motorcycles and international volumes registered a strong 23% growth, with exports reaching 1,20,634 units.

Volume and market share performance in India

	FY 2024-25	FY 2025-26
RE volumes – India	9,02,757	**11,07,343**
RE's market share in Motorcycles	7.3%	**8.44%**
RE's market share in >125cc	30.1%	**31.3%**
RE's market share in mid-size (250cc & above)	87.1%	**86.8%**

While macroeconomic conditions remained volatile across geographies, the Company remained focussed and made significant headway in strengthening its presence across priority markets. New product internetions, strategic brand-building initiatives and sustained engagement with the community helped Royal Enfield sustain the growth momentum.

RE-BALANCE—A Strategic long-term vision

Rooted in its enduring purpose, mission, and values, Royal Enfield continues to progress through RE-BALANCE, a strategic long-term vision designed to strengthen business resilience amidst evolving market dynamics and intensifying competition. Guided by the philosophy of Pure Motorcycling, the framework reflects the Company's commitment to building a future-ready organisation that balances innovation, customer-centricity, growth, and responsible business practices.

The RE-BALANCE strategy is built on four core pillars:

Pillar 01 **Products - ICE & EV:** Continue delivering best-inclass motorcycles that enhance desirability within the Internal Combustion Engine (ICE) portfolio, while progressively embracing the shift to Electric Vehicles (EVs) as a transformative opportunity through sustained innovation.

Pillar 02 **Brand Led CX:** Redefine customer journeys by elevating the brand experience – moving beyond transactional touchpoints to create meaningful, immersive engagements that reflect the spirit of Pure Motorcycling.

Pillar 03 **Growth Focus:** Maintain a bold and ambitious long-term growth outlook, with a sharp focus on balancing scale with profitability, and agility with strategic discipline.

Pillar 04 **Sustainability:** Build a responsible and futureconscious business by aligning social and commercial objectives, ensuring a balanced impact on the environment, communities and the broader ecosystem.

PRODUCT UPDATES (PETROL)

Meteor 350 : Elevating the cruiser experience to a whole new level

Meteor 350 Sundowner Orange Edition

Strengthening its cruiser portfolio, Royal Enfield introduced the Meteor 350 Sundowner Orange special edition at Motoverse 2025. Conceived as a limited-run variant, the model featured a distinctive sunset-inspired colourway and a factory-fitted touring package, including a deluxe seat, flyscreen, passenger backrest, and Tripper navigation pod. The edition also marked the introduction of tubeless spoke wheels, alongside contemporary enhancements such as LED lighting and a USB Type-C port. Mechanically unchanged, it continues with the proven 349cc J-series engine. The launch celebrated the Meteor's growing global community (6,00,000+ riders around the world) and reinforced Royal Enfield's focus on accessible, long-distance cruising experiences.

Meteor 350: New colours

Royal Enfield launched the 2025 Meteor 350 in India. The motorcycle is available in four variants: Fireball, Stellar, Aurora, and Supernova. The Meteor 350 gets visual and functional upgrades, such as an LED headlamp, LED turn indicators, Tripper navigation pod, USB Type-C fast-charging port, assist and slipper clutch, and adjustable brake and clutch levers. The Fireball and Stellar variants come standard with an LED headlamp and Tripper pod, while the Supernova and Aurora trims get adjustable levers as standard.

Himalayan Mana Black Edition

A striking new version of the celebrated adventure motorcycle, the Himalayan Mana Black, launched at Motoverse 2025, is inspired by the formidable Mana Pass known to be one of the world's most challenging high-altitude routes. Mana Pass, situated at 18,478 feet (5,632 metres) above sea level, is a true test of endurance and willpower that only the most determined riders dare to overcome. The unique design and ergonomics of the Himalayan Mana Black Edition, which were created to maximise off-road riding, channel that daring spirit. This edition, which features matte details and a deep Stealth Black finish, exudes minimalism, purpose, and unadulterated adventure. It is intended for people who view every route as a calling rather than a challenge.

Guerrilla 450 Apex Edition: A focussed expression

Royal Enfield launched the 2026 Guerrilla 450 APEX, a sharper, more focussed expression of its street-performance. The Apex variant brings revised ergonomics, sportier riding dynamics, and enhanced grip through 17-inch road-biased tyres, improving both wet and dry performance. The update is complemented by new colourways and visual differentiation, reinforcing its urban roadster appeal. The Apex broadens the Guerrilla's accessibility while retaining its core 450cc performance DNA. The model has also been introduced across global markets, signalling Royal Enfield's continued push to diversify its 450cc portfolio.

Royal Enfield launched the Shadow Ash colourway of the Guerrilla 450 at GRRR Nights X Underground in Pune, the Dash variant with Tripper Dash featured an olive green tank and blacked-out details, showcased amid drag races, drift stunts, and live rap performances that highlighted the motorcycle's power and urban roadster appeal.

Guerrilla 450: From the shadows to the street

Royal Enfield reinforced the Hunter 350's position as a key urban roadster with the introduction of a new variant and additional colourways for 2025. The updated lineup includes enhancements such as alloy wheels, improved lighting, and feature refinements aimed at improving everyday usability and rider comfort. A new Graphite Grey colour option further expands the motorcycle's visual appeal, contributing to a broader palette now spanning multiple variants. The Hunter 350 continues to be among Royal Enfield's most accessible motorcycles, appealing strongly to younger, city-focussed riders while retaining the proven 349cc J-series platform.

2025 Hunter 350: Sharper styling, broader reach

Goan Classic 350: Bobber-inspired and free-spirited

The upgraded Goan Classic 350 version now comes with additional rider-focussed features that enhance the overall ride experience. With a new assist-and-slipper clutch, the Goan Classic 350 offers better control during downshifts, smoother gear changes, and lighter clutch action. The existing USB Type-C charging port on the motorcycle has been upgraded for faster charging, ensuring riders stay connected with essential devices on the go. At the core of the Goan Classic is the popular 349cc air-oil-cooled, single-cylinder engine that balances effortless power with refined character. Producing 20.2 bhp at 6,100 rpm and 27 Nm of torque at 4,000 rpm, this engine is tuned for smooth, unhurried performance, ideal for the laid-back nature of bobber riding. The 5-speed gearbox allows for easy shifts and relaxed cruising, whether in city traffic or on open highways.

ELECTRIC TWO-WHEELERS

FLYING FLEA

Approaching a new frontier: Flying Flea C6 launched in India

Positioned as the Company's inaugural EV offering, the first product from Flying Flea, the FF.C6 launched in India with its first store in Bengaluru marking Royal Enfield's foray into electric urban mobility. Through the year, the FF.C6 was showcased across Delhi, Bengaluru, Mumbai, Hyderabad, and London, building momentum for the brand's entry into electric mobility. This culminated in its official launch in India with the opening of the first Flying Flea store in Bengaluru. Blending agility with advanced connected technology, the FF.C6 delivers a deeply intuitive riding experience. An affirmation of the brand's design-first ethos and quiet disruption of category conventions, Flying Flea also won the prestigious Red Dot Award for its classic-styled FF.C6, under the 'Design Concept' category.

The lifestyle ethos extends beyond the motorcycle, fuelling a roster of incredible creative collaborations with inspiring voices from the design and lifestyle space. The upcoming financial year will mark the commercial rollout of the first electric motorcycle under the Flying Flea brand, marking a transformative new chapter in company's mobility strategy.

Scrambler Styled Flying Flea S6: The Urban Explorer

Building on the commitment to keep moving forever forward, Flying Flea, the City+ electric mobility brand from Royal Enfield, unveiled the scrambler-styled Flying Flea S6 at EICMA 2025. Combining lightweight structure and refined design with off-road ability, the FF.S6 is an agile, versatile vehicle that pushes the boundaries of urban exploration.

Inspired by history and designed for the future, the new scrambler-styled FF.S6 follows the same ethos as the original Flying Flea motorcycles, which were purpose-built and airdropped via parachute for all-terrain riding. The FF.S6 is deeply rooted in this DNA of lightness, agility, and adaptability.

The FF.S6 is a lightweight City+ explorer and a significant addition to the Flying Flea portfolio. It is a road-ready and trail-ready evolution of the brand, offering riders the freedom and flexibility required to navigate varied urban scapes.

APPAREL

'Get In-Streets' Collection: Urban identity, rider spirit

Royal Enfield expanded its lifestyle portfolio with the introduction of the 'Get In-Streets' collection, aimed at capturing the intersection of urban culture and motorcycling. Designed for everyday wear, the collection reflects a shift toward street-inspired silhouettes, relaxed fits and graphic-led storytelling that resonates with younger, city-based riders. The range builds on Royal Enfield's broader strategy of positioning apparel as an extension of rider identity rather than purely functional gear. By integrating contemporary design cues with subtle brand elements, the collection aligns with evolving consumer preferences for versatility and self-expression.

Off-Road Collection: Purpose-built for adventure riding

Strengthening its technical riding gear portfolio, Royal Enfield launched the 'Off-Road Collection', designed to support the growing popularity of adventure and trail riding. The range includes purpose-built jackets, pants, gloves, and protective elements engineered for durability, mobility, and climate adaptability across varied terrains. Developed with a focus on rider safety and comfort, the collection incorporates features such as impact protection, ventilation systems, and abrasion-resistant materials.

Urban Riding Gear: Everyday mobility, elevated

Royal Enfield's Urban Riding Gear portfolio reflects a growing focus on daily usability, combining protection with comfort and understated design. Tailored for city riders, the range includes lightweight jackets, helmets, and accessories that balance safety with ease of movement and all-day wearability. The gear integrates protective elements such as CE-certified armour while maintaining a minimalist aesthetic suited for urban environments. This approach responds to the increasing demand for gear that transitions seamlessly between riding and everyday activities.

Conscious Collection: Apparel with purpose

The Conscious Collection highlights the brand's commitment to sustainability and responsible manufacturing within its apparel business. The collection incorporates environmentally conscious materials such as organic cotton and recycled fabrics, alongside processes aimed at reducing environmental impact. The initiative forms part of a broader industry shift toward responsible fashion, while remaining rooted in the brand's ethos of durability and timeless design. Through the Conscious Collection, Royal Enfield extends its philosophy of mindful motorcycling into the apparel space, reinforcing long-term value over fast consumption.

Strengthening its technical riding gear portfolio, Royal Enfield launched the 'Off-Road Collection', designed to support the growing popularity of adventure and trail riding.

BRAND

Motoverse 2025: A global rider confluence

Motoverse has always been where the heart of Royal Enfield truly beats: a living, breathing convergence of subcultures, craft, style, and the people who make motorcycling what it is. It is proof that Royal Enfield doesn't just build machines but builds a culture that moves. Hosted in Goa, the event showcased new products, including electric motorcycles like the Flying Flea S6, alongside immersive riding experiences, showcases, and cultural engagements. This year, the Hilltop at Vagator saw over 40,000 people roll in from across the globe. The convergence came to life as riders and enthusiasts from diverse backgrounds immersed themselves in rides, races, hands-on workshops, and world-class performances. With participation spanning multiple geographies and riding disciplines, Motoverse reinforces the brand's positioning as a curator of motorcycling culture.

The thrill extended beyond the track, with this year's edition bringing to Goa Grammy-winning producer Diplo, a long time Royal Enfield rider who rode into the festival on the Himalayan 450, and breakthrough rapper Hanumankind. Other loved artists like Euphoria, Parvaaz, The Yellow Diary, MIDIval Punditz, Kutle Khan x Karsh Kale, Thaikkudam Bridge and more were amongst the ones who owned the mainstage across the three days. The Art of Motorcycling arena showcased stunning artworks from 12 countries, after receiving over 51,000 entries exploring the intersections of design, technology, and freedom on two wheels coming together under the theme of cine-verse.

EICMA 2025 – Fuelled by Legacy | Charged for the Future
Royal Enfield marked another monumental milestone in its storied journey as it celebrated 125 years of Pure Motorcycling. The brand's EICMA showcase commemorates this landmark occasion by offering experts and enthusiasts a glimpse into its historical journey, and connecting this legendary past with its dynamic present and ambitious future.

Bringing the story alive at EICMA, Royal Enfield unveiled a slew of new motorcycles, offering a peek into some soon-to-be-launched models and platforms, and showcased special edition variants of some community favourites. Key unveilings included the Bullet 650, the Classic 650 125th Anniversary Edition, the Himalayan Mana Black and a limited-edition Shotgun 650 collaboration, alongside the debut of the Flying Flea FF.S6 electric scrambler. Together, these introductions highlighted Royal Enfield's ability to seamlessly blend legacy with modern innovation. Serving as the starting point of a year-long 125-year celebration, the showcase reinforced the brand's mission to make Pure Motorcycling accessible while shaping its next chapter globally.

The Great Frog London Collaboration: Heritage craft meets motorcycling
In an exclusive collaboration, Royal Enfield collaborated with The Great Frog London to bring together the distinctive worlds of motorcycling and rock 'n' roll-inspired jewellery. As part of the collaboration, the brand showcased a custom-inspired chopper motorcycle, a limited edition handcrafted sterling silver ring, and an exclusive apparel collection. At the heart of the collaboration is a specially commissioned custom Royal Enfield Super Meteor 650, a motorcycle known for its laid-back cruising capability and elegant design. Inspired by The Great Frog's rich heritage in handcrafting silver jewellery and its deep association with music and motorcycle subcultures, the motorcycle blends bespoke design details with raw attitude.

Royal Enfield x Vallon: Design-led partnership
Royal Enfield partnered with Vallon to launch a limited-edition range of Moto Aviators, inspired by its Classic motorcycle lineup. The collaboration blends performance-oriented eyewear design with the timeless aesthetic cues of Royal Enfield motorcycles, including references to models like the Classic 350 and Classic 650. Positioned within the brand's growing lifestyle portfolio, the collection reflects a focus on functional yet design-led accessories tailored for riders. The partnership reinforces Royal Enfield's commitment to extending its identity beyond motorcycles into curated lifestyle products that resonate with its global community.

The Ballad of the Bullet with Royal Albert Hall
In a coming together of legacy, craft, and creativity, Royal Enfield collaborated with the Royal Albert Hall in London for the creation of 'The Ballad of the Bullet'. The continuous production features London-based composer and multi-disciplinary artist Rushil Ranjan, and it is the official campaign film for the launch of the new Royal Enfield Bullet 650 motorcycle. Ranjan is a Royal Enfield enthusiast, life-long rider, and an artist who bridges the prominent cultures of motorcycling and music. He has composed an original score that translates the story of this motorcycle into a powerful musical composition. For the first time in history, the Royal Albert Hall's 153-year-old organ – a British Icon in its own right – joins forces with traditional Chenda and Paria drums from South India, creating a stunning dialogue between grandeur and raw percussive energy. The ballad culminates in a transcendent veena solo from fellow associate artist Abi Sampa.

Royal Enfield x Krafton: Expanding digital frontiers
Royal Enfield and Krafton announced a landmark partnership that bridges two of India's most influential cultural domains—mobile gaming and motorcycling. Offering an unprecedented blend of automotive heritage and interactive entertainment, Royal Enfield integrated its iconic Bullet 350 and the OG cafe racer Continental GT 650 as rideable motorcycles inside BATTLEGROUNDS MOBILE INDIA (BGMI). Royal Enfield also showcased a custom-built, real-world motorcycle inspired by BGMI's tactical and war-ready aesthetic—crafted on the soul of the Continental GT 650—underscoring the creative synergy between both brands.

MARQUEE RIDES & EVENTS

21st Himalayan Odyssey: A flagship riding experience
Royal Enfield's Himalayan Odyssey returned for its 21st edition in 2025, reaffirming its status as one of the most iconic motorcycling expeditions globally. The ride spanned approximately 2,600 kilometres over 18 days, traversing some of the most challenging terrains across Ladakh and Spiti. Bringing together riders from across the world, the Odyssey blended endurance riding with community and cultural immersion. Flagged off from Chandigarh, the event continued to embody Royal Enfield's core philosophy of exploration and adventure, offering participants a curated high-altitude riding experience that tests both machine and rider.

Himalayan Spirit: Unlock the true ADV mindset
Himalayan Spirit is a curated off-road learning experience designed exclusively for Himalayan riders. It's a gateway to great adventures, a "life hack" for every rider who wants to explore beyond the tarmac. The experience is built on a simple philosophy: the only thing you have to do to go up is show up. Designed to lower the psychological barriers around adventure motorcycling, Himalayan Spirit equips riders with essential riding techniques and life skills in a safe, structured environment. It's not about being the most adventurous or the fastest; it's about being ready with the right mindset first.

HunterHood: Putting street culture in the spotlight
Born from Royal Enfield's community-first philosophy, HunterHood is inspired by the Hunter 350, a motorcycle designed for the everyday rhythm of urban life.
Agile, responsive, and expressive by nature, the Hunter belongs to the streets it rides through. HunterHood takes that spirit off the saddle and into the city, creating a space where riders, skaters, artists, dancers and musicians, and homegrown labels can move through the streets on their own terms. Becoming Royal Enfield's super popular street culture platform, HunterHood celebrates music, culture, and raw creative energy in each city that it moves to, letting it write its own version of the experience.

GRRR Nights: Bringing the city's automotive subcultures to life
Built around the spirit of the Guerrilla 450, GRRR Nights turns the city into a space for machines, music, and movement. It reflects a riding culture shaped by precision, control, and expression. The motorcycle's performance capabilities come alive through experiences across the night, from controlled drifts to high-skill stunt riding. Inspired by the Guerrilla 450 – a nimble, agile, and precise muscle roadster – the event celebrates performance, mechanical artistry, and the communities that thrive around motorcycles & their sub-cultures.

GROWTH FOCUS

India Business

Royal Enfield - India Performance

In FY 2025-26, Royal Enfield achieved record domestic sales of 11,07,343 units, reflecting 23% year-on-year growth and marking the second time the brand surpassed 1 million units in the Indian market. This performance significantly outpaced the broader two-wheeler industry, with Royal Enfield growing at 26% for the full year, ahead of the industry, including scooters.

New launches such as the Guerrilla 450 Apex, alongside refreshed offerings across the 350cc range, including the new colours & variants of Hunter 350 and Meteor 350, fuelled momentum through the year. The brand's focus on sharper positioning, consistent engagements with customers, and youth-oriented models solidified its dominant position in India's premium motorcycle market.

	FY22	FY23	FY24	FY25	FY26
Royal Enfield Domestic Sales ('000)	521	734	834.8	902.8	**1,107.3**
Domestic Motorcycle Market (Millions)	9.0	10.2	11.6	12.3	**13.0**
RE Market share in Domestic Motorcycles	5.8%	7.2%	7.2%	7.3%	**8.4%**
Motorcycles >125cc ('000)	1,813	2,308	2,807	2,995	**3,535**
RE Market share (>125 cc)	28.7%	31.8%	29.7%	30.1%	**31.3%**

Network, Financing, & Business Activities

Retail Network

Royal Enfield continued to deepen its reach across India, expanding its retail presence through a combination of large-format dealerships and studio stores. As of FY 2025-26, the brand operates through more than 2,074 stores across all major cities and towns in India. Further Royal Enfield is present in 80+ countries through 1,212 stores enabling deeper engagement with aspirational customers across diverse geographies. In a landmark recognition, the Company was ranked #1 in the FADA Dealer Satisfaction Survey for 2025, for the first time ever, reflecting the strength of its dealer partnerships and the consistency of its customer service experience.

Financing

The Company continued to enhance affordability and accessibility by expanding its financing offerings. With low down-payment options, extended tenures, and attractive interest schemes, finance penetration stood at 59.3% by the end of FY 2025-26. The RE App's digital finance marketplace continued to serve as a key enabler, offering seamless, personalised financing journeys to customers across India.

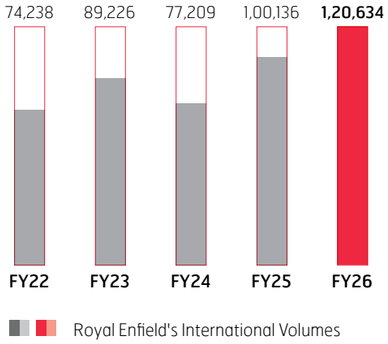
Enhancing Customer Experience through Innovations

Royal Enfield continued to scale its REOWN pre-owned platform and the Assured Buyback Programme, offering consumers flexible tenure options, guaranteed buyback value, and lower EMIs, redefining customer acquisition and ownership journeys while broadening the customer base and encouraging product upgrades.

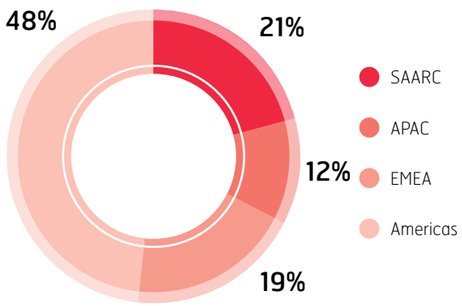
With low down-payment options, extended tenures, and attractive interest schemes, finance penetration improved to 59.3% by the end of FY 2025-26.

INTERNATIONAL BUSINESS

In FY 2025-26, Royal Enfield continued to accelerate its global ambitions, strengthening its position as a leading mid-size motorcycle brand across key international markets. The Company built on the strong foundations established in prior years, deepening local market engagement, and driving volume growth through new product launches and community-led brand initiatives. International volumes crossed 1,20,634 units in FY 2025-26, a 20% YoY increase reflecting sustained momentum across all geographies.



Royan Enfield International Volumes Split (%)



Americas

The Americas continued to be Royal Enfield's largest international market by volume. The Company sustained its growth trajectory, with Brazil and other Latin American markets remaining key drivers of retail momentum. Royal Enfield now operates across 339 retail stores in the region, including exclusive outlets and multi-brand dealerships.

In North America, the brand maintained an estimated 7% share in the middleweight segment, supported by focussed product launches and steady network expansion. The ongoing CKD facility in Brazil continued to serve as a strategic manufacturing anchor for the region, reinforcing Royal Enfield's long-term commitment to the Americas and enabling cost-effective, faster go-to-market execution across Latin American markets.

Europe, Middle-East, and Africa (EMEA)

The Company continued to hold a leadership position in the UK in the mid-size motorcycle segment and sustained its presence across major European markets, including Italy, France, Spain, and Germany. The Netherlands subsidiary, Royal Enfield Europe B.V., launched in FY 2024-25, continued to strengthen direct market presence and streamline the regional supply chain during the year.

Expanding its retail network across the region, the Company added stores in new locations and enhanced customer experience through its Extra Mile Retail Development Programme. It also focussed on standardising service quality, sales training, and retail excellence.

In the Middle East, the partnership with the AW Rostamani Group continued to support brand growth in the UAE. Royal Enfield's presence in Turkey, established through its partnership with Kibar Holding, gained further traction during the year. During FY 2025-26, Royal Enfield held an approximate 8% market share in the EMEA middleweight segment and remains one of the top brands in the category across Europe.

Asia Pacific (APAC)

The APAC region continued its positive growth trajectory in FY 2025-26, with strong traction across Thailand, Indonesia, and South Korea. The fully-owned CKD assembly plant in Thailand, a key milestone established in FY 2024-25, continued to deliver faster go-to-market capability and deeper manufacturing integration across the region.

Royal Enfield further expanded its retail network across APAC, with new market entries into Taiwan and Hong Kong during the year, the latter through the opening of its first exclusive store. The Company's network now spans 227 retail outlets across the region. Brand-building initiatives, community rides, and strategic collaborations continued to strengthen Royal Enfield's cultural relevance across APAC markets.

During the year, the Company launched the Classic 650 in Thailand and the Goan Classic 350 in both South Korea and Indonesia, reflecting its continued commitment to bringing its expanding product portfolio to global audiences. The brand maintained its #2 position in Thailand and continued to strengthen its standings in South Korea and Australia in the middleweight segment. Royal Enfield holds an approximate 10% market share in APAC, consistent with the prior year.

SAARC
The SAARC region remained a significant contributor to Royal Enfield's international volumes in FY 2025-26. The Company's manufacturing unit in Bangladesh, set up in collaboration with IFAD Motors and located in Chauddagram, Cumilla District, Royal Enfield's sixth assembly unit outside India, continued to scale operations during the year, further reiterating the brand's long-term commitment to the region.

In Nepal, the Company launched Classic 350, Meteor 350, Hunter 350, and Scram 440 during the year, continuing to build on strong CKD operations in the market. Royal Enfield continues to lead the >125cc segment in Nepal and remains focussed on deepening retail and ride-led community engagement. Across SAARC markets, the Company sustained its focus on retail expansion, product availability, and community engagement to deepen brand penetration. The region accounted for 22% of total international volumes in FY 2025-26, reflecting the continued strength of the brand in key neighbouring markets.

ALLIED BUSINESS

Royal Enfield's commitment to delivering a pure motorcycling experience extends well beyond motorcycles, with its non-motorcycle business continuing to emerge as a significant growth driver. This segment enables self-expression, customisation, and ownership ease for riders across the globe.

In FY 2025-26, allied business sustained its strong growth momentum, comprising apparel, accessories, and after-sales services. The revenues stood at ₹ 3,351 crores, accounting for approximately 14% of overall revenues.

After-sales service and Spare parts
With over 1 Million order lines processed during November and December 2025 alone, a 24% increase over the previous year. The service business crossed 10.3 Million job cards during the year, with out-of-warranty job cards growing 22% and the IM Service score reaching 64, representing a 37% improvement over the prior year.

Royal Enfield Accessories
This year, the brand introduced premium, street-legal Arrow Silencers for the Himalayan 450, engineered for weight reduction and improved tonal quality, catering to the evolving needs of the adventure riding community. It also partnered with GIVI to enable the development of world-class hard and soft luggage accessories, offering riders durable and versatile solutions for both everyday use and long-distance travel. Additionally, The Make It Yours (MiY) configurator continued to play a central role in Royal Enfield's personalisation strategy, enabling customers to customise motorcycles digitally at the point of booking with accessories, seats, protection kits, and styling options.

Apparel
The apparel business continued its strong momentum in FY 2025-26, with overall revenues growing 20% over the prior year. The Company sold over 1.5 Million helmets, reflecting 22% year-on-year growth.

Royal Enfield continued to strengthen its design-led apparel and riding gear portfolio through new collections, purpose-built riding equipment, and lifestyle collaborations that blended functionality, craftsmanship, and self-expression. During the year, the brand introduced the "Get In-Streets" apparel range inspired by heritage motorcycling and everyday urban journeys, alongside city-focussed outerwear designed for modern commuting and protective performance.

At Motoverse 2025, Royal Enfield expanded its ecosystem of riding gear and collectables with new protective equipment, communication technology, and graphic-led merchandise. Reinforcing its commitment to responsible craftsmanship, the brand also launched the Conscious Collection under its Green Pursuit initiative, featuring apparel made using recycled and natural materials. Further extending its lifestyle offerings, Royal Enfield partnered with VALLON to launch the Moto Aviators collection inspired by the Classic motorcycle range, combining timeless motorcycling aesthetics with modern performance and safety.

Manufacturing Excellence
The Company strengthened its manufacturing footprint during the year with new CKD assembly facilities in Bangladesh and Thailand, enhancing regional access, localisation, and supply agility across key international markets. The Bangladesh unit, developed with IFAD Motors, became its sixth overseas assembly facility, while the Thailand plant marked Royal Enfield's first standalone assembly operation in the Asia-Pacific region.

Further strengthening ancillary manufacturing capabilities, the Company also operationalised its Cheyyar facility in Tamil Nadu for chrome plating and allied operations. These developments reflect Royal Enfield's continued focus on scale, operational efficiency, and a resilient global manufacturing ecosystem.

This year marked a major milestone in the Company's manufacturing journey, with production crossing 12,41,256 units, the highest-ever achieved. Manufacturing capabilities were further strengthened with the inauguration of a state-of-the-art control tower enabling real-time monitoring of critical operational parameters, driving improved visibility, responsiveness, and efficiency across operations. These advancements reflect the Company's continued focus on operational excellence, quality, and continuous improvement.

SUSTAINABILITY

As the fourth key pillar of the REBALANCE strategic framework, sustainability remains integral to Royal Enfield's purpose. In FY 2025-26, the Company continued to make meaningful progress towards its Environmental, Social, and Governance (ESG) vision, strengthening its commitment to conscious and responsible business practices across all facets of operations.

1. Green Business Operations
Energy Management
Royal Enfield's Energy Management System (EMS) ensures monitoring, control, and optimisation of energy consumption to reduce overall carbon footprint. Royal Enfield has steadily transitioned towards renewable energy, which now contributes to 54% of the energy mix in operations. The Company remains committed to enhancing the share of renewable and cleaner alternative fuels in the overall energy mix. In line with this transition to cleaner energy, the Company commissioned a 1 MW rooftop solar installation in the new Cheyyar plant, operational from May 2025. Green energy usage increased from 50% to 54% over the prior year.

Emission management

During the year, the Company further reduced its emission footprint from 29.1 to 23.5 (tCO_2e per motorcycle produced), continuing to explore new ways of achieving resource efficiency and environmental protection. The Company has also disclosed its Scope 1 and 2 emissions as part of the integrated report this year to better estimate the overall emission footprint and draw a path to Net Zero. Focussed interventions helped reduce Scope 1 & 2 emissions by 19% during the year.

Water management

The Company continued to maintain Zero Liquid Discharge across all its operations. It has implemented rainwater harvesting systems and sewage treatment plants, the water from which is used for various applications. EML ensures providing water access to the surrounding community and natural ecosystem. The new Cheyyar facility is water positive and has been operating as a zero liquid discharge plant since inception, underscoring the Company's commitment to responsible resource management.

Waste management

Ensuring a circular economy, the Company adopted the principles of 'Reduce, Reuse, and Recycle' across all operational activities. All facilities are zero liquid discharge factories where wastewater is treated in state-of-the-art STP and ETP plants and reused for irrigation and process top-ups. The Company has significantly reduced plastic consumption in packaging and has achieved zero waste to landfill status. The Company has also commenced the usage of Compressed Biogas in operations at the Vallam Vadagal plant.

Supply and Packaging

To drive a more sustainable value chain, the Company has transitioned to Forest Stewardship Council (FSC) certified suppliers for its carton packaging. During the year, the Company achieved nearly 100% sustainable packaging across its Genuine Motorcycle Accessories range, with all carton boxes now sustainably sourced. Furthermore, within the parts packaging segment, the Company successfully eliminated 85% of single-use plastic covers, replacing them with biodegradable and compostable alternatives.

Dr. Shroff's Charity Eye Hospital:

Since 1996, a long-standing partnership with Dr. Shroff's Charity Eye Hospital (SCEH) has supported the institution's journey from strengthening governance to enhancing day-to-day clinical operations. During the year, support enabled the installation of over 300 CCTV cameras across the main hospital and its network of 44 vision centres across North India, strengthening safe and secure healthcare delivery for more than 28,000 people. The partnership continues to evolve in line with regional public health priorities.

Royal Enfield Academy for Technical Skills:

The Academy for Technical Skills continued to equip young people in Tamil Nadu with industry-relevant technical training, practical exposure and essential workplace skills. During FY 2025–26, the Academy trained 1,065 candidates and achieved a 99% placement rate across the automotive industry, meeting its annual training target within the first six months. The initiative continues to create sustainable livelihood opportunities while strengthening the future-ready automotive workforce.

2. Brand-led Social Mission

2 projects on Healthcare and Education, which have the higher allocation of CSR spend. Royal Enfield's Social Mission stems from the 75-year-old connection with its Spiritual Home of the Himalayas. Operating at the intersection of Culture, Conservation, and Materiality, the mission is on track to meet its long-term vision of partnering 100 Himalayan communities by 2030 towards building climate resilience.

Some of the notable projects and initiatives this year includes:

Himalayan Hub

A collective learning centre dedicated to developing solutions for environmental sustainability in the Indian Himalayan Region. The Hub works to equip Himalayan youth to become leaders in climate change mitigation and adaptation – through fellowships, grants, and structured programmes – while building resilience within their communities.

Green Pit Stops

An initiative that creates livelihood opportunities for local communities while offering environment-friendly amenities to tourists – including clean drinking water, sanitation, waste management, hygienic local food, charging facilities, service check-points, and local handicrafts. These centres are managed by Self-Help Groups (predominantly women) and serve as shared spaces where local communities and travellers can connect. Designed sustainably using vernacular architecture, the pit-stops also function as showcases and marketplaces for local handicrafts, art, and culture.

The Himalayan Knot

A market linkage programme supporting Himalayan artisan communities practising traditional crafts – weaving, knitting, and working with natural fibres such as pashmina, wool, eri silk, and cotton. The programme spotlights their craft through design interventions and communication campaigns, expanding market access and strengthening livelihoods. The programme also supports the conservation of pastures and rangelands, protecting the livestock of vulnerable pastoral communities, and building skills for value-added livelihoods such as dairy and cheese-making, thereby taking a holistic approach to conserve local heritage and reduce out-migration from the Himalayas.

The Great Himalayan Exploration

A behaviour change initiative that raises awareness and positively shapes tourist attitudes on environmental and social issues, this programme creates active opportunities for riders and travellers to engage with and contribute to CSR-led initiatives. Supported by targeted Information, Education, and Communication (IEC) packs, these initiatives include documentation of Intangible Cultural Heritage (ICH) practices in partnership with UNESCO through rider researchers, and working with remote communities. To expand reach and deepen impact, the programme is scaling its content dissemination efforts in collaboration with National Geographic, set to air on television and JioHotstar. Concurrently, strategic partnerships are being explored with the Wikimedia Foundation, Ministry of Tourism, travel media such as Condé Nast, Himalayan state tourism boards, and academic institutions to amplify the programme's footprint across knowledge, policy, and cultural platforms.

Keystone Species

The programme works to conserve the critical habitat and unique biodiversity in the landscapes inhabited by the Snow Leopard. The species has deep significance for the indigenous and pastoral communities across five states and Ladakh UT and is a keystone species in the high altitude regions of the Himalayas. Its presence and survival directly influences local biodiversity and shapes the population dynamics of other species in the ecosystem.

Beyond the Snow Leopard, the programme extends its reach to the conservation of other critical landscapes, ecosystems, and species in the region besides coastal and aquatic habitat – with community stewardship at the heart of this effort.

Through the Social Mission, Royal Enfield is also aspiring to encourage and inspire one million riders to explore sustainably and 'Leave every place better'.

HUMAN RESOURCES

Over the past year, the Company focussed on three strategic priorities: strengthening employee engagement, building future-ready capabilities, and deepening manufacturing excellence.

Employee Engagement

Royal Enfield continues to cultivate a transparent and synergetic work environment through robust listening mechanisms. Our REConnect Engagement Survey achieved a record 96% participation rate with an engagement score of 89, reflecting deep-rooted brand pride and alignment with our core values. We also launched RE Voice, an AI-enabled continuous listening platform enabling real-time, data-backed interventions by leaders and HR Business Partners.

Capacity Building

During FY 2025-26, we delivered 86,733 training hours, with 63% dedicated to functional reskilling and upskilling, achieving 81% coverage of Staff and executive base. Fifty global people managers completed Emerging Leaders programTransformational leadership program programmes, 108 plant supervisors completed a customised development programme, and 282 employees completed specialised EV upskilling tracks across key divisions.

Manufacturing Excellence

Our Gurukulam initiative trained 12,167 trainees across plant locations, while our Kaizen culture generated 22,282 incremental improvements and 86 breakthrough projects impacting key operational metrics. Our Quality Circles secured 14 awards, 10 Gold and 4 Silver, reaffirming our commitment to shop floor excellence.

ENTERPRISE RISK MANAGEMENT

The Company follows a comprehensive and structured risk management framework designed to proactively identify, assess, monitor, and mitigate potential risks that could impact its operations or strategic objectives. The Risk Management Committee of the Board, together with the senior management team, periodically evaluates key risks based on their likelihood and potential impact. This enables the formulation of an appropriate mitigation framework with focussed strategies to address these risks. The key enterprise risks and their mitigation strategies are outlined below:

01 Brand relevance risk due to dependency on ICE platforms and evolving consumer preferences

Capital:	Material Issues:	Mitigation Strategy:
Intellectual, Social, and Relationship	Customer-centricity, Innovation management	The Company continues to invest in strengthening Royal Enfield's global brand resonance by engaging with newer and younger audiences. It is actively building deeper emotional and experiential connections by promoting the authentic pleasures of 'Pure Motorcycling' in a contemporary context. Simultaneously, the Company is enhancing the overall customer journey through a modernised, seamless experience – both digitally and physically. With a clear focus on brand evolution, Royal Enfield is poised to spark renewed enthusiasm among global motorcycling enthusiasts, maintaining its distinct identity while adapting to emerging consumer aspirations.

02 Regulatory risk due to evolving global standards and compliance requirements

Capital:	Material Issues:	Mitigation Strategy:
Manufactured	Regulatory compliance, Climate change, Responsible use of materials	The Company has instituted a robust compliance monitoring and risk assessment system to track regulatory developments across all operational geographies. It undertakes proactive identification of potential policy shifts and formulates timely responses to mitigate business impact. Quarterly global compliance reviews are conducted, and certificates are issued to ensure adherence to all applicable rules. A highly experienced homologation team, coupled with technical know-how in global emission norms and engine development, supports compliance in key markets. Additionally, the Company's Advanced Engineering division works ahead of the curve to address upcoming regulations and accelerate high-priority innovation projects through agile development models.

03 Changing consumer behaviour and transition in product preferences

Capital:	Material Issues:	Mitigation Strategy:
Intellectual, Relationship, and Manufactured	Innovation management, Consumer-centricity, Economic performance	In anticipation of evolving customer expectations and shifts in mobility preferences, the Company has laid out a comprehensive, long-term electric vehicle (EV) roadmap. This includes a robust product pipeline aligned to emerging technologies and consumer insights. Continuous investments are being made to support the EV programme and related infrastructure. A dedicated team monitors global market trends and consumer behaviour patterns to guide product innovation and ensure that offerings remain relevant, aspirational, and technologically aligned.

04 Supply chain vulnerabilities and potential disruptions

Capital:	Material Issues:	Mitigation Strategy:
Financial, Manufactured, and Natural	Economic performance, Manufacturing efficiency, Responsible supply chain	To counter the impact of raw material shortages or logistical constraints, the Company has implemented measures such as securing alternative vendors, building strategic inventory buffers, and optimising the variant-feature mix. These steps ensure continuity in manufacturing operations and timely delivery of products. The Company also continuously evaluates its supplier network to identify areas for resilience enhancement and responsiveness across the value chain.

05 Geographic concentration and geopolitical risks

Capital:	Material Issues:	Mitigation Strategy:
Financial, Manufactured	Economic performance, Manufacturing efficiency	To mitigate exposure to geopolitical and regional concentration risks, the Company has diversified its supplier and vendor base across geographies. It has also designed its manufacturing plants in Chennai with modular capabilities to flexibly shift production between models and units as needed. This design enhances agility and operational resilience. To support the expected volume growth in the near future, our manufacturing division is developing a plan for strategic operational decentralisation. This initiative involves setting up a new manufacturing facility in a different state. This move is designed to bring us closer to our primary target market and the crucial two-wheeler supply chain cluster. Additionally, through CKD assembly facilities set up in international markets, the Company is expanding its manufacturing footprint and de-risking operations while serving key global demand centres.

06 Threats to cyber security and data privacy

Capital:	Material Issues:	Mitigation Strategy:
Intellectual	Ethical business practices, Corporate governance	The Company has invested in advanced IT infrastructure, including firewalls, antivirus software, and secure network systems to protect against cyber threats. Regular system updates, network audits, and employee training ensure continued vigilance. Daily backups of critical data across multiple locations safeguard business continuity and data integrity, while response protocols are in place to quickly address any breach attempts.

07 Human capital risk, including succession planning for key roles

Capital:	Material Issues:	Mitigation Strategy:
Human	Talent attraction and retention	Recognising the strategic importance of a skilled and engaged workforce, the Company focusses on capability building and structured talent development initiatives. A succession planning framework has been implemented for key leadership roles, supported by internal talent identification and selective external hiring. Long-Term Incentive Plans (LTIPs) are leveraged to retain critical talent and encourage leadership continuity, while high-potential employees are groomed for broader responsibilities through well-defined development programmes.

08 Profitability risk due to volatility in raw material costs and pricing pressure

Capital:	Material Issues:	Mitigation Strategy:
Financial	Economic performance	The Company maintains strong focus on profitability across both petrol motorcycles and EV verticals. A working group consistently monitors fluctuations in input costs and develops strategies to mitigate their impact. These include alternate sourcing, value engineering initiatives, and continuous cost optimisation efforts. Additionally, the Company evaluates pricing structures and enhances global market penetration to balance the impact of input cost escalations, ensuring a sustainable and profitable growth model.

09 Regulatory risk due to the Digital Personal Data Protection (DPDP) Act, 2023

Capital:	Material Issues:	Mitigation Strategy:
Financial, Ensuring Data privacy	Ethical business practices, Corporate governance	The Digital Personal Data Protection (DPDP) Act, 2023 is now under implementation. The Ministry of Electronics and Information Technology (MeitY) officially notified the DPDP Rules, 2025 on November 14, 2025, which has triggered a definitive "countdown" for all companies operating in India keeping in view of full compliance of it targeted by May 2027. As mitigation action, the company is currently undertaking a project focussed on Gap Assessment and Policy Procedure review. The remediation of identified gaps is targeted for completion by December 2026.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has instituted a robust and well-integrated internal control system designed to ensure operational efficiency, asset protection, accurate financial reporting, and strict compliance with applicable laws and regulations. This internal control framework serves as a safeguard against unauthorised usage or loss of assets, helps in the early detection and prevention of fraud, and supports precision in financial disclosures. It also enables the Company to address emerging business risks and maintain productivity across operations.

In FY 2025-26, the Company undertook a comprehensive evaluation of its internal controls over financial reporting and concluded that these were adequate and operating effectively. As part of its ongoing commitment to strengthening governance mechanisms, the Company continued its initiative, Internal Control, Centre of Excellence (IC-CoE), a specialised project aimed at enhancing control measures across critical functions. The IC-CoE operates as a centralised expert unit, offering continuous advisory support and facilitating consistent process-level oversight. It works closely with project and process owners to ensure that accountability, control adherence, and governance standards are upheld across the organisation.

The Company's SAP-based Enterprise Resource Planning (ERP) system acts as a critical backbone for enforcing system-driven controls and validations. This technology-driven approach ensures real-time tracking, data integrity, and minimises manual intervention, thereby reducing risks associated with human error.

Additionally, EML has implemented comprehensive governance, risk, and compliance frameworks that reinforce the effectiveness of its internal control environment. These frameworks help ensure that the Company's operations align with statutory and regulatory requirements at all times.

An independent Internal Audit team carries out periodic reviews of processes and functions, as per the annual audit plan approved by the Audit Committee. These audits are instrumental in evaluating the health of the control mechanisms and recommending improvements where needed. The statutory auditors also review the adequacy of internal financial controls as part of their audit procedures related to financial reporting.

The Company's Whistle-Blower Policy and Vigil Mechanism further strengthen its governance ecosystem by empowering employees, vendors, dealers, and other stakeholders to report any unethical practices, fraud, or misconduct without fear of retaliation. This encourages transparency, reinforces accountability, and supports a culture of integrity across the organisation.

Crisis Management

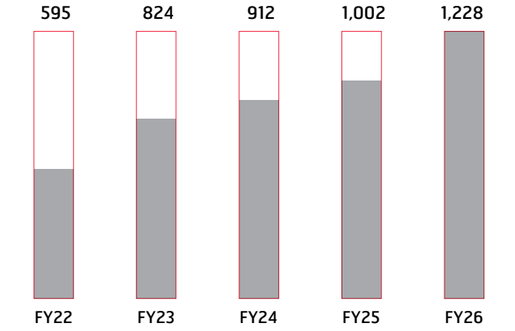
The Company has a defined crisis management framework, detailed in a comprehensive handbook. This handbook outlines the overarching process for managing crises, covering actions, escalation protocols, and communication strategies. All relevant stakeholders, including process/ project owners and crisis response team members across various departments, are required to read and understand the processes and escalation matrices within this handbook. This ensures an effective response to any crisis situation. The timely management and effective communication with stakeholders during a crisis are crucial for minimising the impact on business operations.

FINANCIAL REVIEW

Eicher Motors Limited achieved its highest-ever annual volumes in FY 2025–26 at 1,227,977 units. Revenue for the year increased by 24% year-on-year to ₹ 23,408 Crores, marking yet another milestone as the highest-ever annual revenue recorded by the Company.

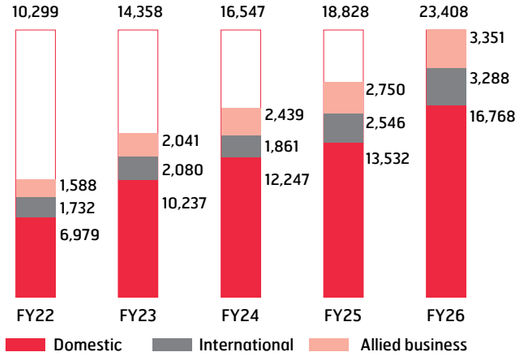
Total Sales

Motorcycles Volumes (in thousands)



Net Revenue from Operations

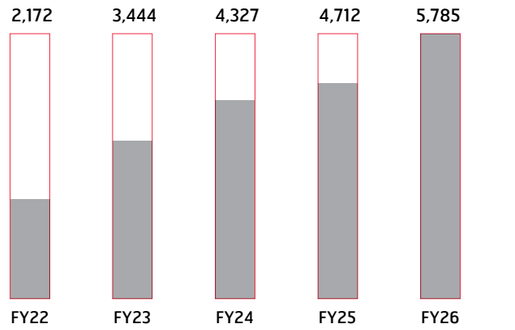
(₹ in Crores)



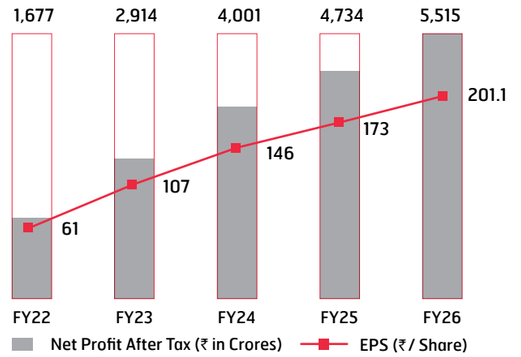
A great acceptance and rising penetration of aftermarket parts and services, greater availability of genuine motorcycle accessories, and a wider range of apparel underpinned a healthy performance of the allied business. Total revenue from spares and services, apparel, accessories, and others increased to ₹ 3,351 Crores in 2025-26 and contributed to 14.5% of EML's consolidated revenues.

Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) of the Company increased by 23% to ₹ 5,785 Crores in 2025-26 from ₹ 4,712 Crores in 2024-25. EBITDA percentage for the year was 24.7% in 2025-26 as against 25% in 2024-25.

EBITDA



Net Profit After Tax and EPS

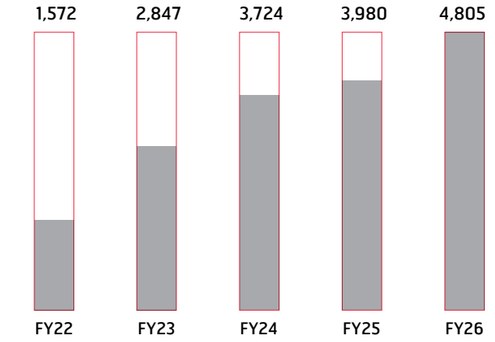


Consolidated Net Profit After Tax (PAT) increased by 16.5% to ₹ 5,515 Crores in FY 2025-26 from ₹ 4,734 Crores in FY 2024-25. An increase in Revenue, EBITDA, and higher contribution from the Company's JV with Volvo AB - Volvo Eicher Commercial Vehicles have uplifted the profit growth over the last year. As a result, EML's consolidated EPS (Basic) for the year increased by 16% to ₹ 201.1 per share.

The Company's financial position remains robust with total cash and cash equivalents, and investments (other than in subsidiaries and Joint Ventures) of ₹ 19,091 Crores. It generated a healthy cash flow from operations at ₹ 4,805 Crores and continued to invest in its future—which includes new product development activities (both petrol motorcycles and EVs) and setting up operation facilities along with a special focus on growing its digital capabilities. The total capital investment for the year stood at ₹ 1,275 Crores.

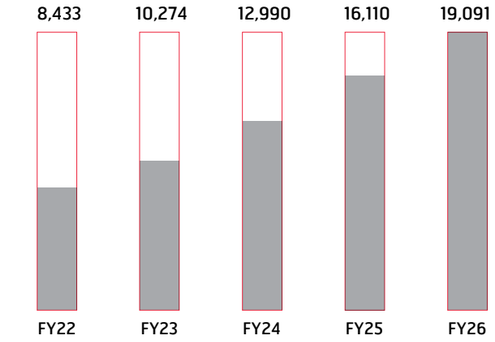
Operating cash flow

(₹ in Crores)



Net Cash position

(₹ in Crores)



Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended in 2018, the Company is required to disclose details of significant changes in key financial ratios, defined as a variation of 25% or more compared to the immediately preceding financial year. Accordingly, the key financial ratios reported by the Company are presented below:

	UOM	Standalone		Consolidated	
		2024-25	2025-26	2024-25	2025-26
Inventory Turnover Ratio	Times	9.6	**10.9**	7.1	**7.6**
Current Ratio	Times	1.7	**2.0**	1.6	**1.9**
Trade Payables Turnover Ratio	Times	4.5	**5.0**	4.4	**4.9**
Net Capital Turnover Ratio	Times	6.7	**4.8**	7.0	**5.2**
Operating Profit Margin	%	25.8	**25.6**	25.0	**24.7**
Net Profit Margin	%	23.2	**22.2**	25.1	**23.6**
Return on Equity	%	25.0%	**25.0%**	24.1%	**23.8%**
Return on Capital Employed	%	28.5	**29.5**	23.8	**24.5**
Earnings per share (basic)	₹	156.15	**183.8**	172.8	**201.1**
Earnings per share (diluted)	₹	155.80	**183.5**	172.4	**200.7**

VE COMMERCIAL VEHICLES LIMITED

Business Environment

India continued to remain among the fastest-growing major economies during FY 2025-26, supported by strong consumer confidence, sustained public infrastructure investments, and stable tax collections. Despite geopolitical uncertainties in West Asia and temporary disruptions in fuel and commodity supplies during March, the economy demonstrated resilience and maintained growth momentum.

The Commercial Vehicle (CV) industry continued to benefit from structural reforms, improving logistics infrastructure, and rising economic activity. Overall CV industry volumes, including exports, grew by 13% year-on-year to reach a new peak of 1.20 Million units.

Government initiatives focussed on improving logistics efficiency, transportation safety, and accelerating clean mobility adoption. Programmes such as PM Gati Shakti, smart tolling systems, the Unified Logistics Interface Platform (ULIP), enhanced PM e-Drive funding, and expanded Production-Linked Incentive (PLI) schemes supported fleet modernisation, technology adoption, and long-term industry growth.

Regulatory and Digital Logistics Shift

The industry also witnessed continued regulatory evolution aimed at improving safety, sustainability, and fleet modernisation. Stricter implementation of vehicle scrappage norms, mandatory air-conditioned cabins for trucks from June 2025, and higher safety standards such as Fire Detection and Suppression Systems (FDSS) in buses are expected to further accelerate replacement demand and raise operational benchmarks across the sector.

VECV Performance

FY 2025-26 marked a landmark year for VECV as the Company crossed the milestone of 1,00,000 annual vehicle sales for the first time, recording sales of 1,03,404 trucks and buses. Volumes grew by 14.7% over the previous year, ahead of the overall industry growth of 13%, reflecting strong execution, customer-centricity, operational excellence, and continued technology advancement.

Key highlights during the year included:

- Eicher-branded trucks and buses crossed the 1,00,000-unit milestone, with sales of 1,00,980 units. Including Volvo trucks and buses, total VECV sales stood at 1,03,404 units.
- The LMD segment retained market leadership with a 34.9% market share, while the Heavy Duty segment achieved its highest-ever annual sales of 26,867 units with a 9.7% market share.
- Bus sales stood at 19,363 units, including 208 electric buses.
- The Company launched the Eicher Pro X diesel range, with final assembly carried out at an all-women production line at Bhopal, reinforcing its commitment to workplace inclusion.
- Product innovation remained strong with over 100 new models and variants launched, 252 patents filed, and more than 3,300 ideas generated through the innovation platform.
- Key launches included the Eicher Pro 8035XM 8x4 mining tipper with AMT and a 29.5 cubic metre body, along with India's first 25.25-metre Volvo FM 420 road-train trailer configuration.
- Electric and LNG offerings were further expanded across truck and bus segments.
- The network expanded by 164 touchpoints to reach 1,250 outlets. Company-owned dealer operations grew to 20 main hubs with 140 touchpoints, selling over 17,200 units during the year.
- Manufacturing operations achieved record production of 1,02,452 vehicles, supported by automation, advanced robotics, Industrial IoT, AI-driven quality controls, and the Volvo Production System.
- Digital and service capabilities continued to strengthen, with the MyEicher platform expanding to over 1,85,000 customers, predictive analytics under Superior Uptime proactively preventing thousands of potential vehicle issues, and Site Support expanding to 430 sites covering over 23,500 vehicles.
- Employee engagement improved significantly, with the engagement score increasing to 85 from 80.
- The Company received seven recognitions at the 17th Apollo CV Awards, including
  - CV Maker of the Year", "Debutant of the Year" for Eicher Pro X,
  - School Bus of the Year,
  - LCV Cargo Carrier of the Year (Up to 7.5T),
  - CV Transport Solution Provider of the Year,
  - CV Innovation of the Year" for Volvo Road Train, and
  - CV Communications Excellence of the Year".

Overall, VECV remained agile and customer-focussed while continuing to strengthen its role in modernising commercial transportation in India and beyond.

OUR BUSINESS, MARKET, AND FUTURE PROSPECTS

Trucks and Buses

(i) Eicher Trucks and Buses (ETB)

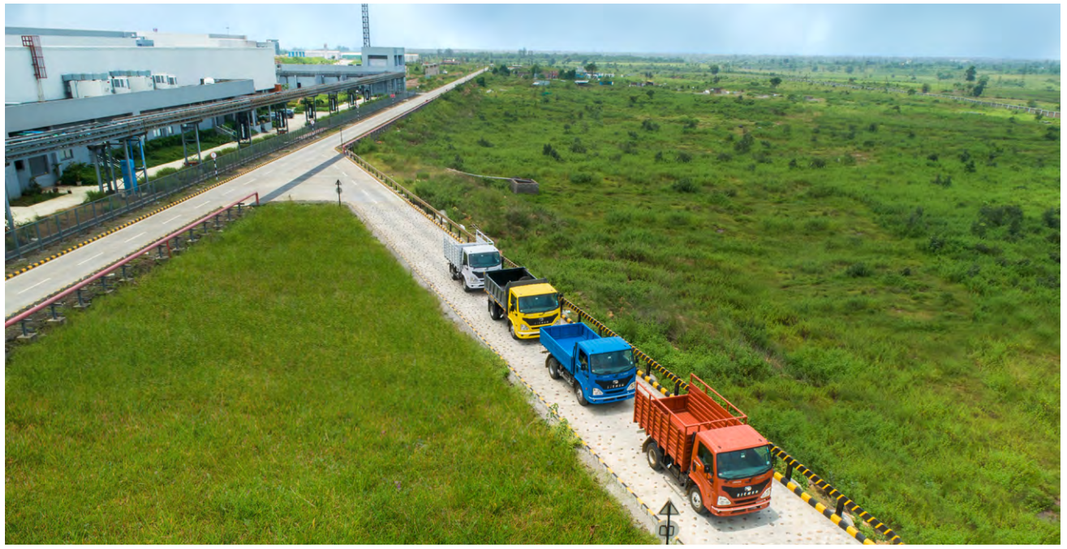
ETB delivered another record year, crossing the milestone of 1 lakh vehicles produced and delivered during FY 2025-26. The LMD segment (5-18T) further strengthened its leadership position with sales of 46,195 units and a market share of 34.9%, reflecting year-on-year growth of 19.4%.

The HD segment delivered its highest-ever annual sales at 25,155 units, with market share improving to 9.1%. Bus sales stood at 18,651 units, supported by continued scale-up in electric buses.

Operational performance remained strong across manufacturing facilities, with total production reaching 1,02,452 units. Quality and efficiency improvements continued through the use of automation, IoT-enabled systems, AI-based real-time quality control, and the Volvo Production System. The Baggad bus plant also added a dedicated EV assembly facility for 9-metre and 12-metre electric buses.

Small Commercial Vehicle (SCV)

The Eicher Pro X electric mini trucks and newly introduced diesel variants received encouraging market response across launched regions. With the domestic SCV market exceeding 3,50,000 units annually, the Company remains confident that Pro X will emerge as a strong long-term growth driver.



(ii) Volvo Trucks India (VTI)

Volvo Trucks India retained its leadership in the premium heavy-duty truck segment during the year. Sales stood at 1,712 units, with an estimated market share of nearly 78% in the 400+ HP long-haul category. While the mining sector experienced some moderation, demand across other applications remained healthy.

The Company also continued to advance alternate-fuel adoption with deployment of over 50 LNG-powered tractor-trailers in e-commerce fleets. During the year, the "Iron Women" initiative was launched in India to train and employ women heavy truck drivers.

(iii) Volvo Buses India (VBI)

Volvo Buses India delivered its best-ever annual performance with sales of 712 premium coaches, registering growth of 15.2% year-on-year. Growth was supported by recovery in intercity travel and replacement demand. The business added 84 new customers, executed deliveries to major State Transport Undertakings (STUs), and initiated exports of selected chassis and bus bodies from the Hoskote facility.

INTERNATIONAL BUSINESS

International operations delivered strong growth during the year, with exports rising 33.9% to 6,933 units. Growth was driven by deeper market penetration across Asia, Africa, and the Middle East. Euro-V trucks were introduced in select Middle East markets, while connected vehicle and telematics solutions were expanded in countries such as Bangladesh and the UAE.

Progress also continued in Indonesia through establishment of a local subsidiary and operational readiness initiatives. The Company continues to closely monitor developments in West Asia and has appropriate contingency measures in place.

Eicher Engineering Components (EEC)

EEC delivered a breakthrough performance during the year, recording its highest-ever revenue of over ₹ 2,700 Crores, reflecting growth of 34%. A new axle and transmission assembly line for Pro X was commissioned within eight months. Operated entirely by women technicians, the axle line supports multiple variants across Eicher truck platforms. Export capabilities were also strengthened through advanced automation initiatives.

VE Powertrain (VEPT)

VEPT delivered 60,300 engines during FY 2025-26, marginally higher than the previous year's output of 60,155 engines. Cumulative production since inception has now crossed 4,50,000 engines. The plant continues to focus on operational efficiency and capability enhancement, including development of Euro VI engines and alternate-fuel powertrain solutions.

Models	Industry		VECV		Market Share		VECV Growth	Industry Growth
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25		
Domestic								
Cargo (3.5-5 Tonne)	**6,330**	6,362	**1,594**	1,648	**25.2%**	25.9%	-3.3%	-0.5%
LMD (5.0-18.5 Tonne)	**1,32,481**	1,07,628	**46,195**	38,703	**34.9%**	36.0%	19.4%	23.1%
HD (≥18.5 Tonne) Combined Eicher & Volvo	**2,76,232**	2,46,135	**26,867**	23,856	**9.7%**	9.7%	12.6%	12.2%
SCV (2.0 - 3.5 Tonne)	**3,89,809**	3,37,969	**2,452**	127	**0.6%**	0.0%	1830.7%	15.3%
Buses (Combined Eicher & Volvo)	**1,00,393**	97,134	**19,363**	20,646	**19.3%**	21.3%	-6.2%	3.4%
Domestic Total	**9,05,245**	**7,95,228**	**96,471**	84,980	**10.7%**	**10.7%**	**13.5%**	**13.8%**
Exports	**47,032**	36,746	**6,933**	5,177	**14.7%**	14.1%	33.9%	28.0%
VECV Total	**9,52,277**	**8,31,974**	**1,03,404**	90,157	**10.9%**	**10.8%**	**14.7%**	**14.5%**
Volvo Brand**								
Volvo Trucks	**2,078**	2,320	**1,712**	1,819	**82.4%**	78.4%	-5.9%	-10.4%
Volvo Buses	**26,668**	28,860	**712**	618	**2.7%**	2.1%	15.2%	-7.6%

** Volvo Truck and Bus volumes included in VECV total. Volvo Trucks Market share is in premium niche segment including Chinese competition

Enhanced Customer Experience Through Superior Service, Superior Uptime, and Retail Excellence
The Company continued to strengthen its customer reach and service capabilities through network expansion and digital interventions. During the year, the network expanded to 1,250 outlets, while the Company-Owned Company-Operated (COCO) model was further scaled to strengthen retail execution.

Digital and uptime solutions remained key differentiators. The MyEicher connected platform expanded to over 1,85,000 customers, while predictive analytics under Superior Uptime proactively prevented thousands of potential vehicle issues. Site Support operations also expanded to 430 customer locations, covering over 23,500 vehicles and helping improve fleet uptime and operational efficiency.

Focus on Innovation, Technology Upgrades, and New Products
FY 2025-26 witnessed strong momentum in product development and technology-led innovation across the portfolio. The Company launched over 100 new models and variants, filed 252 patents, and generated more than 3,300 ideas through its innovation platform, strengthening future-readiness and development agility.

The Company also expanded its electric and LNG offerings across truck and bus segments while continuing to introduce first-to-market solutions aligned with evolving customer requirements and modern logistics needs.

Towards a Sustainable Future
The Company continued to advance its green mobility agenda during the year. With over 500 electric buses already operational and more than 30 Million electric kilometres completed, VECV remains committed to accelerating the transition towards cleaner transportation solutions.

Alongside EVs, the Company continues to develop and deploy alternative fuel technologies including CNG, LNG, and hydrogen-based solutions in line with India's long-term decarbonisation goals.

Subsidiaries, Associate and Joint Venture Companies
During the year, no company was incorporated or ceased to be a subsidiary, associate or joint venture company of the Company.

VECV South Africa (Pty) Ltd
Market conditions remained subdued, particularly in the light and medium-duty segment. Sales during the year stood at 460 units compared to 200 units in the previous year. The business expanded its presence through three new outlets while strengthening parts distribution and service support to sustain aftermarket growth.

VECV Lanka (Private) Limited
Economic conditions in Sri Lanka stabilised during the year, enabling gradual recovery in the CV market following the resumption of imports under revised guidelines. Sales stood stabilised at 287 units. Despite challenging conditions, uninterrupted service and parts support helped strengthen customer loyalty and readiness for future growth.

PT VECV Automotive Indonesia
The Company's Indonesia entry progressed as planned, with assembly setup, distribution logistics, and homologation activities remaining on track. Network development and field trials continued during the year, with operations expected to commence in FY 2026-27.

VE Electro-Mobility Limited
VE Electro-Mobility deployed 79 electric buses under the "Bus as a Service" model for corporate and educational transportation, further strengthening the Company's green mobility initiatives.

VE Connected Solutions Private Limited (VECS)
VECS was established to develop next-generation connected vehicle solutions. During FY 2025-26, the Company delivered approximately 77,000 advanced telematics devices for factory fitment across LMD, Bus, and Pro X platforms. It also developed an integrated ecosystem covering device supply chain management, manufacturing, quality assurance, and device management solutions.

Effective FY 2026-27, VECS has streamlined 100% telematics volumes across all vehicle segments. The Company also delivered DSMS/ADAS compliance solutions aligned to AIS184/188 standards and continues to build capabilities in Software Defined Vehicles, Vehicle Cybersecurity, and Engineering Cloud through strategic partnerships and alliances.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

Sr. No.	Particulars	Details
1.	**Corporate Identity Number (CIN) of the Listed Entity**	L34102DL1982PLC129877
2.	**Name of the Listed Entity**	EICHER MOTORS LIMITED
3.	**Year of incorporation**	October 14, 1982
4.	**Registered office address**	Office Number 1111, 11th Floor, Ashoka Estate, Plot no. 24, Barakhamba Road, New Delhi - 110001, India
5.	**Corporate address**	#96, Sector 32, Gurugram - 122 001, Haryana, India
6.	**Email**	**investors@eichermotors.com**
7.	**Telephone**	011-41095173
8.	**Website**	**https://www.eicher.in/**
9.	**Financial year for which reporting is being done**	April 1, 2025 - March 31, 2026
10.	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited and National Stock Exchange of India Limited
11.	**Paid-up capital**	₹ 27.43 Crores
12.	**Name and contact details (telephone, e-mail address) of the person who may be contacted in case of any queries on the BRSR report**	Atul Sharma (Company Secretary) **investors@eichermotors.com** 0124-4445070
13.	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	Standalone basis
14.	**Name of assurance provider**	DNV Business Assurance India Pvt. Ltd
15.	**Type of assurance obtained**	Reasonable assurance on BRSR Core

II. PRODUCTS/SERVICES

16. Details of Business Activities (accounting for 90% of the turnover):

Sr. no.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Automobile Company	The Company is engaged in the manufacturing and sales of motorcycles, accessories, and associated products. The Company oversees a wide range of activities across the automotive industry. Additionally, the Company also sells related components, accessories and apparels, contributing to its comprehensive presence in the automotive sector.	100%

17. Products/Services sold by the Entity (accounting for 90% of the entity's Turnover):

Sr. no.	Product/Service	NIC Code	% of Total Turnover Contributed
1.	Manufacture of motorcycles	3091	85.5%

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	4	1#	5
International*	7	7	14

*** Note:**

1) **Manufacturing Facilities (Plants) :** The Company operates six Completely Knocked Down (CKD) assembly facilities in association with local partners across Argentina, Colombia, Brazil - 2, Bangladesh, and Nepal, supporting the assembly and one fully owned facility at Thailand for distribution of motorcycles in local markets

2) **Offices:** The Company's international operations are supported by subsidiaries in North America, Brazil, Thailand, the United Kingdom, Canada, and the Netherlands, along with a branch office in Germany and a technology centre in Bruntingthorpe, United Kingdom

3) **Retail Network:** The Company maintains a global retail presence through 356 exclusive stores and more than 869 multi-brand outlets (MBOs) across countries outside India

 # Headquarters - Chennai, covered for the purpose of core parameters assurance. In addition to the headquarters at Chennai, the Company has two offices - a corporate office in Gurugram, and a registered office in New Delhi which are not covered for the purpose of core parameters assurance.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan-India (28 States)
International (No. of Countries)	80+ Countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

12.3%

c. A brief on types of customers

Eicher Motors Limited (EML) serves a diverse and evolving customer base, comprising individual riders, commercial enterprises, and government agencies. Through its flagship brand, Royal Enfield, the Company continues to maintain a strong position in the premium motorcycle segment. Supported by a versatile product portfolio and a steadfast focus on quality, the Company attracts a broad spectrum of customers with varied preferences, aspirations, and mobility requirements.

Key Customer Segments

Motorcycling Enthusiasts

These customers are drawn to Royal Enfield's distinctive design language, heritage-inspired styling, and character of its motorcycles. They value the brand's legacy, authenticity, and riding experience alongside performance and craftsmanship.

Adventure Seekers

Royal Enfield's adventure touring and off-road motorcycles cater to riders seeking exploration and long-distance travel. Equipped with robust chassis, capable suspension systems, and terrain-ready features, these motorcycles support diverse riding conditions and expedition-style journeys.

Daily Commuters

Designed to offer comfort, reliability, and ease of handling, Royal Enfield motorcycles provide a practical mobility solution for everyday use. Their manoeuvrability, rider comfort, and dependable performance make them well-suited for urban and inter-city commuting.

Retro and Classic Motorcycle Enthusiasts

Royal Enfield continues to appeal to customers who appreciate classic styling, timeless design, and heritage-inspired motorcycling. Its portfolio combines traditional aesthetics with contemporary engineering, catering to riders seeking a distinctive retro motorcycling experience.

Global Motorcycling Community

The brand enjoys a growing presence across international markets, including the United Kingdom, the United States, Brazil, and Australia. These customers are attracted to Royal Enfield's heritage, product quality, and reputation for delivering an engaging and unique riding experience.

20. Details as at the end of Financial Year:

a. Employees and Workers (including differently-abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Employees					
1.	Permanent (D)	3,321	2,999	90%	322	10%
2.	Other than Permanent (E)	185	147	79%	38	21%
3.	Total employees (D + E)	3,506	3,146	90%	360	10%
	Workers					
4.	Permanent (F)	1,981	1,906	96%	75	4%
5.	Other than Permanent (G)	17,968	13,578	76%	4,390	24%
6.	Total workers (F + G)	19,949	15,484	78%	4,465	22%

b. Differently-abled Employees and Workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Differently-abled Employees					
1.	Permanent (D)	1	1	100%	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	1	1	100%	-	-
	Differently-abled Workers					
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F + G)	-	-	-	-	-

21. Participation/ Inclusion/ Representation of Women:

	Total (A)	No. and % of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.5%
Key Management Personnel	3	1	33.3%

22. Turnover rate for permanent employees and workers:

	Turnover rate of FY 2025-26			Turnover rate of FY 2024-25			Turnover rate of FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	**9.1%**	**20.4%**	**10.2%**	10.1%	11.8%	10.3%	11.4%	17.0%	11.8%
Permanent Workers	**0.1%**	**0.0%**	**0.1%**	0.8%	4.0%	0.9%	0.2%	0.0%	0.2%

IV. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. Names of Holding/ Subsidiary/ Associate Companies/ Joint Ventures:

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture (B)	% of shares held by listed entity (C)	Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (D)
1	Royal Enfield North America Ltd (RENA)	Subsidiary company	100%	No
2	Royal Enfield (Thailand) Ltd	Subsidiary company	100%	No
3	Royal Enfield Brasil Comercio de Motocicletas Ltd	Subsidiary company	100%	No

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture (B)	% of shares held by listed entity (C)	Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (D)
4	Royal Enfield Europe B.V	Subsidiary company	100%	No
5	Royal Enfield UK Ltd	Subsidiary company	100%	No
6	VE Commercial Vehicles Ltd (VECV)	Subsidiary company	54.40%	No
7	Eicher Polaris Private Limited	Joint venture company	50%	No
8	Eicher Group Foundation	Subsidiary company	50%	Yes
9	Royal Enfield Canada Ltd	Subsidiary company of RENA	100% subsidiary of RENA	No
10	VECV Lanka (Private) Ltd	Subsidiary of VECV	100% subsidiary of VECV	No
11	VECV South Africa (PTY) Ltd	Subsidiary of VECV	100% subsidiary of VECV	No
12	VE Electro-Mobility Limited	Subsidiary of VECV	100% subsidiary of VECV	No
13	VE Connected Solutions Private Limited	Subsidiary of VECV	51% Subsidiary of VECV	No
14	PT VECV Automotive Indonesia	Subsidiary of VECV	99.99% Subsidiary of VECV	No

** The reporting boundary for this BRSR is on a standalone basis and covers the Company's own operations only. While most of the CSR initiatives are implemented through Eicher Group Foundation, the Foundation has not been considered part of the reporting boundary for BRSR disclosures, except to the extent of activities undertaken on behalf of the Company under its CSR programmes.*

***In order to comply with the statutory requirement of minimum number of shareholders, (a) 2 shares in Royal Enfield (Thailand) Limited are held by two employees (1 share each) as nominees of the Company,; and (b) 1 share in Royal Enfield Brasil Comércio de Motocicletas Ltda is held by Eicher Goodearth Private Limited as nominee of the Company.*

V. CSR DETAILS

24. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹ Crores): 22,700

(iii) Net worth (in ₹ Crores): 21,808

VI. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes / No) (If yes, then provide weblink for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (other than individual shareholders)	Yes, the complaints can be submitted at **Investors@eichermotors.com** which are reviewed and resolved by the Company.	**-**	**-**	**NA**	-	-	NA
Individual or Small Shareholders	Yes, the complaints can be submitted at **Investors@eichermotors.com** which are reviewed and resolved by the Company.	**211**	**2**	**The pending two complaints were resolved in April 2026**	219	-	

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes / No) (If yes, then provide weblink for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers	YES https://www.royalenfield.com/in/en/support/contact-us/	**97,903**	**8**	**These will be resolved in FY 2026-27**	1,21,261	7	Complaints pending resolutions at the end of the year were resolved/ attended in FY 2025-26
Employees and workers	YES	**3**	**-**	**NA**	4	-	NA
Communities	Yes, the Company has a whistle-blower policy which allows anyone to raise grievance and a plant-wise grievance redressal mechanism, allowing community members to register concerns.	-	-	**NA**	-	-	NA
Value Chain Partners	YES https://eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/EML%20Supplier%20Code%20of%20Conduct.pdf and https://www.eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/EML_Whistle_Blower_Policy_14.05.2025.pdf	-	-	**NA**	-	-	NA
Others— please specify				NA			

26. Overview of the entity's material responsible business conduct issues:

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R / O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	**Product Footprint**	Opportunity	Product Footprint is a material opportunity as environmental performance increasingly influences product design, customer preference, market access, and regulatory compliance. Managing lifecycle impacts through resource-efficient design, improved fuel efficiency, circularity initiatives, and cleaner mobility solutions supports innovation, enhances brand value, and strengthens long-term competitiveness.	NA	Positive

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R / O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	**Energy and GHG Emissions**	Risk	Identified as a risk for the Company, as rapid technological advancements and evolving customer expectations may impact the relevance of existing products and processes. Failure to adapt to changing market requirements could affect competitiveness and long-term business performance.	The Company mitigates this risk by enhancing energy efficiency, increasing the adoption of renewable energy, and integrating low-carbon technologies across its operations. Structured energy management practices, continuous process improvements, and investments in cleaner energy solutions support emissions reduction and strengthen operational resilience.	Negative
3	**Human Rights**	Risk	Any lapse in adherence to human rights principles may pose a significant risk to the Company's reputation, employee relations, workforce stability and overall stakeholder trust. Considering the labour-intensive nature of operations and the involvement of employees, workers, contractors, and value chain partners, ensuring dignity, fairness, equal treatment and respect for fundamental human rights remains a key material priority for the Company.	EML upholds human rights through policies covering fair remuneration, freedom of association, and prohibition of child and forced labour. The Company proactively monitors complaints, supports collective bargaining, and maintains a clean record with no reported human rights policy violations.	Negative
4	**Corporate Governance**	Opportunity	Strong corporate governance presents an opportunity to enhance stakeholder confidence, strengthen market reputation, and support long-term value creation. Robust governance practices promote transparency, accountability, ethical conduct, and responsible decision-making across the organisation. They also help improve oversight, mitigate fraud-related risks, strengthen internal controls, and embed a culture of compliance and integrity.	NA	Positive
5	**Business Ethics**	Risk	Any violation of business ethics, including corruption, fraud or anti-competitive practices, may lead to reputational harm, regulatory action, and financial penalties. Ethical conduct is therefore critical to maintaining trust and sustaining responsible business growth.	EML promotes business integrity through a comprehensive Code of Conduct applicable to employees and the extended supply chain. Transparent systems, controls, and a vigil mechanism support continuous monitoring, prevention, and resolution of unethical conduct.	Negative
6	**Resource Efficiency and Circularity**	Opportunity	Resource efficiency and circularity provide an opportunity to optimise material, water, and waste management across manufacturing operations. By maximising reuse, recycling, and recovery, EML can reduce waste, improve cost efficiency, and lower environmental impact. The Company promotes circular economy practices through treatment facilities, co-processing, EPR-aligned plastic waste management, water positivity initiatives, and ELV-focussed design to improve recoverability and recyclability.	NA	Positive

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R / O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	**Sustainable Value Creation**	Risk	An unsustainable value chain may expose the Company to production disruptions, compliance challenges, financial losses, and profitability pressures. Supply chain resilience is therefore critical to ensure business continuity, responsible sourcing, and long-term value creation.	The Company manages supply-related risks through alternative vendors, effective inventory management, cost-reduction initiatives, value engineering, and strategic pricing actions. The Company has also embedded ESG principles in procurement, promoted local sourcing, and assessment of suppliers on ESG performance.	Negative
8	**Diversity, Inclusion and Equity**	Opportunity	Diversity, Inclusion and Equity provide an opportunity to build a more balanced, progressive, and innovation-led workplace. By encouraging equal opportunity, inclusive practices, and diverse perspectives, the Company can strengthen employee engagement, support talent growth, and foster a culture that enables better decision-making and long-term organisational development.	NA	Positive
9	**Employee Well-being**	Opportunity	Employee well-being provides an opportunity to strengthen the Company's position as a preferred employer by fostering a safe, supportive, and engaging work environment. Focus on well-being can enhance productivity, improve employee retention, reduce recruitment costs, and help build a future-ready workforce aligned with the Company's long-term growth aspirations.	NA	Positive
10	**Water Management**	Risk	High water consumption in production processes may lead to increased water scarcity concerns, environmental impact from wastewater discharge, and potential regulatory non-compliance. Responsible water management is therefore critical for operational continuity and environmental stewardship.	The Company has implemented Effluent Treatment Plant and Sewage Treatment Plant across all units to ensure zero wastewater discharge and optimise freshwater use, with treated water reused for landscaping and toilet flushing. The Company has also installed rainwater harvesting ponds across sites for operational use and groundwater recharge, helping it become water positive over the past years.	Negative
11	**Economic Performance**	Opportunity	Economic performance offers the Company an opportunity to strengthen long-term value creation by integrating the 3P framework of People, Planet, and Profit into its business model. This approach can support entry into new markets, enhance competitiveness, improve stakeholder confidence, and enable sustainable, responsible, and profitable growth.	NA	Positive

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R / O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12	**Community Engagement & Road Safety**	Opportunity	Community engagement and road safety offer the Company an opportunity to contribute meaningfully to community development while reinforcing its role as a responsible organisation. Initiatives aimed at reducing road traffic injuries and fatalities can strengthen public trust, enhance social impact, and support safer, more resilient communities.	NA	Positive
13	**Waste Management**	Risk	Improper waste disposal may lead to environmental harm, regulatory penalties, higher operational costs, and reputational impact. Effective waste management is essential to ensure compliance, reduce environmental footprint, and support circular operations.	The Company follows a structured waste management system aligned with Reduce, Reuse, and Recycle principles, covering segregation, recycling, and safe disposal of hazardous and non-hazardous waste. Its facilities operate as zero liquid discharge units with STP/ETP-treated wastewater reused for irrigation and process top-ups. The Company uses sustainable practices such as co-processing in cement kilns, vermicomposting, and biogas, and has achieved zero waste to landfill status. the Company has also reduced paper and plastic consumption and commenced use of Compressed Biogas at the Vallam Vadagal plant.	Negative
14	**Opportunities in Clean Tech**	Opportunity	Clean technology provides an opportunity for the Company to adopt innovative solutions that reduce pollution, improve resource efficiency, and support climate action. By integrating cleaner technologies across operations and products, the Company can strengthen environmental performance, enhance competitiveness, and contribute to a low-carbon future.	NA	Positive
15	**Talent Attraction and Retention**	Opportunity	Talent attraction and retention provide an opportunity for the Company to build a positive, future-ready, and growth-oriented workplace. By fostering continuous learning, career development, and employee engagement, the Company can enhance productivity, reduce attrition, and ensure seamless business operations.	NA	Positive
16	**Regulatory Compliance**	Risk	Non-compliance with applicable regulatory requirements may expose the Company to fines, penalties, operational disruptions, and reputational impact. Strong compliance practices are therefore essential to maintain stakeholder confidence and ensure responsible business conduct.	The Company has implemented policies, procedures, and governance practices to ensure compliance with applicable laws and regulations in letter and spirit. The Company also maintains processes to monitor emerging national and global regulatory requirements and strengthen preparedness for future compliance obligations.	Negative

The entity is currently conducting a comprehensive double materiality assessment to thoroughly review and reassess its material sustainable business conduct topics. Consequently, the results disclosed herein reflect our current framework and may be updated or revised upon the completion of this study, with the finalised outcomes published in due course.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the National Guidelines for Responsible Business Conduct Principles and Core Elements.

P1– Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable

P2– Businesses should provide goods and services in a manner that is sustainable and safe

P3– Businesses should respect and promote the well-being of all employees, including those in their value chains

P4– Businesses should respect the interests of and be responsive to all their stakeholders

P5– Businesses should respect and promote human rights

P6– Businesses should respect and make efforts to restore and protect the environment

P7– Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

P8– Businesses should promote inclusive growth and equitable development

P9– Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Question			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes											
1.	a.	Whether your entity's policy/policies cover each principle and the core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b.	Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c.	Web link of the policies, if available	**https://eicher.in/investors-overview/corporate-governance/codes-and-policies**								

Policies	P1	P2	P3	P4	P5	P6	P7	P8	P9
EML Ethical Marketing Policy	✓	✓		✓			✓		✓
Eicher Whistle-Blower Policy	✓		✓	✓	✓				
EML Human Rights Policy	✓		✓	✓	✓			✓	
EML Code of Conduct	✓	✓	✓	✓	✓	✓	✓	✓	✓
EML Global Tax Policy	✓			✓			✓		
EML Board Diversity Policy	✓		✓						
EML Supplier Code of Conduct	✓	✓	✓	✓	✓	✓		✓	✓
EML Information Security Policy	✓			✓					✓
Policy for Prevention, Prohibition, and Redressal of Sexual Harassment at the Workplace	✓		✓		✓				
Remuneration/Compensation Policy	✓		✓						
Eicher's UK Tax Strategy Statement	✓			✓			✓		
Dividend Distribution Policy	✓			✓					
Policy for Determining Materiality of Events and Information	✓			✓					
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	✓			✓					
Eicher Code of Conduct – Directors & Senior Management	✓			✓			✓		
EML Corporate Social Responsibility Policy	✓			✓				✓	
Policy on Materiality of and Dealing with Related Party Transactions	✓			✓					
Policy for Determining Material Subsidiaries	✓			✓					
EML Integrated Management System Policy — Safety, Health, Environment, Quality & Energy	✓	✓	✓			✓			✓
Slavery and Human Trafficking Statement pursuant to Section 54(1) of the Modern Slavery Act, 2015, of the United Kingdom	✓		✓	✓	✓			✓	

Policies	P1	P2	P3	P4	P5	P6	P7	P8	P9
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, the Company's relevant policies covering the above 9 NGRBC principles including Whistler Blower, Human Rights, Safety Health & Environment, Supplier code of conducts, Prevention of Sexual Harassment extends to the Value chain partners as well.
4. Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	The Company complies with all applicable laws, regulations and standards relevant to the above principles and maintains the following internationally recognised management system certifications: ◆ ISO 9001:2015 – Quality Management System ◆ ISO 14001:2015 – Environmental Management System ◆ ISO 45001:2018 – Occupational Health and Safety Management System ◆ ISO 50001:2018 – Energy Management System
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any	EML has established robust internal goals and targets across all BRSR principles, with key sustainability milestones highlighted below. In adherence to **P6,** EML has outlined the following core commitments: **Environmental** ◆ **Climate:** Achieve 100% renewable electricity by 2030 ◆ **Water Stewardship:** Water Positive in water-stressed basins ◆ **Circularity & Sustainable Design :** Eliminate unnecessary materials, design products for reuse, repair, and recycling, and source greater than 50% of materials from secondary or regenerative sources. ◆ **Biodiversity & Ecosystems (Nature-Positive) :** Achieve a nature-positive impact by 2030 following Taskforce on Nature-related Financial Disclosures guidlines (TNFD) to measure, avoid, reduce, and restore impacts on ecosystems, supported by full Task Force on Climate-Related Financial Disclosures (TCFD) / Taskforce on Nature-related Financial Disclosures guidelines (TNFD) - aligned environmental disclosures. ◆ **Value Chain:** A full supply chain decarbonisation plan **Social** **P3**: Improve overall diversity ratios to achieve a target of greater than 30% **P5**: Implement a robust Human Rights Due Diligence (HRDD) framework across operations and the value chain **P8**: Aim to work with 100 Himalayan communities via the Social Mission **Governance** **P1 & P2**: Drive long-term resilience by ensuring meticulous compliance timelines, proactively preparing for future regulatory shifts, and continuously expanding our ESG reporting coverage.
6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	**Environmental P6:** ◆ **Climate:** 92% electricity used in Royal Enfield operations during the financial year was generated through renewable sources. The Company has completed a Climate Risk Assessment study in the current year ◆ **Water Stewardship:** Water positivity across all our facilities is 3.2 (Unaudited) ◆ **Circularity & Sustainable Design:** Internal teams are working on identifying alternative material, The Company also considered a RRR(Recyclability, Recoverability, and Reusability) study on four categories of motorcycles ◆ **Biodiversity & Ecosystems (Nature-Positive):** EML has completed a biodiversity risk assessment study in the current year ◆ **Value Chain:** Value chain engagement in terms of data collection, training and assessment is underway **Social** **P3**: Implemented targeted diverse recruitment drives and established internal DEI mentorship programs to steadily scale up representation ratios **P5**: Laid the foundation by successfully rolling out Human Rights Policy **P8**: The Company's social mission has directly engaged with 78+ Himalayan communities **Governance** **P1 & P2**: Achieved 100% completion rate for all mandatory statutory filings within due timelines and further enhanced transparency through a voluntary disclosure to the Dow Jones Sustainability Index (DJSI).

Governance, Leadership, and Oversight

7. Statement by the Director responsible for the Business Responsibility report, highlighting ESG-related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure):

Please refer the "Message to the Shareholders" by our Managing Director and "Materiality Section" of the Annual report.

8. Details of the highest authority responsible for the implementation and oversight of the Business Responsibility policy (ies):

The Risk Management Committee of the Board is the highest authority responsible for the oversight of the Company's Business Responsibility and Sustainability initiatives. It is supported by the Environment, Social and Governance Council ("ESG Council"), which drives the Company's sustainability agenda and assists the Risk Management Committee and the Board in identifying and setting the Company's ESG vision, goals, and focus areas.

The ESG Council comprises the Managing Director, Chief Financial Officer, and CSR Head, and facilitates the integration of environmental and social considerations into the Company's governance and decision-making processes. Together with the CSR Committee, it provides strategic direction for the Company's sustainability and social-impact initiatives.

Composition of the ESG Council

S. No	Name	Designation
1.	Mr. B Govindarajan	Managing Director
2.	Ms. Vidhya Srinivasan	Chief Financial Officer
3.	Ms. Bidisha Dey	CSR Head

Composition of the Risk Management Committee

S. No	Name	Designation	Category
1.	Mr. Tejpreet Singh Chopra	Independent Director	Chairman
2.	Mr. Siddhartha Lal	Executive Chairman	Member
3.	Mr. Arun Vasu	Independent Director	Member
4.	Mr. B Govindarajan	Managing Director	Member

9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability-related issues? (Yes / No). If yes, provide details:

Yes. Please refer to the response provided under Question 8 above

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually / Half-yearly / Quarterly / Any other — please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action.					Yes									Ongoing				
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances					Yes									Ongoing				

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency:

Yes. An independent external assessment was conducted by the DNV Business Assurance India Private Limited to verify compliance with the requirements of ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, and ISO 50001:2018 standards, resulting in the continued certification of the respective management systems.

12. If the answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Not applicable

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: **Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.**

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	5	• Code of Conduct for Board and Senior Management • Related Party Transactions • Insider Trading Regulations • Company's EV Roadmap • SEBI Regulations and Amendments • Cyber Security • New Labour Codes	100%
Key Managerial Personnel	5	• Code of Conduct for Board and Senior Management • Related Party Transactions • Insider Trading Regulations • Company's EV Roadmap • SEBI Regulations and Amendments • Cyber Security • New Labour Codes	100%
Employees other than BoD and KMPs	140	• Prevention of Sexual Harassment • Code of Conduct • High Voltage Safety • Field failure analysis • Insider Trading • Core Tools	93%
Workers	89	• Environment Health & Safety • Emergency Response Team • Problem-solving Tools • Safety (First Aid, Bike Homologation, Safety Bytes) • Session on Prevention of Sexual Harassment (POSH) • Product Knowledge	89%

2. Details of fines / penalties /punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by Directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: The entity shall make disclosures based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015, and as disclosed on the entity's website):

	Monetary				
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred? (Yes / No)
Penalty / Fine		Nil			
Settlement					
Compounding Fee					

	Non-monetary			
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Brief of the case	Has an appeal been preferred? (Yes / No)
Imprisonment		Nil		
Punishment				

Note: Materiality threshold as specified in Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been applied for this disclosure.

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
No such instances	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy:

The Company's Code of Conduct incorporates comprehensive anti-bribery and anti-corruption provisions applicable to employees, contract workers, suppliers, and business partners. It prohibits bribery, corruption, facilitation payments, and any form of improper advantage, whether offered, promised, given, solicited, or accepted directly or through third parties. The Code also provides guidance on gifts and hospitality, reporting mechanisms, and disciplinary actions for non-compliance. Through strict adherence to applicable laws and robust oversight mechanisms, the Company remains committed to preventing, detecting, and addressing unethical business practices while fostering a culture of integrity, transparency, and accountability across its operations and value chain.

Relevant links

https://eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/eml-code-of-conduct.pdf

https://eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/EML%20Supplier%20Code%20of%20Conduct.pdf

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

	FY 2025-26	FY 2024-25
Directors	**Nil**	Nil
KMPs	**Nil**	Nil
Employees	**Nil**	Nil
Workers	**Nil**	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	**Nil**	**Nil**	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	**Nil**	**Nil**	Nil	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest:

Not applicable, as no fines, penalties or actions by regulators, law enforcement agencies or judicial institutions relating to corruption or conflicts of interest were reported against the Company or its directors and KMPs during FY 2025-26.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2025-26	FY 2024-25
Number of days of accounts payables	**64**	73

9. Open ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter		Metrics	FY 2025-26	FY 2024-25
Concentration of purchases	a.	Purchases from trading houses as % of total purchases	**NA**	NA
	b.	Number of trading houses where purchases are made from	**NA**	NA
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	**NA**	NA
Concentration of sales	a.	Sales to dealers / distributors as % of total sales	**99%**	99%
	b.	No. of dealers / distributors to whom sales are made	**1,074**	1,460
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	**7.40%**	7.43%
Share of RPTs in	a.	Purchases (Purchases with related parties / Total purchases)	**2.50%**	2.84%
	b.	Sales (Sales to related parties / Total sales)	**5.31%**	4.01%
	c.	Loans and advances (Loans and advances given to related parties / Total loans and advances)	**50.50%**	69.85%
	d.	Investments (Investments in related parties / Total investments made)	**3.00%**	3.14%

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

The Company deployed an intensive, hands-on Supply Chain ESG Assessment and capacity building campaign during the financial year. This campaign successfully covered over 90% of our supplier network by business value.

Rather than treating compliance as a simple checklist, the Company utilised the assessment process as an active vehicle for supplier sensitisation, technical training, and strategic handholding. Through custom online onboarding sessions, interactive ESG questionnaires, and continuous informal training touchpoints, the Company actively guided and educated its partners on transitioning to sustainable, low-carbon operational practices.

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
Continuous Engagement ***(Integrated via Assessment Cycle)***	**P6 (Environment):** Guidance sessions to help suppliers understand, measure, and adopt sustainable business frameworks. **P5 & 1 (Human Rights & Governance):** Direct engagement on governance, fair labour practices, and ethical material sourcing.	>90%

2. Does the entity have processes in place to avoid / manage conflict of interest involving members of the Board? (Yes/No) If yes, provide details of the same:

Yes**.** The Code of Conduct for Directors and Senior Management requires all Directors and senior management personnel to disclose any actual or potential conflict of interest and comply with applicable laws and regulations. Board members submit disclosure of interest under Section 184 of the Companies Act, 2013, at the time of appointment, annually and thereafter whenever there is any change. The disclosures include interest and association with other entities, such as proprietorships, partnership firms, associations of individuals, Body Corporates, and other business affiliations. This enables the Company to maintain transparency and a comprehensive understanding of the Directors' interest in other entities. Related party transactions and potential conflict matters are reviewed and approved by the Audit Committee, the Board, or the shareholders, as applicable.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:

	FY 2025-26	FY 2024-25	Details of improvement in environmental and social impacts
R&D	**17.6%**	16.0%	The Company is undertaking several projects to improve its environmental and social impacts. These include: 1. Continuous refinement of engines and undertaking other efforts like exploring alternative fuels, continues focus on improving fuel efficiency. 2. R&D activities to make the motorcycle more fuel-efficient, sustainable and environmentally compliant adhering to global emission standards. 3. Robotic production lines and autonomous material movement reduce workers' exposure to hazardous and repetitive tasks. 4. Energy-efficient equipment, solar power, water recycling and waste co-processing reduce energy use, freshwater consumption and landfill waste. 5. Advanced steel, aluminium, forged chassis and magnesium components reduce weight and improve fuel or battery efficiency.
Capex	**52.5%**	29.7%	

2a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. The Company has established a sustainable sourcing framework that integrates environmental, social, ethical, and safety considerations into its procurement processes. The Supplier Code of Conduct outlines the requirements for business ethics, human rights, labour practices, occupational health and safety, environmental stewardship, and regulatory compliance across the supply chain.

To strengthen sustainability performance, the Company conducts ESG and safety assessments of its suppliers and actively engages them on responsible business practices. As part of its sustainable sourcing strategy, the Company prioritises proximity procurement, with 73.5% of total direct materials in FY 2025-26 sourced from suppliers within a 500-km radius supporting supply chain resilience and reducing transportation-related impacts. Additionally, 92% of parts were supplied using returnable green packaging.

The Company's supplier ESG assessment further demonstrates its commitment to responsible sourcing, with 80.6% of suppliers by purchase value using renewable energy, 80.1% certified to ISO 14001 Environmental Management System standards, and 74.0% certified to ISO 45001 Occupational Health and Safety Management System standards.

2 b. If yes, what percentage of inputs were sourced sustainably?

Approximately 73.5% of our materials are sustainably procured from local suppliers and vendors, predominantly based in and around Chennai, near our operational sites.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for

(a) Plastics (including packaging)

(b) E-waste

(c) Hazardous waste and

(d) other waste

Product Design & Circular Economy:

As part of our commitment to life-cycle sustainability and extended producer responsibility, the Company actively integrates circular economy principles into end-of-life product management. Our strategy focusses on enhancing product circularity right from the initial design phase to regulated, safe disposal pathways.

The Product Development team continuously evaluate and conduct feasibility studies aimed at identifying and substituting conventional materials with sustainable, alternate materials across our motorcycle components.

Demonstrating leadership in circular product design, the Company is the first automotive Original Equipment Manufacturer (OEM) to conduct a formal **(RRR) Recyclability, Recoverability, and Reusability** assessment for its motorcycles. This evaluation establishes a new sustainable design benchmark in the industry, with third-party assessments demonstrating high mass efficiency metrics across our primary models:

	Recyclable	Recoverable (by mass)
Meteor 350	93%	98%
Hunter 350	97%	99%
Continental GT650	97%	99%
Himalayan 450	97%	99%

Internal Operational & Manufacturing Waste

Our manufacturing operations generate hazardous, non-hazardous, and electronic waste streams, all of which are managed in strict accordance with applicable national environmental regulations. To ensure absolute compliance with legal frameworks, all waste management processes are executed on-site by our respective manufacturing plants.

Waste streams generated across the facilities are systematically segregated at the source within individual production lines. Following categorisation and volume compilation, these materials are directed into dedicated compliance pathways:

- **Plastics & Packaging:** All plastic waste is channelled exclusively to Central Pollution Control Board (CPCB) authorised recyclers, ensuring full traceability and the subsequent generation of Extended Producer Responsibility certificates
- **Hazardous & Other Wastes:** These streams are securely routed to authorised recyclers or re-processors for material recovery. Where material recycling is not viable, the waste is directed to co-processing units within authorised cement plants for sustainable energy recovery

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards? If not, provide steps taken to address the same:

Yes. in the India market, the Company is registered and in compliance with the EPR norms set by the Central Pollution Control Board for plastic packaging waste, used oil and battery waste. We are currently in the process of registering under the E-Waste & End-of-Life Vehicle categories.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, provide details in the following format:

NIC Code	Name of product / service	% of total turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No) If yes, provide the web link
The Company has not conducted any Life Cycle Perspective/Assessment for any of its products during FY 25-26.					

2. If there are any significant social or environmental concerns and / or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same:

Name of product / service	Description of the risk / concern	Action taken
	NA	

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or reused input material to total material	
	FY 2025-26*	FY 2024-25
Recycled steel	**4.4%**	11.5%
Recycled aluminium	**74.1%**	73.7%

** We have updated the methodology for calculating the recycled content of steel and aluminium in the reporting year. To improve data accuracy and better reflect the actual materials embedded in our products, the metric is now calculated using the total weight of steel and aluminium parts used in the manufacturing of our motorbikes.*

4. Of the products and packaging reclaimed at the end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2025-26			FY 2024-25		
	Reused	**Recycled**	**Safely Disposed**	Reused	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste						
Hazardous waste			NA			
Battery waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

Indicate input material	Reclaimed products and packaging materials as % of total products sold in respective category
	NA

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day-care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	2,999	2,999	100%	2,999	100%	-	-	2,999	100%	-	-
Female	322	322	100%	322	100%	322	100%	-	-	322	100%
Total	**3,321**	**3,321**	**100%**	**3,321**	**100%**	**322**	**10%**	**2,999**	**90%**	**322**	**10%**
Other than Permanent employees											
Male	147	147	100%	147	100%	-	-	147	100%	-	-
Female	38	38	100%	38	100%	38	100%	-	-	38	100%
Total	**185**	**185**	**100%**	**185**	**100%**	**38**	**21%**	**147**	**79%**	**38**	**21%**

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day-care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	1,906	1,906	100%	1,906	100%	-	-	1,906	100%	-	-
Female	75	75	100%	75	100%	75	100%	-	-	75	100%
Total	**1,981**	**1,981**	**100%**	**1,981**	**100%**	**75**	**4%**	**1,906**	**96%**	**75**	**4%**
Other than permanent workers											
Male	13,578	NIL*									
Female	4,390										
Total	**17,968**										

** Note: For other than permanent workers, measures relating to well-being are primarily covered and managed by the respective vendors / contractors as per applicable statutory requirements and contractual terms. The Company encourages its vendors / contractors to ensure appropriate welfare, health, and safety-related support for such workers.*

c. Spending on measures towards the well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the company	0.11%	0.14%*

** Note: The previous year's figure has been restated based on the requirements of the Industry Standard Forum Note on BRSR.*

2. Details of retirement benefits, for current and previous financial year*:

	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	**No. of workers covered as a % of total workers**	**Deducted and deposited with the authority (Y / N / NA)**	No. of employees covered as a % of total employees	No. of Workers covered as a % of total workers	Deducted and deposited with the authority (Y / N /NA)
Provident Fund	**100%**	**100%**	**Yes**	100%	100%	Yes
Gratuity	**100%**	**100%**	**Yes**	100%	100%	Yes
Employee State Insurance	**100%**	**100%**	**Yes**	100%	100%	Yes
Others—please specify	**-**	**-**	**-**	-	-	-

** All eligible employees and workers are covered as per the respective Acts covering provident fund, gratuity and employee state insurance.*

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:

Yes. All campuses feature accessible workspaces, with necessary infrastructure such as ramps, sidewalks, and elevators installed in both corporate offices and plants to support differently abled employees and visitors in compliance with the Disabilities Act, 2016. Appropriate signboards are strategically placed throughout the premises to assist employees and workers with hearing impairments. Additionally, wheelchairs are available at Occupational Health Centres across all major facilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:

Yes. EML is committed to promoting equal opportunities and upholding equal rights in line with the Rights of Persons with Disabilities Act, 2016. The Company's Human Rights Policy covers equal opportunity principles and reinforces its commitment to providing a workplace founded on fairness, dignity, and respect. EML follows a strict anti-discrimination approach and promotes an inclusive work environment across its operations. Employment-related decisions are based on merit, qualifications, and role requirements, ensuring equal access to opportunities for all individuals. The Company also thoughtfully considers accessibility requirements and the nature of disabilities across all our plants and office locations, with the objective of fostering an inclusive and supportive workplace.

The policy can be accessed at **https://eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/EML%20Human%20Rights%20policy.pdf**

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

	Permanent employees		Permanent workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief:

Category	Yes / No (If yes, then give details of the mechanism in brief)
Permanent employee	Yes. the Company gives utmost importance to addressing the needs, concerns and grievances of all its employees and workers, including permanent employees, permanent workers, non-permanent employees, contract workers, trainees, apprentices, and fixed-term employees. The Company has adopted various codes, policies and frameworks, including its Human Rights Policy, Code of Conduct, POSH framework, Vigil Mechanism, and Whistle Blower Policy, to enable reporting, escalation, and resolution of complaints in a structured and time-bound manner. Concerns may be raised through reporting managers, supervisors, plant/site HR teams, contractor management processes, designated grievance channels or whistle blower mechanisms, as applicable. The mechanisms provide for confidential reporting, fair review, appropriate escalation, investigation, and resolution of grievances in line with the Company's policies and ethical standards. The Company also has a self-learning POSH module with mandatory sessions for employees to strengthen awareness and prevention.
Other than permanent employee	
Permanent workers	
Other than permanent workers	

7. Membership of employees and workers in association(s) or unions recognised by the listed entity:

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in the respective category (A)	No. of employees / workers in the respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees /workers in the respective category (C)	No. of employees / workers in the respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	**3,321**	**-**	**-**	3,162	-	-
Male	**2,999**	**-**	**-**	2,847	-	-
Female	**322**	**-**	**-**	315	-	-
Total Permanent Workers	**1,981**	**-**	**-**	2,016	-	-
Male	**1,906**	**-**	**-**	1,941	-	-
Female	**75**	**-**	**-**	75	-	-

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No.(C)	% (C / A)		No.(E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	**3,146**	**2,926**	**93%**	**2,422**	**77%**	3,043	3,043	100%	2,684	88%
Female	**360**	**334**	**93%**	**252**	**70%**	347	347	100%	294	85%
Total	**3,506**	**3,260**	**93%**	**2,674**	**76%**	3,390	3,390	100%	2,978	88%
WORKERS										
Male	**1,906**	**1,688**	**89%**	**910**	**48%**	1,941	1,928	99%	1,020	53%
Female	**75**	**71**	**95%**	**52**	**69%**	75	73	97%	73	97%
Total	**1,981**	**1,759**	**89%**	**962**	**49%**	2,016	2,001	99%	1,093	54%

9. Details of performance and career development reviews of employees and workers:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No.(B)	% (B / A)	Total (C)	No.(D)	% (D/C)
Employees*						
Male	**2,999**	**2,709**	**90%**	2,847	2,750	97%
Female	**322**	**274**	**85%**	315	287	91%
Total	**3,321**	**2,983**	**90%**	**3,162**	**3,037**	**96%**
WORKERS						
Male	**1,906**	**533**	**28%**	1,941	452	23%
Female	**75**	**12**	**16%**	75	11	15%
Total	**1,981**	**545**	**28%**	**2,016**	**463**	**23%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes / No). If yes, the coverage such system:

The Company has established an ISO 45001-certified Occupational Health and Safety Management System as part of its integrated management framework. The system is implemented across all four manufacturing facilities, the spare parts warehouse, and the corporate headquarters, providing a structured approach to managing occupational health and safety risks. The framework covers all employees and workers and supports the maintenance of safe and healthy working conditions through adherence to recognised occupational health and safety standards and continuous improvement practices.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company places the highest priority on the health and safety of its employees. An Occupational Health and Safety Management System is in place to proactively identify and address work-related hazards and risks. Aligned with ISO 45001 standards, the system ensures safe working conditions across all of the Company's manufacturing facilities, covering all employees and workers on its premises.

Additionally, the Company has implemented an Integrated Management System (IMS) that utilises effective tools, such as Hazard Identification and Risk Assessment (HIRA), to support robust safety management. A central Safety Committee conducts quarterly reviews of safety standards and implements necessary improvements to maintain a safe and secure work environment.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks (Y / N)?

Yes, the Company has established mechanisms that enable workers to promptly report workplace hazards, unsafe conditions, and potential safety concerns. The Company also empowers workers to stop work and remove themselves from situations that present an imminent risk to their health or safety without fear of retaliation. These procedures support proactive risk management and reinforce the Company's commitment to maintaining a safe and healthy workplace.

d. Do the employees / workers of the entity have access to non-occupational medical and healthcare services (Yes / No)?

Yes, the Company provides a comprehensive range of health and welfare benefits to support the well-being of its employees and their families. The Company offers health-related benefits to all full-time employees, including:

- Life insurance coverage
- Medical and healthcare benefits
- Disability support and assistance
- Periodic health check-ups, preventive health screenings, and wellness camps

These initiatives form an integral part of the Company's employee well-being framework and contribute to a healthy, safe, and productive workforce.

11. Details of safety-related incidents, in the following format:

Safety Incident / Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees & Workers	**0.05**	Nil
Total recordable work-related injuries	Employees & Workers	**2**	Nil
No. of fatalities	Employees & Workers	**Nil**	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees & Workers	**Nil**	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

EML is firmly committed to safeguarding health and safety across its operations, with a goal of achieving Zero-harm to its employees, the environment, and the communities in which it operates. The Company believes that all injuries and illnesses are preventable.

Occupational health and safety considerations are integral and non-negotiable elements in all business decisions and daily operations. To support this commitment, the Company has implemented ISO 45001-certified safety management systems across its four manufacturing facilities, spare parts warehouse, and corporate headquarters. All employees and workers are covered under this system. Additionally, the Company employs Hazard Identification and Risk Assessment (HIRA) tools to ensure effective and proactive safety management. Aside, safety training to the employees and workers through mock drills are conducted & exclusive emergency response teams are prepared for any emergency situation.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	**Nil**	**Nil**	**NA**	Nil	Nil	NA
Health & Safety	**Nil**	**Nil**	**NA**	Nil	Nil	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and of significant risks / concerns arising from assessments of health & safety practices and working conditions.

We maintain a comprehensive health and safety management system dedicated to the proactive identification and mitigation of workplace risks. All reported incidents, near misses, and observed unsafe conditions are subjected to a rigorous root cause analysis to ensure the implementation of sustainable corrective actions. This process is reinforced by a proactive framework involving routine safety observations, structured workplace inspections, and periodic risk assessments. All corrective measures are documented and tracked to closure within our management systems, enabling continuous improvement in our overall safety performance and working environment.

Following recent safety-related incidents, the Company implemented the following corrective measures:

- Installed machine-interlock engineering controls to prevent human intervention during maintenance operations
- Extended similar engineering controls across all comparable machinery
- Installed visual safety-control indicators to provide real-time alerts on internal machinery operations
- Revised and updated Safe Operating Procedures to enforce strict skill-level requirements
- Conducted operational-awareness training for the entire maintenance team
- Carried out a fleet-wide safety audit across similar machinery.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of: (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the organisation ensures that its employees and workers and their families are taken care of in case of any unfortunate situation. Some of the initiatives already in place are:

A. EMPLOYEES: The permanent employees are provided with group term life insurance, a deposit-linked insurance scheme, and a group personal accident benefit. This is also extended to part-time employees, where they are entitled to the Group personal accident benefit.

B. WORKERS: All the permanent workers are provided with accident benefits. Workers not on the role are provided workmen compensation and Group Personal Accident benefits.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company's General Purchase Agreements clearly outlines the requirement for compliance with all applicable statutory obligations, including the timely deduction and remittance of statutory dues by value chain partners. In addition, the Supplier Code of Conduct establishes mandatory compliance standards that all suppliers and value chain partners are required to adhere to as a condition of engagement. Compliance with these requirements is periodically reviewed through structured supplier audits for select vendors. These audits verify adherence to statutory obligations and ensure appropriate governance and compliance across the supply chain.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees / workers		No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	**FY 2025-26**	FY 2024-25
Employees	**Nil**	Nil	**Nil**	Nil
Workers	**Nil**	Nil	**Nil**	Nil

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes / No)

Yes, the Company provides transition support to employees to enable continued employability and to facilitate smooth career transitions arising from retirement or separation from employment. The Company ensures that employees are supported through appropriate assistance measures to manage career closure in a structured and dignified manner.

In case of termination, severance benefits are extended on a case-by-case basis in accordance with applicable policies and employment terms.

5. Details on assessment of value chain partners:

The Company conducts onsite safety audits of prioritised suppliers through self and renowned third party agencies. These audits cover various aspects such as occupational health, safety, and working conditions. The Company initiated safety audits in FY 2023-24. In total 45.2% suppliers by purchase value have been assessed until March 31, 2026, out of which 14.8% suppliers were assessed in FY 2025-26.

The Company also conducts ESG audits of suppliers which cover employee health and safety, employee well-being, environmental impact, working conditions along with other environmental, social, and governance aspects. The Company initiated ESG audits in FY 2023-24. A total of 90.9% suppliers by purchase value have been assessed until March 31, 2026, out of which 9.7% suppliers were assessed in FY 2025-26.

	% of value chain partners (by value of business done with such partners) that were assessed in FY 2025-26
Health and safety practices	14.8%
Working conditions	9.7%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

There were no significant risks / concerns noticed during onsite supplier assessments with regards to occupational health, safety, and working conditions. However, for the supplier audits where minor concerns were observed related to safety at the supplier location, the suppliers were asked to submit corrective action plans. The supplier performance against these action plans was monitored through re-audits to ensure implementation of safety and good working condition practices.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all their stakeholders.

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

A stakeholder is any individual, group, or organisation that can affect or be affected by a company's actions, decisions, and business outcomes. We identify our key stakeholder groups by systematically mapping our value chain across upstream, own operations, and downstream activities to evaluate their distinct impact on our business sustainability. We are thus able to identify both internal and external stakeholders through this exercise.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes / No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, other)	Frequency of engagement (Annually / Half yearly / Quarterly / others – Please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
Employees	No	• Awareness training • Performance appraisals • Annual employee satisfaction survey • Grievance redressal mechanism • Employee Townhalls	Continuous	• Occupational health and safety • Rewards and recognition • Personal development and growth • Empowering work environment
Consumers and dealers	No	• Customer satisfaction survey • Market surveys • Market communications • Dealer meets • Rides and events • Pulse surveys	Continuous	• Sales and marketing plan • Product quality • Incentives • Enhancing customer experience
Suppliers	No	• Supplier meets • Training and awareness programmes • Pre-onboarding supplier assessments	Continuous	• Planning and execution of work orders • Innovation and product development • Sourcing plans • Co-creation of new technologies

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes / No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, other)	Frequency of engagement (Annually / Half yearly / Quarterly / others – Please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
Investors / Shareholders	No	• Press releases and publications • Investor meets • Annual General Meeting • In-person meetings • Emails	Continuous	• ESG and financial performance • Future approach and projects • Delay in approval of request for transmission / duplicate and delay in responses from Investors Education and Protection Fund (IEPF) authority
Bankers	No	• In-person meetings • Press releases • Emails and telephone calls	Continuous	• Business expansion and diversification • Manufacturing efficiency • Risk management • Financial performance
Governments & Regulatory Authority	No	• Mandatory compliance reports • Onsite inspections • In-person meeting	Continuous	• Statutory compliance, including environmental and social compliance
Local Communities	No	• Community outreach programmes • Press releases and publications	Continuous	• Education • Skill training • Healthcare access • Community development
Peers and Industry	No	• Industry associations • External conferences • Press releases	Continuous	• Response to new regulations • Compliance including environmental and social compliances • Innovation and product development

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   To ensure our strategic focus remains aligned with evolving expectations, we are currently undertaking a fresh double materiality assessment this year to completely review, engage with, and refresh our key stakeholder topics. The insights and feedback gathered from this ongoing study will be systematically aggregated and communicated to the Board of Directors during the review meetings. This established feedback loop ensures that the refreshed stakeholder priorities actively inform the Board's strategic decision-making, risk management frameworks, and long-term sustainability goals.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes. The Company recognises stakeholder engagement as a key enabler in strengthening its ESG approach and aligning strategic priorities. The Company actively engages with relevant stakeholders to understand their perspectives on material issues and integrates these insights into its decision-making processes. This structured engagement supports the identification and management of key risks and opportunities while ensuring that ESG strategies remain responsive, balanced, and aligned with stakeholder expectations.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable / marginalised stakeholder groups.**

   Company's Social Mission is focussed on the Indian Himalayan Region (IHR), an ecologically and culturally important landscape. The social mission is catalysing an ecosystem of collective action to meet its long-term vision of partnering with 100 Himalayan communities by 2030, towards building climate resilience and related areas of concern. The Social Mission is directly impacting ~1 Lakhs people in states across the IHR, with >85% of these being from vulnerable and marginalised groups. This includes engagement with >78 communities and presence in 13 aspirational districts.

The main Social Mission projects include 'The Himalayan Knot' — a textile conservation project, bringing together pastoral communities, artisans, and designers for wider market access; 'The Himalayan Hub' — a collective learning center for Climate Resilience; a network of community-run 'Green Pit Stops', embodying responsible travel; 'The Great Himalayan Exploration' in partnership with UNESCO to document Intangible Cultural Heritage (ICH); the Royal Enfield 'Ice Hockey League' promoting rural sports and winter tourism; conserving biodiversity and wildlife through the Keystone Species project; and 'Helmets for India' — a road safety initiative.

In addition to the Social Mission, the Company also works with local communities near its manufacturing plants in Tamil Nadu, focussing on areas such as water conservation, education, livelihood, sanitation, healthcare, etc. Two multi-decade partnerships with Bodh Shiksha Samiti in Rajasthan (in the area of education) and Dr. Shroff Charity Eye Hospital in Delhi (in the area of healthcare) continue to be supported by the company. The Company remains committed to continuously identifying community needs and addressing key concerns through targeted efforts.

PRINCIPLE 5: Businesses should respect and promote human rights.

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of Employees / Workers covered (B)	% (B/A)	Total (C)	No. of Employees / Workers covered (D)	% (D / C)
			Employees			
Permanent	**3,321**	**3,088**	**93%**	3,162	3,100	98%
Other than Permanent	**185**	**172**	**93%**	228	223	98%
Total	**3,506**	**3,260**	**93%**	**3,390**	**3,323**	**98%**
			Workers			
Permanent	**1,981**	**1,759**	**89%**	2,016	937	46%
Other than Permanent	**17,968**	**12,708**	**71%**	13,889	9,500	68%
Total	**19,949**	**14,467**	**73%**	**15,905**	**10,437**	**66%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B / A)	No.(C)	% (C / A)		No.(E)	% (E / D)	No.(F)	% (F / D)
					Permanent Employees					
Male	**2,999**	**-**	**-**	**2,999**	**100%**	2,847	-	-	2,847	100%
Female	**322**	**-**	**-**	**322**	**100%**	315	-	-	315	100%
					Other than Permanent Employees					
Male	**147**	**-**	**-**	**147**	**100%**	196	-	-	196	100%
Female	**38**	**-**	**-**	**38**	**100%**	32	-	-	32	100%

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B / A)	No. (C)	% (C / A)		No.(E)	% (E / D)	No.(F)	% (F / D)
					Permanent Workers					
Male	**1,906**	**-**	**-**	**1,906**	**100%**	1,941	-	-	1941	100%
Female	**75**	**-**	**-**	**75**	**100%**	75	-	-	75	100%
					Other than Permanent Workers					
Male	**13,578**	**-**	**-**	**13,578**	**100%**	10,862	-	-	10,862	100%
Female	**4,390**	**-**	**-**	**4,390**	**100%**	3,027	-	-	3,027	100%

3. a. Details of remuneration / salary / wages, in the following format*

	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BOD)#	6	54	2	37
Key Managerial Personnel	2	498	1	617
Employees other than BoD and KMP	1,662	15	196	10
Workers	956	9	38	9

** This is based on the median remuneration reported in the Director's report.*

 # The remuneration and headcount of two directors who left the organisation during 2024-25 have been included in the calculation since some payment to them were made during the Financial Year 2025-26.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	**6.51%**	6.46%

Note: Permanent £ non permanent employees, permanent workers pertaining to Indian region are considered for reporting these parameters

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes / No)

Yes, the Company has established institutional mechanisms to address human rights concerns arising from its operations. The Internal Complaints Committee and the Human Resources department, are responsible for addressing any human rights concerns or issues arising from the Company's operations.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company maintains a zero-tolerance approach towards human rights violations and is committed to upholding internationally recognised human rights standards, including the UN Guiding Principles on Business and Human Rights and the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work. The Company has established internal mechanisms through its Human Rights Policy, Code of Conduct, Whistle Blower Policy and POSH framework to enable reporting, escalation, and redressal of human rights-related concerns. Concerns may be raised through reporting managers, Human Resources, the Legal Head / General Counsel, the whistle blower channel, or other channels specified under the Company's Whistle Blower Policy. Matters relating to sexual harassment are addressed through the Internal Complaints Committee under the POSH framework. The mechanisms provide for confidential and, where permitted, anonymous reporting, protection against retaliation, review and investigation of reported concerns, and appropriate corrective or disciplinary action where allegations are confirmed. The Company also conducts audits at its facilities to monitor compliance with applicable social and human rights standards.

6. Number of complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	**3**	**-**	**NA**	4	-	NA
Discrimination at workplace	**-**	**-**	**NA**	-	-	NA
Child Labour	**-**	**-**	**NA**	-	-	NA
Forced labour/Involuntary Labour	**-**	**-**	**NA**	-	-	NA
Wages	**-**	**-**	**NA**	-	-	NA
Other human rights related issues	**-**	**-**	**NA**	-	-	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, in the following format:

	FY 2025-26	FY 2024-25
Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 (POSH)	**3**	4
Complaints on POSH as a % of female employees / workers	**0.07**	0.15
Complaints on POSH upheld	**3**	4

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Company's Code of Conduct and Whistle Blower Policy reinforce that individuals raising concerns in good faith are protected from retaliation, victimisation, or unfair treatment. The Company provides mechanisms to ensure confidentiality, fair review, and protection of complainants in discrimination and harassment-related matters.

A. Under the Whistle Blower Policy, the Company protects whistle blowers against unfair treatment, including discrimination, harassment, victimisation, retaliation, threats, intimidation or adverse employment action arising from good-faith reporting. The identity of the whistle blower and the matter under investigation are kept confidential to the extent possible.

B. Under the POSH Policy, the Company has established Internal Complaints Committees to address sexual harassment complaints. The policy provides for sensitive and confidential handling of complaints, interim relief where required, guidelines to prevent misconduct, including discrimination and harassment. The POSH Committee has established a structured mechanism to address and resolve any complaints or concerns raised.

C. Under the Code of Conduct, the Company does not tolerate discrimination, harassment, or disrespectful conduct. Honest reporting is protected, and any retaliation against a person raising a concern is treated as a violation of the Code.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, all our agreements and contracts are aligned with statutory and regulatory requirements, incorporating provisions related to human rights and safe working conditions. A Supplier Code of Conduct is enforced throughout the supply chain, requiring every supplier to comply with all applicable human rights laws and regulations and adhere to this Code. The Company upholds the principles of the United Nations Global Compact (UNGC), reinforcing our ongoing commitment to human rights.

10. Assessment for the year:

	% of your plants and offices that were assessed (By entity or statutory authorities or third parties)
Child labour	100%
Forced / involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others—please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

There were no significant risks / concerns arising from the human rights assessments.

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.

No process modifications were required during the reporting period, as no human rights-related complaints or grievances were reported.

EML continues to periodically review its existing policies and processes to ensure their ongoing effectiveness and to implement improvements wherever required.

2. Details of the scope and coverage of any human rights due-diligence conducted.

The Company is committed to respecting and protecting the human rights of all its stakeholders and operates in compliance with applicable labour laws and regulatory requirements. The Company has established a robust governance framework supported by relevant policies and internal committees, including the Human Rights Policy framework and the POSH Committee, to oversee human rights due diligence across its operations.

These mechanisms are responsible for reviewing relevant concerns and recommending corrective and preventive actions, wherever required. The Company also conducts periodic internal audits to assess compliance with established standards, policies, and procedures, thereby strengthening adherence to human rights and labour practices.

3. Is the premise / office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the Company ensures that its workplaces are designed to be accessible and inclusive for Persons with Disabilities, in line with the Rights of Persons with Disabilities Act, 2016. All campuses, including corporate offices and manufacturing facilities, are equipped with essential infrastructure such as ramps, accessible pathways, and elevators to support seamless mobility for employees and visitors. The Company also provides clear and appropriately placed signage across its premises to assist individuals with hearing impairments and enhance ease of navigation. In addition, wheelchairs are made available

at Occupational Health Centres across major locations to further support accessibility and emergency assistance requirements.

4. Details on assessment of value chain partners:

The Company conducts ESG audit of suppliers which covers employee health and safety along with other environmental, social and governance aspects. The audit also covers various social aspects such as child labor, human rights, Sexual harassment etc under the Human Rights & Labor Practices Section. The Company initiated ESG audits in FY 2023-24. Cumulative 90.9% suppliers by purchase value have been assessed until March 31, 2026 of which 9.7% suppliers were assessed in FY 2025-26

	% of value chain partners (by value of business done with such partners) that were in FY 2025-26
Sexual harassment	9.7%
Discrimination at workplace	
Child Labour	
Forced labour / Involuntary labour	
Wages	
Others— Please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

There were no significant risks / concerns noticed during onsite supplier assessments with regards to Human Rights & Labour Practices. However, for the supplier audits where minor concerns were observed related to working conditions or missing social parameters trainings, the supplier performance against these action plans was monitored through re-audits to ensure implementation.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

ESSENTIAL INDICATORS

1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format:

Parameter	FY 2025-26	FY 2024-25
From renewable sources (in GJ)		
Total electricity consumption (A)	**4,18,587.72**	3,10,163.00
Total fuel consumption (B)	**2,234.29**	-
Energy consumption through other sources (C)		-
Total energy consumed from renewable sources (A+B +C)	**4,20,822.01**	3,10,163.00
From Non-renewable sources (in GJ)		
Total electricity consumption (D)	**36,536.49**	59,775.00
Total fuel consumption (E)	**3,19,735.60**	2,58,445.00
Energy consumption through other sources (F)	**-**	-
Total energy consumed from non-renewable sources (D+E+F)	**3,56,272.09**	3,18,219.00
Total energy consumed (A+B+C+D+E+F)	**7,77,094.11**	6,28,382.00
Percentage of energy consumed from renewable sources (%)	**54.15%**	49.36%
Energy intensity per rupee of turnover **(GJ/INR Crores)**	**34.23**	34.06
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP**) GJ/USD Million**	**69.63**	70.36
Energy intensity in terms of physical output **(GJ/Vehicle Manufactured)**	**0.63**	0.62

Note: The data boundary for this indicator includes the Company's four manufacturing plants located at Cheyyar, Oragadam, Vallam Vadagal, and Tiruvottiyur, along with the Global Head Quarters, Chennai.

** For PPP, conversion factors of 20.340 and 20.660 have been used for FY 2025-26 and FY 2024-25 respectively, based on the PPP conversion factor published by the International Monetary Fund (IMF).*

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency.

Yes, an independent assurance on core parameters of BRSR Report for FY 2025-26 is assured by DNV Business Assurance India Pvt Ltd.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The Company does not operate any sites or facilities classified as Designated Consumers (DCs) under the Government of India's Performance, Achieve, and Trade (PAT) Scheme

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 25-26	FY 24-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	**32,046.49**	51,051.00
(ii) Groundwater	**5,474.00**	6,240.00
(iii) Third party water	**2,07,796.78**	1,25,335.00
(iv) Seawater / desalinated water	**-**	-
(v) Others Tertiary Treated Reverse Osmosis (TTRO) water from SIPCOT	**74,256.00**	46,330.00
(vi) Well - Rainwater harvested inhouse well	**-**	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**3,19,573.27**	2,31,818.00
Total volume of water consumption (in kilolitres)	**3,19,573.27**	2,27,972.00
Water intensity per rupee of turnover **(KL/INR Crores)**	**14.08**	12.36
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) **(KL/USD Million)**	**28.64**	25.53
Water intensity in terms of physical output (KL/Vehicle Manufactured)	**0.26**	0.23

Note: The data boundary for this indicator includes the Company's four manufacturing plants located at Cheyyar, Oragadam, Vallam Vadagal, and Tiruvottiyur, along with the Global Head Quarters, Chennai.

** For PPP, conversion factors of 20.340 and 20.660 have been used for FY 2025-26 and FY 2024-25 respectively, based on the PPP conversion factor published by the International Monetary Fund (IMF).*

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency.

Yes, an independent assurance on core parameters of BRSR Report for FY 2025-26 is assured by DNV Business Assurance India Pvt Ltd.

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	**Nil**	Nil
- No treatment	**Nil**	Nil
- With treatment — please specify level of treatment	**Nil**	Nil
(ii) To Groundwater	**Nil**	Nil
- No treatment	**Nil**	Nil
- With treatment — please specify level of treatment	**Nil**	Nil
(iii) To Seawater	**Nil**	Nil
- No treatment	**Nil**	Nil
- With treatment — please specify level of treatment	**Nil**	Nil
(iv) Sent to third parties	**Nil**	Nil
- No treatment	**Nil**	Nil
- With treatment — please specify level of treatment	**Nil**	Nil
(v) Others	**Nil**	Nil
- No treatment	**Nil**	Nil
- With treatment – please specify level of treatment	**Nil**	Nil
Total water discharged (in kilolitres)	**Nil**	Nil

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency.

Yes, an independent assurance on core parameters of BRSR Report for FY 2025-26 is assured by DNV Business Assurance India Pvt Ltd.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company has implemented a Zero Liquid Discharge (ZLD) system across all its manufacturing facilities and corporate premises. The system is designed to eliminate wastewater discharge through the deployment of advanced treatment technologies, ensuring effective control of water pollution.

The treated water is fully recycled and reused for operational requirements, including irrigation, heating, cooling, ventilation, and the cleaning of Reverse Osmosis (RO) membranes. This approach supports efficient water management and reinforces the Company's commitment to environmental sustainability.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	Metric tonnes	**Within the applicable criteria and limits as prescribed by the CPCB**	
SOx	Metric tonnes		
Suspended Particulate Matter (PM)	Metric tonnes		
Persistent Organic Pollutants (POP)	NA		
Volatile Organic Compounds (VOC)	NA		
Hazardous Air Pollutants (HAP)	NA		
Others—please specify	NA		

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions	Metric tonnes of CO2 equivalent	**21,958.96**	17,446.00
Total Scope 2 emissions (Location Based)	Metric tonnes of CO2 equivalent	**87,034.27**	
Total Scope 2 emissions (Market Based)	Metric tonnes of CO2 equivalent	**7,205.81**	12,071.00
Total Scope 1 + Scope 2 emissions (Market Based)	Metric tonnes of CO2 equivalent	**29,164.77**	29,517.00
Total Scope 1 & 2 emission intensity per rupee of turnover (Market Based)	Metric tonnes of CO2 equivalent/₹ Crores	**1.28**	1.60
Total Scope 1 & 2 emission intensity adjusted for PPP (Market Based)	Metric tonnes of CO2 equivalent/ Million USD	**2.61**	3.31
Total Scope 1 & 2 emission intensity in terms of physical output (Market Based)	Metric tonnes of CO2 equivalent/ Motorcycle	**0.02**	0.03
Biogenic Emissions	Metric tonnes of CO2 equivalent	**149.20**	Nil

Note: The data boundary for this indicator includes the Company's four manufacturing plants located at Cheyyar, Oragadam, Vallam Vadagal, and Tiruvottiyur, along with the Global Head Quarters, Chennai.

Scope 1 emissions: Emission factors from the latest Intergovernmental Panel on Climate Change Guidelines (AR6) for National Greenhouse Gas Inventories have been used.

Scope 2 emissions: For purchased grid electricity, emissions are calculated using the latest emission factors published by the Central Electricity Authority (CEA), Government of India.

Note: Indicate if any independent assessment / evaluation/assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency.

Yes, an independent assurance on core parameters of BRSR report for FY 2025-26 is assured by DNV Business Assurance India Pvt Ltd.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, the Company has undertaken multiple initiatives to reduce greenhouse gas emissions across its manufacturing plants and Head Office, including:

(i) Energy efficiency and process optimisation projects such as paint shop improvements, jig and line optimisation, pneumatic-to-electrical movement conversion, VFD implementation, LED lighting replacement, compressor pressure optimisation, blower/scrubber optimisation, motion sensors and timer-based controls, resulting in energy savings of approximately 12.88 Lakhs kWh during FY 2025-26.

(ii) Utilisation of renewable energy through a 22 MWp offsite Group Captive Power project, generating approximately 3.30 Crores kWh of renewable energy.

(iii) Rooftop solar installations, including 75 kWp at the Head Office and 3 MWp across Oragadam, Vallam Vadagal and Cheyyar plants, generating / saving approximately 36.87 Lakhs kWh of energy.

(iv) LPG savings of 2.71 MT during FY 2025-26 through various energy conservation projects.

(v) Work is underway to implement an additional 10 MWp Group Captive Solar project.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	**917.14**	503.60
E-waste (B)	**9.73**	6.30
Bio-medical waste (C)	**0.09**	0.10
Construction and demolition waste (D)	**0.00**	-
Battery waste (E)	**30.82**	25.50
Radioactive waste (F)	**0**	-
Other Hazardous waste (G)	**2,265.11**	1,778.80
- ETP Sludge	**769.27**	527.40
- Paint sludge & powder waste	**851.34**	730.40
- Phosphate sludge	**68.17**	51.70
- Spent solvent	**162.78**	144.50
- Used Oil	**30.07**	30.00
- Waste / residue containing oil	**34.37**	22.60
- Discarded containers / empty barrels	**346.92**	272.20
Other Non-hazardous waste generated (H)	**5,574.31**	6,617.50
- Metal scrap	**3,065.42**	4,460.30
- Wood	**422.92**	283.70
- Carton box	**2,013.44**	1,746.20
- Rubber	**28.10**	76.50
- Electrical	**44.44**	50.90
Total (A+B+C+D+E+F+G+H)	**8,797.19**	8,931.70
Waste Intensity Metrics		
Waste intensity per rupee of turnover (MT / ₹ Crores)	**0.39**	0.48
Waste intensity per rupee of turnover adjusted for PPP	**0.79**	1.00
Waste intensity in terms of physical output (MT / motorcycle)	**0.01**	0.01
Waste Recovery (in metric tonnes)		
i) Recycled	**7,040.93**	7,601.30
ii) Re-used		-
iii) Other recovery operations		-
Total Waste Recovered	**7,040.93**	**7,601.30**
Waste Disposal (in metric tonnes)		
i) Incineration		-
ii) Landfilling		-
iii) Other disposal operations	**1,723.14**	1,323.90
Total Waste Disposed	**1,723.14**	1,323.90

Note: The data boundary for this indicator includes the Company's four manufacturing plants located at Cheyyar, Oragadam, Vallam Vadagal, and Tiruvottiyur, along with the Global Head Quarters, Chennai.

** For PPP, conversion factors of 20.340 and 20.660 have been used for FY 2025-26 and FY 2024-25 respectively, based on the PPP conversion factor published by the International Monetary Fund (IMF).*

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, mention name of the external agency.

Yes, an independent assurance on core parameters of BRSR report for FY 2025-26 is assured by DNV Business Assurance India Pvt Ltd.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company has a structured waste management system to manage manufacturing and operational waste across its establishments. The Company follows the principles of Reduce, Reuse and Recycle (3Rs) and promotes circularity by reducing waste generation, encouraging reuse / recycling and minimising the use of virgin materials. Waste generated is classified into hazardous and non-hazardous, as well as recyclable and non-recyclable categories, and is managed through defined processes covering identification, segregation, collection, recycling, and safe disposal. Hazardous and other applicable wastes are disposed of through CPCB-authorised vendors, in compliance with applicable local regulatory requirements. The Company is also working towards Zero Waste to Landfill (ZWL) and promotes waste reduction practices among employees across facilities, supported by initiatives such as a paperless work culture. The Company's operations are covered under an ISO 14001:2015 certified environmental management system.

With respect to hazardous and toxic chemicals, the Company is committed to reducing their usage in products and processes wherever feasible through process improvements, material optimisation, and safer handling practices. Such wastes are identified, segregated, stored, and disposed of safely through authorised channels in accordance with applicable environmental norms.

11. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations / offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y / N) If no, the reasons thereof and corrective action taken, if any.
1	Tiruvottiyur, Chennai — location around coastal regulation zone Ennore creek	Manufacturing	Yes

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by Independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web link
Not applicable. No environmental impact assessments of projects under applicable laws were required during the current financial year.					

13. Is the entity compliant with the applicable environmental law / regulations / guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y / N). If not, provide details of all such non-compliances, in the following format:

Specify the law / regulation / guideline which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, we are compliant with the applicable environmental law / regulations / guidelines in India. No instances of non-compliance have been reported across any of our facilities in the reporting year 2025-26			

LEADERSHIP INDICATORS

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area:

(ii) Nature of operations:

(iii) Water withdrawal, consumption, and discharge in the following format:

Not applicable as the Company's operations are not in a water stressed area

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions	Metric tonnes of CO2 equivalent	**Not available**	Not available
Total Scope 3 emissions per rupee of turnover		**Not available**	Not available
Total Scope 3 emission intensity		**Not available**	Not available

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

The Company's operations are not carried out in ecologically sensitive or important areas. However, the company has taken care to minimise its environmental footprint through concerted efforts in waste, water, and energy management. While already having a positive water footprint, we have gone beyond water conservation and are actively contributing to the sustainable management and restoration of water resources through targeted programmes near our factories. The company has already achieved its target of being zero waste to landfill while simultaneously increasing its renewable electricity share to 92%. The Company has also created and maintained significant green spaces with an intention to harbour biodiversity in and around its factories. In addition, the Company has taken the lead in conserving critical species, habitat, and landscapes in the Indian Himalayan Region and coastal zones in Goa and Tamil Nadu through its Social Mission.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web link, if any may be provided along with summary)	Outcome of the initiative
1	Energy conservation with efficiency improvement	Reduction of the color-change gap from 4 links to 1 link on the Oragadam paint shop robot line, alongside a density improvement for the Twins family fuel tank jig	Energy saving of 151140 kWh
2	Energy conservation with efficiency improvement	Modification of the "J" frame jig orientation to eliminate gaps and improve the jig envelope resulted in a 250 links/day saving in the Oragadam paint shop process	Energy saving of 30,600 kWh
3	Energy conservation with efficiency improvement	Replacement of pneumatic guns with battery-powered guns	Energy saving of 12,054 kWh
4	Energy conservation with efficiency improvement	Implementation of an idle cut-off feature across 20 laser marking machines	Energy saving of 24,960 kWh
5	Energy conservation with efficiency improvement	Reduction of the plastic line process from 3C2B (3 Coat 2 Base) to 2C1B (2 Coat 1 Base) by introducing Pre-Lacquer Decal (PLD) stickers on side panels at Oragadam	Energy saving of 23,750 kWh
6	Energy conservation with efficiency improvement	Implementation of Himalayan and Guerrilla frame jigs in Powder Coating #1, combined with continuous frame loading at Oragadam	Energy saving of 20,134 kWh
7	Energy conservation with efficiency improvement	Implementation of Variable Frequency Drives across various locations	Energy saving of 20,064 kWh
8	Energy conservation with efficiency improvement	Improvement of the density of the passivation-silencer basket	Energy saving of 4,800 kWh
9	Energy conservation with efficiency improvement	Enhancement of the lighting system by replacing legacy fixtures with 90W LED lights	Energy saving of 3,308 kWh
10	Energy conservation with efficiency improvement	Implementation of a "One Touch Manager" for air conditioning controls	Energy reduction of 448 kWh
11	Energy conservation with efficiency improvement	Conversion of the hydraulic intermediate power pack on the CNC machine	Energy saving of 72,000 kWh
12	Energy conservation with efficiency improvement	Conversion of the transfer slide from pneumatic to electrical movement at the Vallam Vadagal Engine Assembly plant	Energy saving of 9,108 kWh/year

Sr. No	Initiative undertaken	Details of the initiative (Web link, if any may be provided along with summary)	Outcome of the initiative
13	Energy conservation with efficiency improvement	Reduction of compressor pressure from 6.5 bar to 5.5 bar to decrease idle time	Energy saving of 26,400 kWh
14	Energy conservation with efficiency improvement	Conversion of the wash water RO skid to Variable Frequency Drive operation	Energy saving of 904 kWh
15	Energy conservation with efficiency improvement	Reduction of the scrubber Variable Frequency Drive frequency from 50 Hz to 40 Hz	Annual energy saving of 280,800 kWh
16	Energy conservation with efficiency improvement	Implementation of an air blower bypass valve for system optimisation	12,864 kWh/year
17	Energy conservation with efficiency improvement	Installation of timers on the Lighting Distribution Boards for controlled operation	Energy saving of 48,024 kWh/year
18	Energy conservation with efficiency improvement	Installed motion sensors in the filter pump area and Uninterruptible Power Supply rooms installed	Annual energy saving of 9,468 kWh
19	Energy conservation with efficiency improvement	Provided manual ON/OFF controls for the Nitric Acid Fume scrubber during idle periods	Energy saving of 403,200 kWh/year
20	Energy conservation with efficiency improvement	Implementation of an automatic ON/OFF control mechanism for the canteen Air Handling Unit blower system	Energy saving of 103,680 kWh/year
21	Energy conservation with efficiency improvement	Completion of the implementation of timers on shopfloor exhaust fans	Energy saving of 24,756 kWh/year
22	Energy conservation with efficiency improvement	Achieved an overall LPG saving of 2.71 Metric tonnes in FY 2025-26 through various optimisation projects including the installation of a heat pump	2.71 MT LPG savings

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words / web link

The Company has a Risk Management Committee, as part of its Board framework, which has oversight of business continuity and related risks and their mitigation strategies. The committee works on creating a framework for identification of risks related to finance, operations, sectorial, sustainability, ξ cyber security; while adopting appropriate measures for risk mitigation that include systems and processes for internal control. The committee also monitors and oversees the implementation of the risk management policy, including evaluating the adequacy of risk management systems. climate-related risks are also managed as part of this process. EML is also undertaking a Climate Risk Assessment exercise to evaluate physical and transitional risks, compute financial impact of risks and opportunities, prioritisation of risks and development of mitigation plans. The exercise will cover all its key offices, tech centres, and manufacturing facilities. The governance structure at The Company will be reviewed as per TCFD / IFRS2 guidelines and a detailed Climate Risk report will be prepared.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

There has been no significant adverse impact to the environment, arising from the value chain of the entity noticed during the onsite supplier assessments. Proactive measures including, education, audit mechanisms using a common check list, open items closure, and compliance monitoring, etc., were taken for critical parameters that could have a negative environmental impact.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The Company initiated ESG audits in FY 2023-24. Cumulative 90.9% suppliers by purchase value have been assessed until March 31, 2026 of which 9.7% suppliers were assessed in FY 2025-26.

8. How many Green Credits have been generated or procured?

No green credits have been generated or procured during the period under review.

PRINCIPLE 7: **Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers / associations.

EML has a total of eight affiliations with trade and industry associations / chambers

1. b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to.

Sr. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State / National)
1	Society of Automotive Fitness and Environment (SAFE)	National
2	Society of Indian Automobile Manufacturers (SIAM)	National
3	Confederation of Indian Industry (CII)	National
4	Bureau of Indian Standards (BIS)	National
5	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
6	Employers' Federation of Southern India (EFSI)	National
7	Federation of Automobile Dealers Associations of India (FADA)	National
8	The Automotive Research Association of India (ARAI)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Sr. No.	Name of the authority	Brief of the case	Corrective action taken, if any
		NA	

There have been no issues pertaining to anti-competitive conduct during the year.

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain ? (Yes/No)	Frequency of Review by Board (Annually/Half yearly / Quarterly / Others—please specify)	Web link, if available
The Company continues to contribute to industry development and public welfare through active participation in relevant industry associations. It supports a range of SIAM-led initiatives covering product safety, alternative-fuel mobility, environmental matters, fuel-related policies, and customer awareness. The Company's ESG and related policies further reflect its progressive approach to promoting safe, responsible, and inclusive development					

PRINCIPLE 8: **Businesses should promote inclusive growth and equitable development.**

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web link
The Company conducted mandatory third-party impact assessments of Six Social Mission programmes pertaining to different themes as per the CSR Rules for FY 25-26. However, no rehabilitation and resettlement activities were carried out, and hence no Social Impact Assessments under applicable laws were conducted.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in FY 2025-26 (In INR)
NA						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company engages regularly with local communities through consultations, stakeholder interactions, and project-level engagement mechanisms. Need assessment exercises are conducted prior to project implementation in consultation with community members and partner organisations, and most programme activities are designed to be community-led so that benefits flow back to the community. Community members may share feedback, concerns, or grievances through project teams, implementation partners, and designated Company representatives. During programme execution, continuous interactions are undertaken with communities to gather feedback, understand issues, and undertake course corrections wherever required. Feedback received is reviewed through ongoing stakeholder engagement and periodic project reviews. Impact assessments are carried out as per applicable CSR requirements and, where relevant, also for learning and improvement. The Company also focusses on building long-term relationships with communities and supporting them through relevant initiatives.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26	FY 2024-25*
Directly sourced from MSMEs / small producers	**15.68%**	9.28%
Directly from within India	**89.45%**	89.56%

**Note: The previous year's figure has been restated based on the requirements of the Industry Standard Forum Note on BRSR.*

5. Job creation in smaller towns — Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

Location	FY 2025-26	FY 2024-25
Rural	**-**	-
Semi Urban	**14.48%**	14.20%
Urban	**10.11%**	7.47%
Metropolitan	**75.41%**	78.33%

(Place categorised as per RBI Classification System — rural / semi-urban / urban / metropolitan)

Note: Permanent & non permanent employees, permanent workers pertaining to Indian region are considered for reporting these parameters

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
NA	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

SR. NOs	State	Aspirational District	Amount Spent (in ₹ Lakhs)
1	Assam	Barpeta	4.0
2	Assam	Baksa	5.1
3	Mizoram	Mamit	4.0
4	Nagaland	Kiphire	9.8
5	Arunachal Pradesh	Zemithang	73.0
6	Himachal Pradesh	Chamba	82.3

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised / vulnerable groups? (Yes / No):

No

b. From which marginalised / vulnerable groups do you procure?

NA

c. What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual property based on traditional knowledge	Owned / Acquired (Yes / No)	Benefit shared (Yes / No)	Basis of calculating benefit share
None				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective action taken
NA		

6. Details of beneficiaries of CSR projects:

S. No	CSR project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
	Community Beneficiaries		
1	Himalayan Hub	16,537	76%
2	Himalayan Knot	1,268	85%
3	The Great Himalayan Exploration	557	75%
4	Green Pit Stops	3,272	80%
5	Biodiversity conservation	14,970	90%
6	Sports, Education, & Health	10,327	85%
7	Education and Health	33,477	70%
8	Local area development	4,199	60%
9	Disaster relief	9,445	100%
10	Journeying across the Himalayas	1,389	60%
	Environment Beneficiaries		
11	Snow leopards recorded	50	NA

Note: Above numbers indicated are the primary beneficiaries of the different CSR projects. In addition, the Company through its Social Mission has reached out to >23 Lakhs people as secondary beneficiaries.

PRINCIPLE 9: **Businesses should engage with and provide value to their consumers in a responsible manner.**

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We have a well-established process for managing customer feedback and complaints. Ensuring customer satisfaction by prioritising their voices is of utmost importance to us. To make it easy for our customers to connect, we offer multiple channels, including phone, email, social media, and our website. We utilise an automated ticketing system that registers each piece of feedback or complaint as a case. As soon as a case is created, the customer receives a confirmation notification, and the relevant team is immediately alerted with the necessary details to connect with the customer. We ensure consistent follow-up and keep the customer informed at every stage of the process until their issue is resolved. Upon resolution, the customer receives a notification confirming the closure of their case. Subsequently, a Customer Satisfaction (CSAT) survey is sent to gather feedback on their overall experience and the quality of the resolution provided. Internal teams also keep a check on TAT (Turnaround Time) to ensure closure of all cases at the earliest.

2. Turnover of products and / services as a percentage of turnover from all products / service that carry information about:

Particulars	As a % to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and / or safe disposal	NA

3. Number of consumer complaints in respect of the following:

	FY 2025-26			FY 2024-25		
	Received during the year	**Pending resolution at end of year**	**Remarks**	Received during the year	Pending resolution at end of year	Remarks
Data privacy						
Advertising						
Cyber security				Nil		
Delivery of essential services						
Restrictive trade practices						
Unfair trade practices						
Other	**97,903**	**8**	**All pending complaints will be closed within FY 2026-27**	1,21,261	7	Complaints pending resolutions at the end of the year were resolved/ attended in FY 2025-26

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

There were no instances of voluntary or forced product recalls on account of safety issues during the reporting year.

5. Does the entity have a framework / policy on cybersecurity and risks related to data privacy? (Yes / No) If available, provide a web link of the policy.

Yes. The Company has established an Information Security Policy to address risks related to cybersecurity and data privacy. The policy incorporates a range of protective measures that are implemented across the value chain to support secure and uninterrupted business operations.

The policy defines the controls required to protect the Company's information assets and governs the access, use, and disclosure of information in accordance with applicable standards, legal requirements, and regulatory obligations.

https://eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/EML%20Information%20Security%20Policy.pdf

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cybersecurity and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   No such instances so no corrective actions taken.

7. **Provide the following information relating to data breaches:**

   a. Number of instances, of data breaches : Nil

   b. Percentage of data breaches involving personally identifiable information of customers: Nil

   c. Impact, if any, of the data breaches: NA

LEADERSHIP INDICATORS

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The Company ensures that information related to its products and services is readily accessible to customers through its official website **https://www.royalenfield.com/in/en/motorcycles/** and other communication channels. Detailed product information is available on the website, enabling customers to review specifications, features, and related service details.

   The Company also engages customers through targeted social media campaigns, dealership interactions, and on-ground activations to enhance product awareness and engagement. In addition, each customer is provided with an owner's manual at the time of vehicle delivery through authorised dealerships, offering comprehensive guidance on product usage, maintenance, and related services.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and / or services.**

   The Company places the highest priority on safety and the responsible use of its products. The Company encourages all customers to adhere to prescribed safety guidelines and adopt safe riding practices in all operating conditions.

   To reinforce this commitment, the Company actively promotes road safety awareness through targeted initiatives and social campaigns, including "Helmets for India," which advocate the consistent use of appropriate protective gear and responsible riding behaviour among consumers.

3. **Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.**

   The Company communicates the discontinuation of its products and services through its website.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes / No / Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes / No)**

   Customers receive comprehensive product information through the owner's manual. Additionally, essential operational and educational points are conveyed to customers during vehicle delivery, including product features and recommended service schedules. The Company also has a mobile application where the customers can easily get information on any product. For channel partners, the Company has developed an online platform (REKart) for facilitating ease of ordering spare parts.

   The Company conducts customer satisfaction surveys through the Net Promoter Score process. Feedback received through the process is considered for further improvement.

INDEPENDENT ASSURANCE STATEMENT

INDEPENDENT ASSURANCE STATEMENT

to the Management of Eicher Motors Limited

Eicher Motors Limited (Corporate Identity Number L34102DL1982PLC129877, hereafter referred to as 'Eicher Motors' or 'the Company') commissioned DNV Business Assurance India Private Limited ('DNV', 'us' or 'we') to undertake an independent assurance of the Company's disclosures in Business Responsibility and Sustainability Report (hereafter referred as 'BRSR') for Financial Year (FY) 2025-26. The disclosures include BRSR Core as per Annexure 17A of SEBI's Master Circular for BRSR (Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026, dated January 30, 2026).

Our Conclusion:

Based on our review and procedures followed for reasonable level of assurance, DNV is of the opinion that, in all material aspects, the BRSR Core Key Performance Indicators (KPIs) under 9 ESG attributes (as listed in Annexure I of this statement) for FY 2025-26 are reported in accordance with reporting requirements outlined in Industry Standard on Reporting of BRSR Core.

Scope of Work and Boundary

The scope of our engagement includes independent assurance of 'BRSR Core' – Reasonable level of assurance for FY 2025-26.

Boundary covers the performance of Eicher Motors operations that fall under the direct operational control of the Company's Legal structure. Based on the agreed scope with the Company, the boundary of reasonable assurance covers the operations of Eicher Motors across all locations in India covering four manufacturing plants and one office (headquarters).

Reporting Criteria and Standards

The disclosures have been prepared by Eicher Motors in reference to:

- Industry Standard on Reporting of BRSR Core, Circular No.: SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated Dec 20, 2024.
- BRSR Core (Annexure 17A) as per Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026, "Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities", dated January 30, 2026.
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

Assurance Methodology/Standard

This assurance engagement has been carried out in accordance with DNV's VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information. DNV's VeriSustain™ Protocol, V6.0 has been developed in accordance with the most widely accepted reporting and assurance standards. Apart from DNV's VeriSustain™ protocol (V6.0), DNV team has also followed ISO 14064-3 - Specification with guidance for the verification and validation of greenhouse gas statements to evaluate disclosures wrt. Greenhouse gases.

Basis of our conclusion

As part of our independent assurance engagement, we have evaluated the reported environmental, social, and governance (ESG) information against the agreed criteria. Throughout the engagement, we exercised rigorous professional judgment and maintained a high level of professional skepticism to ensure the integrity and reliability of our conclusions.

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of Eicher Motors. We carried out the following activities:

- Reviewed the disclosures under BRSR Core, encompassing the framework for assurance consisting of a set of Key Performance Indicators (KPIs) under 9 ESG attributes. The Industry Standard on Reporting of BRSR Core used a basis of reasonable level of assurance.
- Evaluation of the design and implementation of key systems, processes and controls for collecting, managing and reporting the BRSR Core indicators. Assessment of operational control and reporting boundaries
- Seek extensive evidence across all relevant areas, ensuring a detailed examination of BRSR Core indicators. Engaged

Our competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO/IEC 17029:2019- Conformity Assessment – General principles and requirements for validation and verification bodies and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. DNV has complied with the Code of Conduct during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements.

This engagement work was carried out by an independent team of sustainability assurance professionals. During the reporting period i.e. FY 2025-26, DNV, to the best of its knowledge, was not involved in any non-audit/non-assurance work with the Company and its Group entities which could lead to any Conflict of Interest. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

directly with stakeholders to gather insights and corroborative evidence for each disclosed indicator.

- DNV audit team conducted on-site and remote audits for data testing and also, to assess the uniformity in reporting processes and also, quality checks at different locations of the Company. Sites for data testing and reporting system checks were selected based on the percentage contribution each site makes to the reported indicator, complexity of operations at each location (high/low/medium) and reporting system within the organization. Sites selected for audits are listed in Annexure II.
- Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support environmental KPIs and metrics disclosed the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.
- Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per VeriSustain™ Protocol, V6.0 for reasonable level of assurance for the disclosures.

Inherent Limitations

DNV's assurance engagement assume that the data and information provided by the Company to us as part of our review have been provided in good faith, is true, complete, sufficient, and authentic, and is free from material misstatements. The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV opinion on specific BRSR Core indicators (for total revenue from operations; Principle 3, Question 1(c) of Essential Indicators for Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company; Principle 8, Question 4 of Essential Indicators, Principle 1, Question 8 of Essential Indicators and Principle 1, Question 9 of Essential Indicators) relies on the third party audited financial reports of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

Responsibility of the Company

Eicher Motors has the sole responsibility for the preparation of the BRSR Report and is responsible for all information disclosed in the BRSR Core and BRSR Report. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and also, ensuring the quality and consistency of the information presented in the Report. Eicher Motors is also responsible for ensuring the maintenance and integrity of its website and any referenced BRSR disclosures on their website.

DNV's Responsibility

In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company. DNV disclaims any liability or co-responsibility for any decision a person or entity would make based on this assurance statement.

Use and distribution of Assurance Statement

This assurance statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than company for DNV's work or this assurance statement. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company's website for the current reporting period.

The use of this assurance statement shall be governed by the terms and conditions of the contract between DNV and the Eicher Motors. DNV does not accept any liability if this assurance statement is used for any purpose other than its intended use, nor does it accept liability to any third party in respect of this assurance statement.

For DNV Business Assurance India Private Limited,

Sarkar, Chandan Digitally signed by Sarkar, Chandan Date: 2026.07.15 15:22:10 +05'30'	Sharma, Anjana Digitally signed by Sharma, Anjana Date: 2026.07.15 15:42:40 +05'30'
Chandan Sarkar Lead Verifier DNV Business Assurance India Private Limited, India.	**Anjana Sharma** Assurance Reviewer DNV Business Assurance India Private Limited, India.

Assurance Team: Mohanakrishnan R, Sudharshan K, Thyagaraj Subbarayan

15/07/2026, Bengaluru

Annexure I - BRSR Core Verified Data for FY 2025-26

Stipulated as per BRSR Core provided by the company.

Sr. No.	Attribute	BRSR Core Parameter	Unit	Verified Value for FY 2025-26
1	Green-house gas (GHG) footprint	Total Scope 1 emissions	MT of CO_2e	21,958.96
		Total Scope 2 emissions (Location Based)	MT of CO_2e (Location Based)	87,034.27
		Total Scope 2 emissions (Market Based)	MT of CO_2e (Market Based)	7,205.81
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Market Based)	MT of CO_2e / Turnover in Crore INR (Market Based)	1.28
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Market Based)	MT of CO_2e / Turnover adjusted for PPP in Million USD (Market Based)	2.61
		Total Scope 1 and Scope 2 emission intensity in terms of physical output (Market Based)	MT of CO_2e / number of Vehicle Manufactured (Market Based)	0.02
2	Water footprint	Total water consumption	kL	3,19,573.27
		Water consumption intensity	Total water consumption in kL / Turnover in crore INR	14.08
			Total water consumption in kilolitre / Turnover adjusted for PPP in Million USD	28.64
		Water intensity in terms of physical output	Total water consumption in kilolitre / Number of Vehicle Manufactured	0.26
		Water Discharge by destination and levels of Treatment	kL	0[1]
3	Energy footprint	Total energy consumed	gigajoule (GJ)	7,77,094.11
		% of energy consumed from renewable sources	In % terms	54.15
		Energy intensity	Energy intensity per rupee of turnover. GJ / Turnover in Crore INR	34.23
			Energy intensity per rupee of turnover adjusted for PPP. (GJ/ Turnover adjusted for PPP in Million USD)	69.63
			GJ/ Number of Vehicle Manufactured	0.63
4	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	MT	917.14
		E-waste (B)	MT	9.73
		Bio-medical waste (C)	MT	0.09
		Construction and demolition waste (D)	MT	0
		Battery waste (E)	MT	30.82
		Radioactive waste (F)	MT	0
		Other Hazardous Waste (G)	MT	2265.11
		Other Non-Hazardous Waste (H)	MT	5574.31
		Total (A+B + C + D + E + F + G+ H)	MT	8,797.19
		Waste intensity per rupee of turnover from operations	MT / Turnover in Crore INR	0.39
		Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	MT / Turnover adjusted for PPP in Million USD	0.79
		Waste intensity in terms of physical output	MT / Number of Vehicle Manufactured	0.01
		Total waste recovered through recycling, re-using or other recovery operations		
		(i) Recycled	MT	7040.93
		(ii) Re-used	MT	0
		Total	MT	7040.93
		total waste disposed by nature of disposal method		
		(i) Incineration	MT	0
		(ii) Landfilling	MT	0
		(iii) Other disposal options	MT	1723.14
		Total	MT	1723.14
5	Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company	In % terms	0.11
		Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's manufacturing sites)	Total recordable work-related injuries	2
			Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	0.05
			No. of fatalities	0
			High consequence work-related injury or ill-health (excluding fatalities)	0
6	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	In % terms	6.51
		Complaints on PoSH	Total Complaints on Sexual Harassment (POSH) reported	3
			Complaints on PoSH as a % of female employees / workers	0.07
			Complaints on PoSH upheld	3
7	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases and from within India	Directly sourced from MSMEs/ small producers	15.68
			Sourced directly from within India	89.45

1 Eicher Motors report as NIL water discharge as they declare their Assets as Zero Liquid Discharge Units.

		Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost	Location	
			Rural	0.0
			Semi-urban	14.48
			Urban	10.11
			Metropolitan	75.41
8	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms	NIL
		Number of days of accounts payable	(Accounts payable *365) / Cost of goods/services procured	64
9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	Purchases from trading houses as % of total purchases	
			Number of trading houses where purchases are made from	NA [2]
			Purchases from top 10 trading houses as % of total purchases from trading houses	
			Sales to dealers / distributors as % of total sales	99
			Number of dealers / distributors to whom sales are made	1074
			Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	7.40
			Share of RPTs (as respective %age) in	
			Purchases	2.50
			Sales	5.31
			Loans & advances	50.50
			Investments	3.00

Annexure II – Sites selected for audits

S.no	Site	Location
1.	Corporate Office (onsite audit)	Headquarters - Sholinganallur, Chennai
2.	Manufacturing plants (onsite audit)	Oragadam, Vallam Vadagal
3.	Manufacturing plant (remote audit)	Cheyyar

2 Not Applicable as there are no purchases from trading houses

DIRECTORS' REPORT

To the Members of Eicher Motors Limited

The Directors have pleasure in presenting the 44th Annual Report along with the Audited Financial Statements of the Company for the financial year ended March 31, 2026 ('the financial year').

FINANCIAL RESULTS

The Company has earned a total revenue from operations of ₹ 22,699.73 Crores during the financial year 2025-26. The profit before depreciation, interest, other income and tax amounted to ₹ 5,812.85 Crores, which is 25.6% of the total revenue. After accounting for other income of ₹ 1,694.80 Crores, interest expense of ₹ 27.46 Crores and depreciation of ₹ 788.23 Crores, profit before exceptional items and tax amounted to ₹ 6,691.96 Crores.

The Government of India had notified four New Labour Codes with effect from November 21, 2025, consolidating the 29 existing labour laws. Based on the assessment of the impact of these four New Labour Codes, the Company has provided for an amount of ₹ 55.45 Crores in the financial statements, as an exceptional item of a non-recurring nature during the financial year ended March 31, 2026. The Profit after exceptional item and before tax for the Company amounted to ₹ 6,636.51 Crores. Profit after tax amounted to ₹ 5,040.82 Crores after income tax provision of ₹ 1,595.69 Crores. Total Comprehensive income for the financial year, net of tax amounted to ₹ 5,138.24 Crores.

The financial statements of the Company are summarised as below:

₹ in Crores

Particulars	For the financial year ended March 31, 2026	For the financial year ended March 31, 2025
Net Revenue from operations	**22,699.73**	**18,451.46**
Profit before depreciation, interest, other income and tax	**5,812.85**	**4,768.00**
Interest	**27.46**	24.00
Depreciation	**788.23**	684.09
Profit before other income and tax	**4,997.16**	**4,059.91**
Other income	**1,694.80**	1,408.65
Profit before exceptional items and tax	**6,691.96**	**5,468.56**
Exceptional item	**(55.45)**	-
Profit before tax	**6,636.51**	**5,468.56**
Provision for tax (including Deferred tax)	**1,595.69**	1,189.30
Net profit after tax	**5,040.82**	**4,279.26**
Other comprehensive income	**97.42**	(219.84)
Total Comprehensive Income for the year, net of tax	**5,138.24**	**4,059.42**
Balance in statement of profit and loss brought forward from previous year	**17,742.14**	14,867.60
Amount available for appropriation (excluding Other Comprehensive income reserves)	**22,787.40**	19,139.59
Dividend for FY 2023-24, paid in FY 2024-25	**-**	1,397.45
Dividend for FY 2024-25, paid in FY 2025-26	**1,919.95**	-
Dividend proposed for FY 2025-26, to be paid in FY 2026-27	**2,249.38**	-
Earnings per share		
- Basic (₹)	**183.79**	156.15
- Diluted (₹)	**183.46**	155.80

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of the Company during the financial year.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY THAT HAVE OCCURRED AFTER MARCH 31, 2026 TILL THE DATE OF THIS REPORT

There has been no material change or commitment affecting the financial position of the Company which have occurred between the end of the financial year on March 31, 2026 and the date of this Report.

The Company would like to inform the members that the Board of Directors of the Company ("the Board"), at its meeting held on May 21, 2026, had approved an investment of up to ₹ 750 Crores (Rupees Seven Hundred and Fifty Crores only) as cash consideration for subscribing to 50% of the equity share capital of Volvo Financial Services (India) Private Limited ("VFS India"). VFS India is a Middle Layer Non-Deposit taking Non-Banking Financial Company registered with Reserve Bank of India (RBI) and is currently engaged in the business of providing financing, leasing, and other financial services to customers and dealers of Volvo Group and VE Commercial Vehicles Limited, in India. With said investment, the Company intends to form a 50:50 joint venture which will work as a captive financing arm to serve the customers of Volvo Group, VE Commercial Vehicles Limited and the Company, within the Indian market. Pursuant to the Board approval, the Company has signed the Joint Venture Agreement and the Share Subscription Agreement. The completion of the transaction is subject to RBI approval and fulfilment of conditions of Joint Venture Agreement and the Share Subscription Agreement. For more details, please refer to the public disclosure filed by the Company in this regard which is available at **https://www.bseindia.com/xml-data/corpfiling/AttachHis/7e7cf1f2-9732-4325-8029-978df32aa8cd.pdf**

DIVIDEND

The Board of Directors at its meeting held on May 22, 2026, has recommended for approval of the shareholders, payment of dividend of ₹ 82/- per equity share of face value of ₹1/- each (@ 8200%) out of the profits for the financial year 2025-26 in accordance with the Dividend Distribution Policy of the Company.

The dividend, if approved by the shareholders in the ensuing Annual General Meeting, shall be paid in the following manner:

a) To all Beneficial Owners in respect of shares held in dematerialised form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on July 31, 2026 (record date);

b) To all Members in respect of shares held in physical form as of the close of business hours on July 31, 2026 (record date).

AMOUNTS TRANSFERRED TO RESERVES

During the financial year 2025-26, no amount was transferred to the General Reserve of the Company.

BRIEF DESCRIPTION OF THE STATE OF THE COMPANY'S AFFAIRS/ BUSINESS PERFORMANCE

The Company has sold 12,38,661 motorcycles in FY 2025-26, 23.2% higher as compared to sale of 10,05,340 motorcycles during FY 2024-25. Out of 12,38,661 motorcycles sold in FY 2025-26, 1,31,318 motorcycles were exported, which is an increase of 28% over FY 2024-25 export volume of 1,02,583 motorcycles.

Net Revenue from operations for the FY 2025-26 was ₹ 22,699.73 Crores, 23% higher as compared to the previous financial year's ₹ 18,451.46 Crores. Net Sales of spare parts, gear and services increased to ₹ 3,271.72 Crores in FY 2025-26 from ₹ 2,657.62 Crores in the previous financial year, with a growth of 23%.

Your Company's profit before depreciation, interest, other income and tax was ₹ 5,812.85 Crores in the FY 2025-26, higher by 22% over ₹ 4,768.00 Crores recorded in the FY 2024-25.

MARKET AND FUTURE PROSPECTS

Please refer to the Management Discussion & Analysis Report which forms part of the Annual Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be given pursuant to the provisions of Section 134 of the Companies Act, 2013 ("the Act"), read with the Companies (Accounts) Rules, 2014 is provided under ***Annexure-1***.

DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES AND EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any sweat equity shares or equity shares with differential rights during the financial year 2025-26.

CHANGES IN SHARE CAPITAL AND THE COMPANY'S EMPLOYEE STOCK OPTION PLAN, 2006 AND RESTRICTED STOCK UNITS PLAN, 2019

The paid-up Equity Share Capital of the Company as on March 31, 2026, was ₹ 27,43,14,204/-. During the financial year, the Company has issued 65,224 Equity Shares (Face value ₹ 1/- each) pursuant to its Employees Stock Option Plan, 2006 ("ESOP, 2006") and 84,900 Equity Shares (Face value ₹ 1/- each) under the Company's Restricted Stock Units Plan, 2019 ("RSU Plan, 2019"). A statement giving complete details as at

March 31, 2026, pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is available on the website of the Company and the web link for the same is **https://www.eicher.in/content/dam/eicher-motors/investor/financial-and-reports/annual-reports/esop-statement-for-the-financialyear-fy2025-26.pdf**.

ESOP, 2006 and RSU Plan, 2019, for grant of stock options have been implemented by the Company in accordance with the aforesaid SEBI Regulations. A certificate in this regard from M/s. AGSB & Associates, Secretarial Auditors, will be available for inspection on the website of the Company under "Investors" Section on the date of Annual General Meeting. The Company has not changed its ESOP, 2006 and RSU Plan, 2019 during the financial year.

Further, details of options granted and exercised are included in Note no. 49 in the Notes to Accounts forming part of standalone financial statements.

DEPOSITS

The Company has not accepted any deposits including from the public/members under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year. The Company has not renewed/accepted fixed deposits after May 29, 2009. There are no deposits that remain unclaimed.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of SEBI (LODR) Regulations, 2015, Independent Directors of the Company have given written declarations to the Company confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (LODR) Regulations, 2015. The Company maintains the requisite Board composition as per SEBI (LODR) Regulations, 2015, with majority of Independent Directors on the Board. As on March 31, 2026, all Independent Directors of the Company have valid registrations with the Independent Directors' databank maintained by Indian Institute of Corporate Affairs in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

Director liable to retire by rotation

In accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 Mr. Siddhartha Vikram Lal (DIN: 00037645), Executive Chairman, retires by rotation at the ensuing 44th Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors recommends his reappointment as a Director in the same capacity.

Change in the Board and Key Managerial Personnel

During the financial year, there has been no change in the composition of the Board of Directors and Key Managerial Personnel of the Company. In accordance with the provisions of Section 152 of the Companies Act, 2013, and the Company's Articles of Association, Mr. Vinod Kumar Aggarwal (DIN: 00038906) retired by rotation at the 43rd Annual General Meeting held on August 21, 2025 and was re-appointed by the shareholders of the Company.

The Board of Directors of the Company at its meeting held on May 21, 2026, after taking into consideration the recommendations of the Nomination & Remuneration Committee approved the appointment of Mr. Vinod Kumar Aggarwal (DIN: 00038906) as Executive Vice-Chairman (in the capacity of Executive Director) with effect from May 21, 2026 for a period of three (3) years, subject to the approval of the members of the Company. The Company has sought approval of the shareholders for the appointment of Mr. Vinod Kumar Aggarwal (DIN: 00038906) as Executive Vice-Chairman of the Company in the ensuing 44th Annual General Meeting of the Company. Shareholders are requested to refer to the Notice of the Annual General Meeting for details.

Mr. Govindarajan Balakrishnan, Managing Director, Ms. Vidhya Srinivasan, Chief Financial Officer and Mr. Atul Sharma, Company Secretary are the Key Managerial Personnel of the Company in accordance with the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

THE COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's Hiring & Employment Policy:

A number of factors are considered while selecting candidates at the Board level which include:

- Ability to contribute to strategic thinking
- Proficiency in Governance norms, policies and mechanisms at the Board level
- Relevant cross industry/functional experience, educational background, skills and experience
- Wherever relevant, independence of Directors in terms of applicable regulations

With respect to core competencies and personal reputation, the Company's practices ensure through the selection process that all Directors:

- Exhibit integrity and accountability
- Exercise informed judgement
- Are financially literate
- Are mature and confident individuals
- Operate with high performance standards

Removal of Directors:

Under extreme circumstances and in highly unusual situations, it may become necessary to remove a Director from the Board of the Company. Reasons for doing so may relate to any of the following:

i. Breach of confidentiality in any way
ii. Failure to meet obligatory procedures in the disclosure of conflict of interest
iii. Failure to fulfil the fiduciary duties of a Director for the Company
iv. Acting in any other manner which is against the interests of the Company

Due process of law will be followed by the Company for any such action.

The Company's Remuneration Policy:
The Company's Compensation Strategy defines the principles underlying the compensation philosophy for its employees. Compensation is a critical piece of the overall human-resources strategy and broadly refers to all forms of financial returns and tangible benefits that employees receive as a part of their employment relationship.

The Remuneration/Compensation Policy of the Company is designed to attract, motivate and retain its employees. This Policy applies to Directors and Senior Management including Key Managerial Personnel (KMP) and other employees of the Company.

The remuneration of the Managing Director, Whole-time/ Executive Director, Key Managerial Personnel (KMPs) and Senior Management of the Company is recommended by the Nomination and Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, individual's responsibilities and performance assessment. The Company pays remuneration by way of salary, perquisites and allowances (fixed component), incentive remuneration and/or commission (variable components).

Loans/advances may be extended to employees for various personal purposes or to aid business functions, from time to time, on a case-to-case basis, in accordance with the relevant Human Resource guidelines/policies in force or as may be approved by the Chief Financial Officer, the Chief Human Resource Officer of the Company, or any person authorised by them, including for relocation (school deposits/expenses, travel/logistics expenses, housing advance, housing deposits/brokerage, any other expenses towards relocation); advance submission of tax deducted at source by the Company on behalf of the employee; advance towards medical insurance premiums; loans granted to enable grantees exercise ESOPs and towards deposit of perquisite tax thereon; loans/advances covered under the Employees Union recognised by the Company as per Union Agreement; medical emergency advances, etc.

Additionally, in the event of exigencies arising due to calamities, the Company may provide financial assistance to any affected employee by way of extending interest-free loan of an amount not exceeding the employee's two months' gross salary.

Remuneration by way of commission to the Non-Executive Directors is decided by the Board of Directors within the limit of 1% of the annual net profits of the Company in each of the financial years, calculated in accordance with Section 197, 198 of the Act.

Remuneration of KMPs and employees largely consists of basic remuneration, perquisites, allowances, performance incentives and employee stock options granted pursuant to the Employees Stock Option Plan, 2006 and Restricted Stock Units Plan, 2019 of the Company. The components of remuneration vary for different employee levels and are governed by industry patterns, qualifications and experience of the employee and employee(s) responsibility areas, performance assessment, etc.

The policy is available on the website of the Company at **https://www.eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/Remuneration%20Compensation%20Policy.pdf**

ANNUAL EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

The formal annual evaluation of the Board, Board Committees and Individual Directors including the Chairman of the Board for financial year 2025-26 was carried out by the Board and concluded on May 21, 2026, pursuant to the Board Performance Evaluation Policy of the Company and provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Nomination and Remuneration Committee has specified the criteria for effective performance evaluation of the Board, its Committees and Individual Directors of the Company. The performance of the Board and Committees was evaluated after seeking inputs from all the Directors on the basis of criteria such as Board/Committee constitution, frequency of meetings, effectiveness of processes, etc. The performance of individual Directors (including Independent Directors) was evaluated by the Board (excluding the Director being evaluated) after seeking inputs from all Directors on the basis of criteria such as thought contribution, business insights and applied knowledge. The results of evaluation were discussed by the Chairman with the Board/individual Directors. Once the evaluation is complete, the implementation is assessed based on the criteria set by the Nomination and Remuneration Committee.

The Independent Directors also separately carried out annual performance evaluation of the Chairman, the non-independent directors and the Board as a whole for financial year 2025-26 as per the requirements of the Companies Act and SEBI (LODR) Regulations, 2015 at their meeting held on May 21, 2026.

MEETINGS OF BOARD OF DIRECTORS

Five (5) meetings of the Board of Directors of the Company were conducted during the financial year. The details of Board/Committees/Shareholder meetings are provided under the Corporate Governance Report which forms part of the Annual Report.

DETAILS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The details of loans, guarantees and investments made by the Company during the financial year which are covered under Section 186 of the Companies Act, 2013 form part of the notes no. 8 to 11, 41 and 46 to the financial statements provided in this Annual Report.

PARTICULARS OF RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered into by the Company during the financial year with related parties are in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Board of Directors has approved the criteria pursuant to which omnibus approval can be granted for related party transactions by the Audit Committee. Requisite approvals of the Audit Committee, the Board and the shareholders, as required, were obtained by the Company for the related party transactions.

There were no materially significant Related Party Transactions made by the Company with Promoters, Directors or Key Managerial Personnel, subsidiaries, joint ventures and associate Companies which may have a potential conflict with the interest of the Company. Transactions that are required to be reported in Form AOC-2 are provided under ***Annexure-2*** and forms part of this Report. The details of the transactions with Related Parties are also provided in the Company's financial statements in accordance with Indian Accounting Standards.

The Company had obtained shareholders' approval at the 43rd Annual General Meeting (AGM) held on August 21, 2025 for certain related party transactions between VE Commercial Vehicles Limited (VECV), subsidiary of the Company, and Volvo Group India Private Limited (VGIPL), a related party of VECV, for the FY 2025-26 as per the provisions of Regulation 23(4) of SEBI (LODR) Regulations, 2015. Further, based on the recommendations of the Audit Committee and the Board, said related party transactions between VECV and VGIPL for FY 2026-27 are proposed for approval of the shareholders at the ensuing 44th Annual General Meeting by way of Ordinary Resolution. Please refer to the notice of the 44th Annual General Meeting for further details.

The Company has a Policy on materiality of and dealing with Related Party Transactions, as approved by the Board, which is available on its website **www.eichermotors.com**.

AUDIT COMMITTEE

The Audit Committee of the Company is constituted pursuant to the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. At present, members of the Audit Committee are:

Sl. No.	Name of Members
1	Mr. S. Madhavan (Committee Chairman), Independent Director
2	Mr. Inder Mohan Singh, Independent Director
3	Mr. Arun Vasu, Independent Director

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

The Company has formulated a Whistle Blower Policy to establish a vigil mechanism for Directors, employees, dealers and vendors of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy or to report genuine concerns or grievances including instances of leak or suspected leak of unpublished price sensitive information pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015. The Whistle Blower Policy of the Company is available at **https://www.eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/EML_Whistle_Blower_Policy_14.05.2025.pdf**

SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES

Highlights of performance of subsidiaries, associates and joint venture Companies and their contribution to the overall performance of the Company during the financial year.

Royal Enfield North America Limited (Wholly-owned Subsidiary)

Royal Enfield North America Ltd. ("RENA"), incorporated in March 2015 as a wholly-owned subsidiary of Eicher Motors Limited, is engaged in the distribution and sale of Royal Enfield motorcycles, spares, accessories and riding gear across North America. During the FY 2025-26, RENA sold 5,865 motorcycles, including 543 motorcycles sold to Royal Enfield Canada Limited (its wholly-owned subsidiary), and recorded a revenue of ₹ 244.82 Crores, including ₹ 21.30 Crores from sales to Royal Enfield Canada Limited. As on March 31, 2026, RENA had a network of 138 contracted multi-brand outlets across the United States. During the FY 2025-26, RENA participated in 32 dealer demonstration events and continued its association with motorcycle racing and riding events such as American Flat Track, Daytona, Vintage Motorcycle, Barber and Build Train Race (BTR) programmes, with participation in 38 collective events. These events helped in strengthening brand visibility and customer engagement across the region.

Royal Enfield Canada Limited (Wholly-owned Subsidiary)

Royal Enfield Canada Limited ("RECA"), was incorporated in April 2016 as a wholly-owned subsidiary of Royal Enfield North America Ltd. ("RENA"), to manage the distribution and sale of Royal Enfield motorcycles, genuine parts, accessories

and apparel in Canada. During the FY 2025-26, RECA sold 562 motorcycles and generated revenue of ₹ 25.08 Crores. As on March 31, 2026, the Company operated through a network of 20 multi-brand outlets across Canada. During the FY 2025-26, RECA participated in five dealer demonstration events, strengthening customer engagement and enhancing the visibility of the Royal Enfield brand in Canada.

Royal Enfield Brasil Comercio De Motocicletas Ltda. (Wholly-owned Subsidiary)

The Company commenced its operations in Brazil in 2016 through Royal Enfield Brasil Comercio de Motocicletas Ltda ("RE Brazil"), the Company's direct distribution subsidiary in Brazil. During the previous financial year (FY 2024–25), RE Brazil further strengthened its operational footprint in Brazil with the establishment of its second motorcycle Completely Knocked Down (CKD) assembly facility in Manaus. During the FY 2025-26, RE Brazil delivered a strong performance, selling 34,264 motorcycles, representing a growth of 70.9% over the previous financial year. Net revenue for the year ended March 31, 2026 was ₹ 1,156.88 Crores, reflecting a growth of 103.1% compared to the previous financial year. The Company also expanded its retail presence by onboarding 10 new dealerships during the FY 2025-26, taking the total dealership network in Brazil to 46 as on March 31, 2026.

Royal Enfield (Thailand) Ltd (Wholly-owned Subsidiary)

Royal Enfield (Thailand) Ltd. ("RETH") was incorporated on September 18, 2018 and commenced sales operations in September 2019. During the previous financial year (FY 2024-25), RETH established its own CKD assembly facility in Thailand, the first self-owned assembly facility of Royal Enfield outside India which is also ISO 9001:14000 certified. During the FY 2025-26, RETH achieved assembling eight (8) Royal Enfield motorcycle models through its CKD assembly facility, reinforcing its presence in the Thailand market. The Company also commenced exports to Vietnam and initiated rim assembly for supply to Eicher Motors Limited and Royal Enfield Brasil Comercio de Motocicleta Ltda.

RETH continued to strengthen its presence in Thailand and is represented through a dealer network of 28 exclusive stores, one multi-brand outlet and seven authorised sales and service points. Royal Enfield maintained its position as the second-largest player in the mid-size motorcycle segment in Thailand, with a market share of 19.3% during the FY 2025-26. Royal Enfield continues to enjoy strong acceptance amongst customers, riding communities, dealer partners, custom builders and rental operators, supported by more than 60 Royal Enfield communities across the country.

During the FY 2025-26, RETH received two awards from the Grand Prix Group, with the Goan Classic 350 being recognised as the "Best Modern Classic" and the Super Meteor 650 receiving the "Modern Cruiser Middleweight" award. The Company sold 3,161 motorcycles during the FY 2025-26 and recorded revenue of ₹ 169.94 Crores, representing a growth of 43.7% over the previous financial year.

Royal Enfield UK Ltd (Wholly-owned Subsidiary)

Royal Enfield UK Ltd. ("REUK") was incorporated in August 2019 and commenced sales operations in June 2020. REUK commenced direct sales to the local dealers in the United Kingdom ("UK"), without a local distributor, from May, 2023. As at March 31, 2026, REUK had 51 sales and aftersales partners, including 18 exclusive stores in the UK. As part of its network development plans, REUK appointed leading dealer partners and continued the development of new dealerships for the forthcoming financial year.

During the FY 2025-26, REUK sold 3,292 motorcycles and recorded revenue of ₹ 154.84 Crores, representing growth of 11% over the previous financial year. Royal Enfield achieved the No. 2 position in the mid-size motorcycle segment by market share in the UK. During the FY 2025-26, Royal Enfield was ranked No. 2 in the National Motorcycle Dealer Association's manufacturer-dealer relationship survey.

Royal Enfield Europe B.V. (Wholly-owned Subsidiary)

Royal Enfield Europe BV ("RE Europe") was incorporated in March 2024 and commenced sales operations from July 2025. RE Europe started selling directly in the Germany market without a local distributor from October 2025. It has a network of 68 dealers in Germany and some major distributors in some Eastern European countries.

During the FY 2025-26, RE Europe sold 3,437 motorcycles and achieved a revenue of ₹ 150.62 Crores.

Eicher Polaris Private Limited

Eicher Polaris Private Limited ("EPPL"), a joint venture company, was involved in the manufacturing and sales of personal utility vehicles.

The Board of Directors and Shareholders of EPPL at their respective meetings held on February 18, 2020 approved the voluntary liquidation (solvent liquidation) of EPPL and appointed an insolvency professional as the liquidator. The liquidation process is currently in progress.

VE Commercial Vehicles Limited

The overview of the performance of VE Commercial Vehicles Limited is covered separately in the Annual Report on page no. 476 to 483.

Report containing salient features of financial statements of subsidiaries and joint venture Companies

Pursuant to the provisions of Section 129(3) of the Act, a report containing the salient features of the financial statements of the Company's subsidiaries and joint venture company in Form AOC-1 is attached as ***Annexure-3***.

COMPANIES WHICH HAVE BECOME OR CEASED TO BE THE COMPANY'S SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE FINANCIAL YEAR

No company has become or ceased to be the Company's subsidiary, joint venture or associate company during the financial year 2025-26.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations. However, members' attention is drawn to the statement on contingent liabilities, and commitments in the notes forming part of the financial statements.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Details of internal financial control and its adequacy are included in the Management Discussion and Analysis Report, which forms part of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

The Board of the Company has constituted a Corporate Social Responsibility (CSR) Committee and has framed a Corporate Social Responsibility Policy and identified Local Area Development, Social Mission (responsible travel and environmental sustainability) and Road Safety, as themes which are given preference while formulating CSR Annual Action Plan for the Company. The Company will continue to support social projects that are consistent with the Policy.

Corporate Social Responsibility Committee of the Company is presently constituted of:

1. Mr. Arun Vasu, Chairman of the Committee
2. Mr. Siddhartha Lal
3. Mr. Inder Mohan Singh
4. Ms. Ira Gupta

Annual Report on CSR activities is annexed as ***Annexure-4***.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared by the Company in accordance with the requirements of Indian Accounting Standard ("Ind AS")-110 "Consolidated Financial Statements" and Ind AS 28 "Investment in Associates and Joint ventures", prescribed under Section 133 of the Companies Act, 2013, read with the rules issued thereunder. The consolidated financial statements are provided as part of the Annual Report. A statement containing the salient features of the financial statements of each of the subsidiaries and joint ventures in the prescribed Form AOC-1 is attached to this Report.

Pursuant to Section 136 of the Act, the financial statements, consolidated financial statements and separate accounts of the subsidiaries are available on the website of the Company at **www.eichermotors.com**. These are also available for inspection by the shareholders at the Registered Office of the Company during business hours. The Company shall provide free of cost, the physical copies of the financial statements of the Company and its subsidiary Companies to the shareholders upon their request. The consolidated total Comprehensive income of the Company and its subsidiaries amounted to ₹ 5,633.88 Crores for the FY 2025-26 as compared to ₹ 4,504.12 Crores for the FY 2024-25.

AUDITORS

(a) Statutory Auditors and their report

M/s S. R. Batliboi & Co., LLP, Chartered Accountants (Firm Registration Number: 301003E/E300005), were re-appointed as Statutory Auditors in the 40th (Fortieth) Annual General Meeting (AGM) of the Company for the second term of five consecutive years, from the conclusion of the 40th AGM till the conclusion of the 45th AGM to be held in 2027. The Statutory Auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules made thereunder to continue to act as Statutory Auditors of the Company.

The Statutory Auditors had carried out audit of the financial statements of the Company for the financial year ended March 31, 2026 pursuant to the provisions of the Companies Act, 2013. The reports of Statutory Auditors form part of the Annual Report. The reports are self-explanatory and do not contain any qualifications, reservations or adverse remarks.

(b) Secretarial Auditors and their report

The Board of Directors had approved the appointment of M/s. AGSB & Associates, Company Secretaries, as Secretarial Auditors of the Company for a term of 5 (five) consecutive years commencing from FY 2025-26 till FY 2029-30, in terms of provisions of Regulation 24A of the SEBI (LODR) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/ CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024 and the Companies Act, 2013 to conduct the Secretarial Audit of the Company. The said appointment was approved by the shareholders at the 43rd Annual General Meeting of the Company.

As required under Section 204 of the Companies Act, 2013, the Secretarial Audit Report for the financial year ended March 31, 2026 is annexed as ***Annexure-5*** to this Report. The Secretarial Auditors' Report is self-explanatory and do not contain any qualifications, reservations or adverse remarks.

Further, VE Commercial Vehicles Limited ("VECV") is a Material subsidiary of the Company in terms of Regulation 16(1)(c) of the SEBI (LODR) Regulations, 2015. Pursuant to provisions of Regulation 24A of the SEBI (LODR) Regulations, 2015, the Secretarial Audit

Report submitted by the Secretarial Auditors of VECV is also annexed as ***Annexure-6*** to this Report.

(c) Cost Auditors

In terms of Section 148 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, it is hereby confirmed that the cost accounts and records are made and maintained by the Company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

M/s. Jyothi Satish & Co, a qualified Cost Accountant Firm (Firm registration No. 101197), has been appointed as the Cost Auditor to carry out audit of the cost records of the Company for FY 2025-26 pursuant to the provisions of the Companies Act, 2013. The Cost Auditor shall submit its report to the Board of Directors within the time prescribed under the Companies Act, 2013 and the rules made thereunder.

DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITORS

Pursuant to the provisions of Section 143(12) of the Companies Act, 2013, the Statutory Auditor, Secretarial Auditors and the Cost Auditors have not reported any incident of fraud to the Audit Committee or the Board during the financial year under review.

CORPORATE GOVERNANCE, MANAGEMENT DISCUSSION & ANALYSIS AND BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTS

As per SEBI (LODR) Regulations, 2015, the Corporate Governance Report together with the Auditors' certificate confirming compliance with the conditions of Corporate Governance, Management Discussion & Analysis Report and Business Responsibility & Sustainability Report forms part of the Annual Report.

INTEGRATED REPORT

The Company has prepared an Integrated Annual Report for FY 2025-26 which will help the stakeholders to understand the Company's economic, environmental, social and governance performance more effectively and analyse the financial and non-financial performance of the Company. Said Report will provide a better understanding of the Company's long-term perspective to the shareholders. This Report is available on the website of the Company at **www.eichermotors.com**.

ANNUAL RETURN

The Annual Return as required under Section 92 (3) read with Section 134(3)(a) of the Companies Act, 2013 is available on the website of the Company and the web link for the same is **https://eicher.in/content/dam/eicher-motors/investor/financial-and-reports/annual-reports/eml-mgt-7-2025-26-Final.pdf**

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a) that in the preparation of the Annual Financial Statements for the year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) that such accounting policies as mentioned in Note no. 3 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profits of the Company for the year ended on that date;

c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that the Annual Financial Statements have been prepared on a going concern basis;

e) that proper internal financial controls to be followed by the Company have been laid down and that the financial controls are adequate and were operating effectively; and

f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF DIRECTORS & EMPLOYEES

Disclosures as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1) Ratio of the remuneration of each director to the median remuneration of the employees of the Company and the percentage increase in remuneration of Directors & KMPs in the financial year:

Sl. No.	Name of the Director/KMP	Designation	Ratio of Remuneration of Directors to Median Remuneration of Employees	Percentage Increase in Remuneration for FY 2025-26 over FY 2024-25
1.	Mr. Siddhartha Lal	Executive Chairman (from February 13, 2025) Managing Director (upto February 12, 2025)	190.4	(33.9%)# Decrease in remuneration
2	Mr. Govindarajan Balakrishnan (Refer note A below)	Managing Director (from February 13, 2025) Whole Time Director (up to February 12, 2025)	106.3	25.9%
3.	Mr. Inder Mohan Singh	Non-Executive Independent Director	6.1	29.4%
4.	Mr. S. Madhavan	Non-Executive Independent Director	6.2	36.3%
5.	Mr. Tejpreet Singh Chopra	Non-Executive Independent Director	5.9	36.1%
6.	Ms. Ira Gupta	Non-Executive Independent Director (Appointed w.e.f. February 10, 2025)	6.0	N.A.*
7.	Mr. Arun Vasu	Non-Executive Independent Director (Appointed w.e.f. February 13, 2025)	6.2	N.A.*
8	Ms. Vidhya Srinivasan (Refer note B below)	Chief Financial Officer	-	19%
9.	Mr. Atul Sharma	Company Secretary	-	32.9%

Remuneration of Directors/Key Managerial Personnel (KMP) who have held their respective positions for a part of the year in either FY 2024-25 or in FY 2025-26 has not been annualised.

#With the appointment of Mr. Siddhartha Lal as the Executive Chairman and cessation as the Managing Director of the Company w.e.f. February 13, 2025, the Nomination and Remuneration Committee and the Board made changes in his remuneration commensurate with his new position in the Company.

**The % change in remuneration is not comparable as the said Directors held their respective positions for a part of the year either in FY 2024-25 or in FY 2025-26 and hence the same is not provided.*

Note:

A) The annual remuneration of Mr. Govindarajan Balakrishnan for the FY 2024-25, without considering the perquisite value of employees' stock options on exercise, was ₹ 8.37 Crores. During the FY 2025-26, no stock options were exercised by Mr. Govindarajan Balakrishnan. His annual remuneration for the FY 2025-26 was ₹ 10.54 Crores, as compared to ₹ 8.37 Crores for FY 2024-25, representing an increase of 25.9%.

B) The annual remuneration of Ms. Vidhya Srinivasan for the FY 2025-26, was ₹ 4.38 Crores without considering the perquisite value of employees' stock options exercised during the year, representing an increase of 19% from FY 2024-25.

C) Until March 31, 2026, Mr. Vinod Kumar Aggarwal was the Managing Director and CEO of VE Commercial Vehicles Ltd (VECV), a material subsidiary of the Company and drew remuneration from VECV in accordance with the limits permitted under the Companies Act, 2013 and the rules thereunder and as approved by the Nomination and Remuneration Committee and the Board of VECV. No remuneration was paid to Mr. Vinod Kumar Aggarwal from the Company during the FY 2025-26. As part of his remuneration from VECV, he was eligible for the benefits under the long-term incentive plan of VECV, which includes issue of Stock Options pursuant to Eicher Motors Limited Restricted Stock Unit Plan 2019 (RSU Plan, 2019). During FY 2025-26, certain stock options have been granted to Mr. Vinod Kumar Aggarwal pursuant to the RSU Plan, 2019 of the Company as per the recommendation received from VECV. VECV shall bear the entire cost of the Stock Options granted by the Company. VECV shall reimburse to the Company, cost of said Stock Options calculated pursuant to the recognised valuation method and there will not be any financial impact on the Company.

2) Percentage increase in the median remuneration of the employees in the financial year: 8.63%

3) Number of permanent employees on the rolls of Company as at March 31, 2026: 5,333 employees consisting of 4,935 male and 398 female.

4) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

   The average percentage increase in remuneration of the employees (other than managerial personnel) in the financial year was 8.4%, however there was a decrease in the managerial remuneration of 25.2%. If we include the perquisite value of employees stock options exercised during the financial year, the percentage increase for employees (other than managerial personnel) was 6.3%, however there was a decrease in the managerial remuneration of 34.4%.

5) It is hereby affirmed that the remuneration is paid as per the Remuneration Policy of the Company.

   Further, a statement containing particulars of top ten employees in terms of the remuneration drawn and employees drawing remuneration in excess of the limits set out in Rule 5(2) ξ (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are provided as part of the Directors' Report. However, in terms of provisions of Section 136 of the said Act, the Annual Report is being sent to all the members of the Company and others entitled thereto, excluding the said statement. Any member interested in obtaining such particulars may write at **investors@eichermotors.com**. The said information is also available for inspection at the Registered Office of the Company during working hours till the date of the Annual General Meeting.

RISK MANAGEMENT

Requisite information is provided under Management Discussion and Analysis Report which forms part of the Annual Report on page no. 156.

COMPLIANCE OF SECRETARIAL STANDARDS

During the financial year under review, the Company has complied with applicable Secretarial Standards specified by the Institute of Company Secretaries of India pursuant to Section 118 of the Companies Act, 2013.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. An Internal Complaints Committee is also formed, as per the requirement of the aforesaid Act, to redress the complaints received on sexual harassment. During the financial year under review, the Company has received three complaints of sexual harassment. As per the prescribed process, enquiries have been conducted and the complaints were closed during the year.

The Company also conducts various programmes in the organisation on a continuous basis for spreading awareness. During the financial year, approximately 15,342 employees/ trainees participated in awareness programs on prevention of sexual harassment at workplace. The training/ programs were conducted through workshops, e-learning modules and as part of new hires induction programme.

The following is a summary of sexual harassment complaints received and closed during the financial year:

Number of complaints received	03
Number of complaints closed	03
Number of cases pending for more than ninety days	00

COMPLIANCE OF THE PROVISIONS RELATING TO THE MATERNITY BENEFITS ACT, 1961

Your Company is in compliance with the provisions of the Maternity Benefits Act, 1961 for the year ended March 31, 2026.

PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

No Corporate Insolvency Resolution Process had commenced against the Company during the financial year under the Insolvency and Bankruptcy Code, 2016. No proceedings were pending against the Company under the Insolvency and Bankruptcy Code, 2016 as at the end of the financial year.

ONE-TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS

During the financial year, there was no one-time settlement with any bank or financial institution. Hence, no valuation was required to be undertaken.

ACKNOWLEDGEMENT

We thank our customers, business associates and bankers for their continued support during the financial year.

We wish to convey our deep appreciation to the dealers of the Company for their achievements in the area of sales and service, and to suppliers/ vendors for their valuable support.

We also place on record our sincere appreciation for the enthusiasm and commitment of the Company's employees for the growth of the Company and look forward to their continued involvement and support.

For and on behalf of the Board of Directors
For Eicher Motors Limited

Siddhartha Lal
Executive Chairman
DIN: 00037645
Place: Gurugram
Date: May 22, 2026

Govindarajan Balakrishnan
Managing Director
DIN:03093035
Place: Gurugram
Date: May 22, 2026

ANNEXURE-1

INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013, READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

(A) CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of Energy

1. Oragadam Plant Paint Shop Robot line-Color change reduction from 4 links gap to 1 links gap & Twins family Fuel tank jig density improvement resulted in energy saving of 1,51,140 Kwh.

2. "J" Platform Frame Jig orientation modified for gap elimination towards jigs envelope improvement resulting in 250 links/day saving in the Paintshop process at Oragadam Plant resulted in energy saving of 30,600 kWh.

3. Pneumatic guns replaced as a battery gun resulted in energy saving of 12,054 kWh.

4. Laser marking machine idle cut off done for 20 machines resulted in saving of 24,960 kWh

5. Plastic Line process reduction from 3C2B (3 Coat 2 Base) to 2C1B (2 Coat 1 Base) by implementing PLD (Pre Lacquer Decal) sticker in sidepanels at Oragadam Plant resulted in saving of 23,750 kWh.

6. Himalayan and Guerrilla motorcycle frame jig implementation in Powder Coating & Frame continuous loading in powder coating at Oragadam Plant resulted in saving of 20,134 kWh.

7. Cowl primer commonisation with engine primer resulted in saving of 5,063 kWh.

8. Variable Frequency Drive (VFD) implementation in various locations resulted in saving of 20,064 kWh.

9. Passivation-Silencer Basket density improvement resulted in saving of 4,800 Kwh

10. Lighting system enhancement 90W LED Lights replaced and resulted in saving of 3,308 kwh.

11. One touch manager implementation for AC controls resulted in a reduction of 448 Kwh.

12. CNC Machine hydraulic intermediate power pack conversion resulted in 72,000 Kwh of energy saving.

13. Implementation of Pneumatic movement to electrical movement conversion in Engine Assembly Vallam Transfer slide resulted in saving 9108kwh/ year.

14. Idle time reduction of compressor by reducing pressure from 6.5 bar to 5.5 bar resulted in saving of 26,400 kWh.

15. Wash Water RO Skid Variable frequency drive conversion resulted in saving of 904Kwh.

16. Scrubber Variable drive frequency reduced from 50 Hz to 40 Hz, resulting in annual energy savings of 280,800 kWh.

17. Air blower bypass valve implementation was carried out for blower optimisation, resulting in annual energy savings of 12,864 kWh.

18. Lighting Distribution Board (LDB) timer implementation was completed for controlled operation, resulting in annual energy savings of 48,024 kWh.

19. Motion sensor implementation in the filter pump area and UPS (Uninterruptible Power Supply) rooms resulted in annual energy saving of 9,468 kWh.

20. NAF scrubber manual ON/OFF control provided during idle time operation, resulting in annual energy savings of 403,200 kWh.

21. Air Handling Unit (AHU) blower ON/OFF control implemented in the canteen AHU system, resulting in annual energy savings of 103,680 kWh.

22. Shopfloor exhaust fan timer implementation completed, resulting in annual energy savings of 24,756 kWh.

23. Overall LPG Saving 2.71 M Tons in FY 2025-26, through various projects like the heat pump.

(ii) The steps taken by the Company for utilising alternate sources of energy

1. 22 MWp offsite group captive power generates approx. 3,30,16,180 kWh of renewable energy.

2. 75kWp rooftop solar installed at Headquarters resulting in saving the conventional energy of 79,923 kWh

3. 3MWp rooftop solar across Oragadam, Vallam Vadagal and Cheyyar plants generates approx. 36,06,959 kWh of renewable energy.

(iii) The capital investment on energy conservation equipment
₹ 8.24 Crores

(B) TECHNOLOGY ABSORPTION

Petrol Motorcycles:

Engine Development

- Rubber damper arrangement has been integrated into sprocket cover to reduce noise
- Glass core technology has been implemented in cam shaft to eliminate machining stress
- Cam chain life enhanced by Vanadium-coated pins for higher wear resistance & fatigue strength
- Engine oil grade upgraded from American Petroleum Institute Service Category SL to American Petroleum Institute Service Category SN grade to improve the oil shear stability
- High lift decompression pin introduced to improve starter cranking noise
- Phosphate coating introduced to improve Molycoat adhesion on the piston skirt surface
- Clutch effort reduced in Meteor & Hunter 350 by introducing Assist & slipper (A&S) clutch technology
- Platinum Group Metals (PGM) synergy technology for better Platinum Group Metals (PGM) utilisation in catalyst

Vehicle Development

350 cc Platform vehicles

- Classic styled aluminium tubeless type wire spoke rims developed for Meteor
- Weight reduction done with thickness optimisation using higher grade steels
- Enhanced brake pad life done with a new organic material composition without compromising braking performance
- Friction reduction bush added in brake pedal
- Mass reduction through process change from machined bushes to extruded tubes
- Tyre mass reduction with new construction

450 cc Platform vehicles

- Hydroformed Aluminium handlebar introduced for mass reduction
- Detachable seat cowl for premium aesthetics
- Wet grip performance improved with a new tyre compound
- Chassis mounted pillion hand hold strap introduced
- Stainless steel clutch cable with nylon coating introduced for enhanced life
- Tyre mass reduction with new construction
- Ultraviolet (UV) resistance additive added in plastic material for enhanced life

650 cc Platform Vehicles

- Stainless steel Clutch cable with nylon coating introduced for enhanced life
- Aesthetically superior gold-hued surface finish applied to front fork inner tubes
- Premium leather seating featuring intricate quilted stitching for enhanced visuals
- Handcrafted brass tank badge done by traditional lost wax investment casting method

Electrical & Electronics Development

- Ferrite based Magneto as an alternate to rare earth magnets
- Type C Universal Serial Bus (USB) Fast charger implemented
- Instrument cluster software modified to suit both gear position sensor & Neutral Switch configurations
- Roll over sensor with Non Heavy Rare Earth (HRE) magnet implemented
- Chrome plated metallic switch module introduced

Computer-Aided Engineering

- Water Jacket Gasket Optimisation: Utilized Design of Experiments (DOE) and optimisation techniques to enhance coolant flow within Internal Combustion Engines
- Conducted combustion analysis and knocking studies focussed on enhancing engine efficiency and minimising emissions
- Implemented a one dimensional (1D) tool-based methodology for predicting rotary excitations of the crankshaft
- Formulated a one dimensional (1D) tool-based methodology for calculating flow noise and transmission loss for exhaust systems

- Established a new PAVE - Power Spectral Density (PSD) fatigue analysis process for frame evaluation using Road Load Data Acquisition (RLDA) data to identify signal-related hotspots
- Created a predictive methodology for identifying stress hotspots within vehicles during bump rig and two-poster loadcases
- Utilised Design of Experiments (DOE) - thickness parameters to optimise the weight of the frame and swingarm, enhancing efficiency while maintaining adherence to Computer Aided Engineering (CAE) targets
- Implemented Topology and Gauge Optimisation for the frame through design space and parameter analysis

Testing and Validation

- Development of inhouse pass by noise setup in Semi Anechoic room by establishing correlation with pass by noise track testing
- Electric Linear actuator for fatigue testing
- Thermal shock tests developed for validation under extreme temperatures
- Electrical Vehicle Transmission
- Primary & Secondary Transmission Drive with Belt system
- Primary drive & Secondary drive are placed on the same side with an integrated middle pulley
- Sintered process used for consistent tolerance & High volume manufacturability
- Aluminum rear pulley with thermal spray coating on the tooth profile, specifically engineered to withstand the carbon cord within the belt system.
- Electrical Vehicle Computer Aided Engineering
- Battery Pack Safety: Established a simulation process for foam filling and expansion to mitigate thermal runaway in battery systems
- Established a methodology to assess reliability and calculate Failures in Time (FIT) rates for hardware components
- Developed a Model-in-the-Loop testing methodology using Model based systems Engineering (MBSE) approach which incorporates Modified Condition/Decision Coverage
- Methodology established to evaluate an Electromagnetic Interference (EMI) filter for an on-board charger to mitigate conducted emissions
- Established a simulation framework to model an open-loop Motor Control Unit (MCU), providing a robust platform for validating hardware and software before deployment
- Established a computational procedure for assessing Motor and Gear noise, complemented by a Design of Experiments (DOE) study aimed at acoustic optimisation
- Created a new fatigue analysis methodology to assess battery pack life for PAVE loadcase conditions

Electric Vehicle (EV):

1. EV Development

- Started in Q3 - 2022 and EV team building initiated
- Early mule development to enhance the e-powertrain testing
- Team started the platform approach and working on 96V-120V for "Flying Flea C6"
- Later in 2024, 2025, and 2026 - team have also worked on 360V platform (LxG) and 72V platform
- RE has developed a modular platform approach which will cater to multiple products
- Finalised voltage platform
  - » 96-120V: High-performance urban commuting; lightweight and agile
  - » 360V: Long-range touring and flagship performance
  - » 72V: Entry-level accessibility and emerging market urban mobility
  - » 48V (for prototype): Proof-of-concept testing

2. In-house Design Capability

EV Functional Domain Framework (G1-G6): This framework categorises EV development into six specialised competency groups, ensuring a modular approach to vehicle architecture, safety, and performance.

2.1 G1 - Powertrain group

- » Core Components: Traction Motors, Motor Control Units (MCU), Transmission

- It focuses on the conversion of electrical energy into mechanical torque and the management of high-voltage power flow to the wheels
- Developed 15kW peak power integrated IPMSM (Motor + MCU)
- Dual stage belt drive system has been designed and developed
- Integrated motor and gearbox with peak power of 7.2kW for N1 development in progress

2.2 G2 – Battery energy group

- Core Components: Battery Pack (Cells, Modules), Battery Management System (BMS), and Thermal Interface Materials
- It manages the vehicle's primary energy source. This domain is critical for determining the vehicle's range, safety profile, and charging capabilities
- Developed 3.91kWh battery pack having inhouse laser-welded modules
- Smart BMS with cell balancing within 20mv
- ~2.5kWh battery pack for N1 inhouse

2.3 G3 – Auto electric and System integration group

- Core components: Low-Voltage (LV) Wiring Harness, Control switches, Lighting system, Communication Buses (CAN, LIN)
- It acts as the 'nervous system' of the EV. It bridges the gap between high-voltage propulsion and low-voltage consumer electronics, ensuring seamless communication across the vehicle
- Developed 5" LED headlamp, intelligent switch cube and other auto electric components such as wireless charger etc
- System integration group defines and controls the requirements, architecture and integration of all E&E components, HW and SW compatibility and its functional aspects

2.4 G4 – Hardware group

- Core components: On-Board Charger (OBC), Vehicle Control Unit (VCU) hardware, BMS hardware
- It specialises in the physical electronic assemblies that govern power conversion and logic processing. This group ensures that the silicon and PCB levels meet automotive-grade durability
- Developed an integrated On Board Charger and High Power Direct Current to Direct Current Converter (2.2kW) with IP67 aluminium casing
- CE and Automotive Safety Integrity Level compliant Vehicle Control Unit having global technical partnership with Qualcomm and NXP
- Battery Management System with inbuilt Low Power Direct Current - Direct Current converter and with thermal runaway detection as per Automotive Industry Standard 156

2.5 G5 – Structural group

- Core components: chassis/frame, suspension, braking systems, wheels, tires, and body panels
- It encompasses the physical 'body' of the vehicle. While EVs share some structural traits with traditional vehicles, it accounts for the unique weight distribution and center of gravity caused by the battery pack placement
- Developed weld free aluminum forged chassis & swing arm
- Magnesium battery casing (as a structural component)
- Girder fork and links mechanism has been designed and developed

2.6 G6 – Software group

- Core components: Application Software, Middleware, Firmware OVER-THE-AIR (FOTA) stacks, and Diagnostic layers
- It provides the 'intelligence' of the vehicle. In the modern era of Software-Defined Vehicles (SDV), this group is responsible for the logic that dictates how all other groups behave
- Developed inhouse firmware for following
  - Vehicle Control Unit
  - Battery Management System
  - On Board Charger

3. In-house Manufacturing Capability

- Throughout the vehicle batches from ED2 through to PP3, now Start of Production (SOP). Our manufacturing infrastructure has served as the critical foundation for quality validation and process stabilisation. By integrating advanced automation and digital interlocking early in the cycle, we have ensured that every vehicle batch—from initial prototypes to the final pre-production series—adheres to the highest global standards

- Battery Module & Pack line: The facility has undergone a comprehensive transition to support the latest battery architecture with a focus on high-throughput and safety
  - » Laser Welding machine: To ensure high precision and superior weld strength, we utilise an in-house laser welding machine featuring a 2kW power rating and a 4-axis servo system. Managed by Programmable Logic Controller and Computer Numerical Control logic, the system incorporates vision-based technology for accurate bus bar center detection, resulting in minimal distortion and a reduced heat-affected zone
  - » Full Robotic Integration: Every station throughout the assembly line is governed by robotic systems, ensuring a zero-manual-intervention workflow for enhanced precision
  - » Current station capacity is confirmed at 30,000 units per annum
  - » Implementation of Autonomous Mobile Robots (AMR) for seamless pack transport. This system manages complex routing from the assembly line to the cycler area and across floors via automated Vertical Reciprocating Conveyors (VRC) and auto-doors—marking a first-of-its-kind logistics automation for the plant
  - » Cell CT scan machine: High precision non-destructive testing machine where an ease of radiation is converted into 3D volume to reliably detect a flaw by modern technology and methodology. It helps to analyse the cells in different lots for production and also to compare across the suppliers for part selection
  - » Integration of a dedicated Thermal Propagation Prevention machine. This ensures every pack meets stringent safety protocols to mitigate thermal runaway risks before vehicle integration
- Motor Assembly line: The motor line is a fully integrated ecosystem, ensuring high-precision output for the EV powertrain
  - » Stator assembly: The winding and assembly conveyors are fully operational with 100% error-proofing (interlocking) to ensure every coil meets exact electrical specifications
  - » Rotor assembly: A dedicated line for magnet insertion, curing, balancing, and magnetisation is commissioned. The inclusion of high-speed balancing and magnetising stations ensures peak motor efficiency and reduced NVH (Noise, Vibration, and Harshness)
  - » Final Assembly & EOL: The final motor assembly is governed by an interlocked conveyor system, culminating in a comprehensive End-of-Line (EOL) testing suite to validate performance before it reaches the vehicle line
- Vehicle Assembly line - The vehicle assembly process has been digitized to ensure high level traceability for every unit
  - » Full Digital Interlocking: The mainline is 100% interlocked via Pick-To-Light (PTL) systems and DC precision tools, ensuring error-proof assembly and specialised battery handling
  - » ECOS Integration & Traceability: For the first time, ECOS 1–4 are fully integrated. All torque data, software flashing, and test results are digitally tethered to the Vehicle Identification Number, creating a robust audit trail for every unit
  - » Sub-Assembly Optimization: Finalising 100% interlocking across sub-lines to mirror mainline digital standards, eliminating manual error and ensuring a 'zero-defect' flow into primary assembly

4. ***Autonomous Strategic Sourcing for EV bike development***
   - We have categorised our sourcing from G1 to G6 to better manage risk and ensure business continuity
   - Supply redundancy strategy:
     - » To prevent supply chain bottlenecks, the following vital parts are being developed through both internal and external channels:
       - Motor
       - On Board Charger
       - Battery management system
       - Motor Control Unit
     - » SOM (System on Module) Diversification: To mitigate dependency on a single chipset provider, we have successfully onboarded CAVLI as a qualified alternative source to Quectel.
     - » Aluminum Forging Localisation: In a strategic move to optimise costs and reduce lead times, we have initiated localisation for Al Forged parts with an Indian supplier
   - Motor Transition: We have successfully executed a seamless transition from Heavy Rare Earth to Heavy Rare Earth Free motors.

- Process enhancements in part developments:
  - » Robotic assembly integration -
    - The assembly of VCU (Vehicle Control Unit) and Instrument Clusters is now fully robotic. This minimises human error, ensures precise torque control, and maintains high-speed throughput
    - Plastic Painting: Partnering with Pricol, we have implemented robotic painting lines to ensure uniform finish quality and reduced Volatile Organic Compounds emissions
  - » Rigorous Testing Protocols: To ensure 'Zero-Defect' delivery, we have mandated 100% End-of-Line (EOL), In-Circuit Testing (ICT), and Functional Circuit Testing (FCT) for every controller unit produced
  - » Shoki Ryudo Kanri (SRK) Process Deployment: Formally deployed the SRK process across all EV suppliers

5. ***Creation of 'World Class EV Lab' for sub-system validation & reliability***

- Formal Commissioning on Nov 20, 2024, but preliminary testing commenced at the component level from Aug 2024 onwards
- DSIR Certification (May 15,2025): The facility is officially recognised by the DSIR, validating our commitment to R&D excellence and enabling significant fiscal incentives
- The lab has been the backbone of our iterative design process, providing rigorous validation across multiple prototype & builds
- Outfitted with Polyisocyanurate panels for superior thermal insulation and ESD (Electrostatic Discharge) tiling to protect sophisticated semiconductor components during assembly and testing
- High-fidelity equipment to push our powertrain and energy storage systems to their limits:
  - » High-Performance Revolution Per Minute (RPM): A 55kW, 150 Nm, 10,000 RPM dynamometer capable of high-speed transients
  - » Back-to-Back (B2B) Rigs: Facilitates continuous motor durability testing, allowing for energy-efficient power circulation during long-run reliability trials
  - » Precision Energy Testing: Integrated cell and battery cyclers characterise battery chemistry behavior, degradation profiles, State of Charge / State of Health accuracy and battery life estimations
- Equipped with EUCAR - Level 6/7 environmental safety chambers for battery testing, allowing us to simulate extreme global operating conditions to ensure and validate product performance & reliability from -40°C to +85°C
- Electrical Diagnostics: High-bandwidth Mixed Signal Oscilloscopes paired with 6kVA AC programmable power sources enable deep-dive analysis of power quality and electromagnetic compatibility
- Hardware-in-the-Loop (HIL) System: This allows our firmware and software teams to test control logic against a real-time virtual vehicle model. It significantly reduces the need for physical prototypes, shortens calibration cycles, and ensures safety-critical software is 'bug-free' before hitting the road
- The lab features a heavy-duty mechanical validation suite to simulate real-world road load data:
  - » Vibration & Impact: A 4.5-ton vibration shaker and dedicated bump rigs provide Accelerated Life Testing (ALT) for mechanical enclosures and mountings
  - » Hydraulic Actuation: High-performance actuators for multi-axis fatigue testing of critical structural members
- Computer-Aided Engineering: To predict structural, thermal, and electromagnetic behavior long before physical prototypes are built. This Shift-Left strategy identifies potential failure points early, ensuring a Right-First-Time engineering approach
- The Battery and Motor Prototyping Laboratory offers end-to-end capabilities for the design, development, and validation of advanced powertrain concepts. Supporting architectures from Low Voltage (LV) to High Voltage (HV) ranges (60V – 400V) and power ratings spanning 5kW to 50kW, the facility serves as a critical sandbox for rapid prototyping. By enabling rigorous verification of initial proofs of concept, the lab mitigates technical risk prior to final design freeze and large-scale implementation

The expenditure incurred on Research and Development:

a) Revenue expenditure: ₹ 186.74 Crores

b) Capital expenditure: ₹ 567.95 Crores

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, total foreign exchange earnings were ₹ 2,585.85 Crores (Previous year ₹ 1,874.83 Crores). Foreign exchange outflow amounting to ₹ 1,317.32 Crores (Previous year ₹ 1,189.62 Crores) was towards import of components, spare parts, capital goods, salaries & wages, advertisement, business travel and consulting fees.

ANNEXURE-2

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Name of the Company: Eicher Motors Limited

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS: There were no contracts or arrangements or transactions entered into during the financial year ended March 31, 2026, which were not at arm's length basis.

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:

a)	**Corporate identity number (CIN)**	VE Commercial Vehicles Limited - U74900DL2008PLC175032 and Volvo Group India Private Limited- U50101KA1996PTC024176
b)	**Names of the related party & nature of relationship**	The material related party transactions are between VE Commercial Vehicles Limited ("VECV"), an unlisted material subsidiary of Eicher Motors Limited and Volvo Group India Private Limited ("VGIPL"), a related party of VECV. Eicher Motors Limited is not a party to the transactions. VECV and VGIPL are related parties pursuant to Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Ms. Sofia Helena Frandberg is the common directors on the Board of VECV and VGIPL.
b)	**Nature of contracts/arrangements/ transaction**	VECV has undertaken following related party transactions with VGIPL: (i) Purchase of goods/ services; (ii) Purchase of demo trucks and tech tools; (iii) Sale of finished goods/services; (iv) Incentives on part sales, expenses recovered; (v) Reimbursement of expenses and ancillary transactions The RPTs are at arm's length and in the ordinary course of business of VECV and VGIPL.
c)	**Duration of the contracts/ arrangements/transaction**	Ongoing transactions (Shareholders have accorded their approval for the transaction at the 43rd Annual General Meeting held on August 21, 2025 by way of an Ordinary Resolution pursuant to Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015).
d)	**Salient terms of the contracts or arrangements or transaction including the value, if any**	Please refer to the notice of 43rd AGM available on the website of the Company at **www.eichermotors.com**. Threshold of ₹ 4,000 Crores was fixed by the shareholders of Eicher Motors Limited for said transaction for the financial year 2025-26. Actual value of the transaction during the financial year 2025-26 has been ₹ 2,430.67 Crores. The pricing mechanism followed for Related Party Transactions is based on arm's length principle.
e)	**Date of approval by the Board**	May 14, 2025
f)	**Amount paid as advances, if any**	As per the agreement signed between VECV and VGIPL

For **Eicher Motors Limited**

Siddhartha Lal
Executive Chairman
DIN: 00037645
Place: Gurugram, Haryana
Date: May 22, 2026

Govindarajan Balakrishnan
Managing Director
DIN:03093035
Place: Gurugram, Haryana
Date: May 22, 2026

ANNEXURE-3

FORM AOC-1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES

[Pursuant to First Proviso to Sub-Section (3) of Section 129 of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014]

PART A- SUBSIDIARIES

₹ in Crores

S. No.	Name of Subsidiary	VE Commercial Vehicles Ltd. (VECV)	VECV Lanka (Private) Ltd	VECV South Africa (PTY) Ltd.	VE Electro-Mobility Limited	VE Connected Solutions Private Limited	PT VECV Automotive Indonesia	Royal Enfield Brasil Comércio de Motocicletas Ltda	Royal Enfield (Thailand) Limited	Royal Enfield North America Limited (RENA)	Royal Enfield Canada Limited	Royal Enfield UK Limited	Royal Enfield Europe B.V	Eicher Group Foundation (Licenced under Section 8(1) of the Companies Act 2013
		Subsidiary of the Company u/s 2(87) and accounted for as JV as per the Accounting Standards	Subsidiary of VECV	Subsidiary of VECV	Subsidiary of VECV	Subsidiary of VECV	Subsidiary of VECV	Subsidiary of company	Subsidiary of company	Subsidiary of company	Subsidiary of RENA	Subsidiary of company	Subsidiary of company	Subsidiary of company (50% shareholding held by the Company and remaining 50% held by VECV)
1	Reporting Period for the subsidiary concerned if different from the holding company's reporting period.*	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026	01/04/2025 to 31/03/2026
2	The date since when subsidiary was acquired	March 07, 2008	April 09, 2013	January 22, 2016	April 27, 2022	May 15, 2024	October 25, 2024	August 18, 2014	September 18, 2018	March 23, 2015	April 19, 2016	August 20, 2019	March 21, 2024	November 19, 2015
3	Reporting currency and exchange rate as on last date of the relevant Financial Year in case of foreign subsidiaries.	INR	LKR 1 LKR = ₹ 0.2976	ZAR 1 ZAR = ₹ 5.4940	INR	INR	IDR 1 IDR = ₹ 0.0056	BRL 1 BRL = ₹ 17.9581	THB 1 THB = ₹ 2.8659	USD 1 USD = ₹ 94.6543	CAD 1 CAD = ₹ 67.3969	GBP 1 GBP = ₹ 125.6347	EUR 1 EUR = ₹ 109.0064	INR
4	Share Capital	10.00	5.43	11.50	35.00	0.50	9.66	273.96	52.95	49.62	0.12	76.64	38.15	0.05
5	Other Equity	6,820.01	(1.29)	15.81	5.19	4.28	(1.10)	(111.01)	(40.41)	(154.84)	3.18	(76.50)	(1.98)	2.94
6	Total Assets	16,912.20	24.02	79.40	43.65	11.32	9.19	965.96	81.65	191.12	6.68	124.41	164.63	10.51
7	Total Liabilities	10,082.19	19.88	52.09	3.46	6.54	0.63	803.00	69.11	296.34	3.38	124.27	128.46	7.52
8	Investments (current & non-current)	56.41	-	-	-	-	-	-	-	0.13	-	-	-	-
9	Turnover (Gross)	26,995.89	61.25	170.93	14.99	91.10	-	1,156.88	169.94	244.82	25.08	154.84	150.62	-
10	Contribution received		-	-	-	-	-	-	-	-	-	-	-	91.74
11	Profit before Taxation	1,951.87	5.21	6.46	3.75	4.62	(1.65)	14.45	(0.72)	(75.17)	1.00	(22.44)	5.34	0.90
12	Provision for Taxation	496.68	0.83	1.75	0.94	1.15	0.38	-	-	0.16	0.14	-	-	-
13	Profit after Taxation	1,455.19	4.38	4.71	2.81	3.47	(1.27)	14.45	(0.72)	(75.33)	0.86	(22.44)	5.34	0.90
14	Proposed Dividend	272.00	-	-	-	-	-	-	-	-	-	-	-	-
15	% of Shareholding **	54.40%	100% held by VECV	100% held by VECV	100% held by VECV	51% held by VECV	99.99% held by VECV	100.00%	100.00%	100.00%	100.00% held by RENA	100.00%	100.00%	50.00%

** For consolidation of financial statements and for the purpose of disclosure in this form reporting period of all subsidiaries is same as that of the Company.*

***In order to comply with the statutory requirement of minimum number of shareholders (a) 1 share in Royal Enfield Brasil Comércio de Motocicletas Ltda is held by Eicher Goodearth Private Limited as nominee of the Company (b) 2 shares in Royal Enfield (Thailand) Limited are held by 2 employees (1 share each) as nominee of the Company.*

PART B – JOINT VENTURE

Sl. No.	Name of Joint Venture	Eicher Polaris Private Limited (EPPL)
1	Latest audited Balance sheet	March 31, 2026
2	Date on which joint venture was associated/acquired	October 10, 2012
3	**Shares of Joint Venture held by the company on the year end**	
	Number of shares as on March 31 2026	32,54,89,000 Shares
	Amount of Investment in Joint Venture - ₹ Crores	325.49
	Extend of Holding %	50%
4	Description of how there is significant influence	There is no significant influence by Eicher Motors Limited since EPPL is a joint venture company with 50% shares held by Eicher Motors Limited
5	Reason why joint venture is not consolidated	Not applicable as EPPL is under Voluntary Liquidation
6	Net worth attributable to Shareholding as per latest audited Balance Sheet - ₹ Crores	2.84
7	Profit/Loss for the year	
	i. Considered in Consolidation - ₹ Crores	Refer Note below
	ii. Not Considered in Consolidation - ₹ Crores	Refer Note below

Note :

1 *EPPL had commenced voluntary liquidation proceedings pursuant to the Insolvency & Bankruptcy Code, 2016 w.e.f. February 18, 2020.*

2 *During the FY 2025-26, the Company has not considered any impairment loss (₹ Nil for the year ended from March 31, 2020 to March 31, 2026. For the year ended March 31, 2019 and year ended March 31, 2018 : ₹ 17.52 Crores and ₹ 311.98 Crores was the impairment loss respectively). The cumulative impairment till March 31, 2026 is ₹ 329.50 Crores including an amount of ₹ 4.01 Crores towards the Company share of cost to wind down the operations.*

3 *EPPL incurred a loss of ₹ 0.25 Crores during the FY 2025-26 of which the Company's share of loss is ₹ 0.13 Crores.*

ANNEXURE-4

Annual Report on Corporate Social Responsibility (CSR) Activities for FY 2025-26

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

The Board of Directors of the Company had approved the Corporate Social Responsibility Policy of the Company pursuant to Section 135 of the Companies Act 2013 ("the Act") and relevant rules prescribed thereunder.

The Policy, inter-alia, lays down the criteria for identifying programmes eligible for financial assistance and for determining the quantum of assistance in relation with such programmes, implementation procedure for programmes, evaluation, monitoring and reporting framework and administration mechanism. Programmes that are eligible in accordance with the Act and are consistent with the CSR themes of the Company are presented to the CSR Committee and the Board for approval.

Following CSR themes are given preference while formulating Annual Action Plans:

i. Local Area Development

ii. Social Mission - Responsible Travel and Environmental Sustainability

iii. Road Safety

The CSR Committee may include any other themes on CSR that are within the purview of Section 135 of the Act read with Schedule VII thereto.

The Company ensures that every programme has:

i. Clearly defined objectives consistent with the Policy

ii. A system for monitoring actual spending on the projects

iii. Impact assessment, wherever required

iv. A reporting framework

Suitable CSR programmes are presented to the CSR Committee for evaluation. The proposal includes the proposed budget, social need for the programme and benefits expected. The CSR Committee recommends desirable programmes with all necessary details to the Board for approval.

All CSR programmes are closely monitored through field visits, comprehensive documentation and regular interaction with beneficiary communities.

The Company implements its CSR Programmes on its own or through Eicher Group Foundation (EGF), a section 8 Company incorporated by the Company and its unlisted subsidiary VE Commercial Vehicles Limited (VECV) with a view to facilitate and monitor CSR initiatives of the Company and VECV. The Company also collaborates with third parties for undertaking CSR Programmes in such manner as the CSR Committee may deem fit.

The Company will continue to support social projects that are consistent with the CSR policy of the Company.

2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee which the members were eligible to attend during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Arun Vasu	Chairman of the Committee, Non-executive Independent Director	5	5
2	Mr. Siddhartha Lal	Member, Executive Director	5	4
3	Mr. Inder Mohan Singh	Member, Non-Executive Independent Director	5	4
4	Ms. Ira Gupta	Member, Non-Executive Independent Director	4	4

Note: Ms. Ira Gupta was appointed as Member of the Committee w.e.f May 14, 2025.

3. PROVIDE THE WEB-LINK(S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

Composition of the CSR committee is mentioned above and is available on the Company's website at **https://www.eicher.in/consitution-of-board-committee**

CSR Policy of the Company is available at **https://www.eicher.in/content/dam/eicher-motors/Eicher-Corporate-Social-Responsibility-Policy.pdf**

CSR Projects approved by the Board are available at **https://www.eicher.in/details-of-csr-projects**

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8, IF APPLICABLE:

The executive summary of the impact assessment of the CSR initiatives of the Company carried out in 2025-26 in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is provided below. The detailed impact assessment report(s) are available on the website of the Company at **https://www.eicher.in/investors-overview/corporate-governance/csr**

Impact Assessment 1:
Project: Local Area Development

CSR initiative: Skill Development — Don Bosco Tech Society, Lucknow

Impact assessment carried out by: Sambodhi Research and Communications Private Limited

The Company had partnered with Don Bosco Tech Society to deliver centre-based residential automotive skills training for marginalised youth in Lucknow, Uttar Pradesh from 2022 to 2024. The programme covered four automotive job roles including Two-Wheeler Service Technician and Automotive Sales Executive, combined with on-the-job training at Royal Enfield dealerships, Automotive Skill Development Council-aligned certification, and post-placement support.

Findings — 49% of the participants secured employment post-training, out of which 85.7% were placed in roles aligned to their training. Median starting salary rose from ₹ 12,109 to ₹ 17,718 among retained trainees. Among the 49% participants who secured employment post training, household income improved significantly, with nearly all the placed trainees reporting increased financial stability. 98.6% of respondents fell in the moderate-to-high self-esteem range on the Rosenberg Self-Esteem Scale, with placed trainees scoring the highest. Non-monetary impacts were significant, with 83.3% reporting improved confidence and 89.3% stating they had become financially independent.

Impact Assessment 2:
Project: Local Area Development

CSR initiative: Skill Development — Royal Enfield Skill Development Centre, Coimbatore

Impact assessment carried out by: Sambodhi Research and Communications Private Limited

The Company supported the Skill Development Centre at Akshaya College of Engineering and Technology, Coimbatore, Tamil Nadu, providing residential automotive skills training to approximately 600 youth from semi-urban and semi-rural backgrounds from January 2023 to May 2024. The programme covered curriculum design, Automotive Skill Development Council (ASDC)-aligned certification, placement facilitation, and post-placement tracking.

Findings — 92.8% of participants secured employment post-training, the highest placement rate across all projects being assessed. Median personal income rose from ₹ 12,000 to ₹ 16,000, and 26.7% of the trainees earned above ₹ 20,000. The proportion of households earning below ₹ 10,000 per month fell from 46.4% to 5.2% following the training, reflecting significant household-level economic uplift. 96.6% of trainees completed on-the-job training, the highest on-the-job training completion rate in the portfolio. 91% reported improved confidence and 96.7% reported increased work-related mobility. The programme demonstrated measurable and sustained economic transformation at household level.

Impact Assessment 3:
Project: Education

CSR initiative: Education — Shikshak Pahal Programme, Alwar

Impact assessment carried out by: Sambodhi Research and Communications Private Limited

The Company supported Bodh Shiksha Samiti (BSS) to deliver foundational schooling across 32 Bodhshalas in Thanagazi and Umrein Blocks, Alwar District, Rajasthan, serving approximately 4,688 students. Interventions covered teacher capacity building, contextual Teaching-Learning Material (TLM) development, supplementary nutrition, digital infrastructure, and community engagement from 2023 to 2025.

Findings — 88.7% of programme students read at story level by Class 5, compared to 53.6% in control schools and 47.6% for the Rajasthan state average. 69.4% of programme students reached division-level numeracy by Class 5, versus 33.9% in control schools. The teacher quality was significantly higher with 88% of teachers in programme schools received structured training compared to 30% in control schools, and 96% of the teachers developed or adapted their own teaching-learning materials. The programme demonstrated sustained mastery, not merely grade-level compliance,

across all assessed literacy and numeracy levels.

**Control school is a comparison group that helps researchers see if the programme's special activities actually made a difference by comparing them to schools that did not receive those activities.*

Impact Assessment 4:
Project: Local Area Development/ Education

CSR initiative: Child-Safe School Environment — Rural Education and Action for Liberation, Cuddalore

Impact assessment carried out by: Sambodhi Research and Communications Private Limited

The Company supported the Rural Education and Action for Liberation (REAL) project in Cuddalore District, Tamil Nadu, from June 2023 to June 2024. Key interventions included construction of 9 new classrooms, provision of school toilets in three schools, installation of RO water purifiers in four schools, incinerators in two middle schools, and child-friendly Information, Education and Communication (IEC) wall paintings across 4 villages.

Findings — 100% of students reported visible improvements in classroom infrastructure. Reflecting universal positive perception of upgraded facilities. 99.2% of students confirmed adequate seating and electricity availability. The infrastructure has directly contributed to improved classroom discipline, sustained student attention, and enhanced teacher effectiveness. The intervention successfully created safe, hygienic, and child-friendly learning environments serving all students across the four target villages.

Impact Assessment 5:
Project: Himalayan Hub

CSR initiative: Solid Waste Management — Waste Warriors, Jim Corbett

Impact assessment carried out by: Sambodhi Research and Communications Private Limited

The Company supported Waste Warriors in establishing a door-to-door waste collection system in Jim Corbett, Uttarakhand, from December 2021 to November 2024. The programme trained and empowered women-led Self-Help Groups (Paryavaran Sakhis) to manage waste collection, instituted a user-fee model, and set up waste processing infrastructure in collaboration with local government.

Findings — 99% community awareness was recorded, with 100% of households handing over waste to authorised collectors and 99% willing to continue paying user fees. Waste burning was completely eliminated across all programme villages. 80% of households consistently segregate waste and 96% view cleanliness as a shared community responsibility. 79% of Paryavaran Sakhis have been engaged for over two years, indicating strong frontline retention. The majority of Sakhis earn above ₹ 6,000 per month with universal adoption of savings behaviour. The programme has demonstrated a scalable, community-owned, women-led model for sustainable solid waste management.

Impact Assessment 6:
Project: Local Area Development / Healthcare

CSR initiative: Stem Cell Laboratory & Hospital Infrastructure — Dr. Shroff's Charity Eye Hospital, Delhi

Impact assessment carried out by: PHFI Institute of Public Health Sciences, Hyderabad (Deemed to be University)

The Company provided two grants to Dr. Shroff's Charity Eye Hospital (SCEH), Delhi — a three-year grant to establish the Eicher-Shroff Centre for Ocular Regeneration (Centre for Regeneration and Translational Medicine, CRTM) and a one-year grant for hospital infrastructure upgradation. The evaluation was conducted by PHFI-IIPHH with fieldwork in February 2026.

Grant 1 — Stem Cell Laboratory (CRTM)
Findings — The CRTM (Center for Regeneration and Translational Medicine) is a fully operational BSL-2 certified stem cell research facility — the first of its kind in a charitable eye hospital in North India. Within the grant period, the laboratory produced six peer-reviewed publications in national and international ophthalmology journals, 18 poster presentations and three oral presentations at conferences including ARVO (Association for Research in Vision and Ophthalmology). Five patents have been filed and two research products are progressing through the CDSCO (Central Drugs Standard Control Organization) regulatory pipeline towards clinical trials. A PhD programme was initiated with Manipal Academy of Higher Education (MAHE), enrolling five PhD scholars. National and international collaborations were established with 9 international universities (including University of Missouri, University College London, and Kyoto University), seven national institutions, and eight industry partners. Out of the 25-30 external grant proposals submitted, 8-10 were successfully awarded including grants from ICMR (Indian Council of Medical Research), DBT (Department of Biotechnology), and DRDO (Defence Research and Development Organization).

Grant 2 — Hospital Infrastructure Upgradation
Findings — The infrastructure grant resulted in the construction of 12 new clinical rooms including OPD examination rooms, counsellor rooms, phlebotomy rooms, and accessible toilets, all fully functional. Patient footfall increased from approximately 500 to 1,200 patients per day. Average waiting time halved from 20 to 10 minutes. The vision centre outreach network expanded from 14 to 114 centres, with 60-70% of patients now referred through these centres.

Revenue from private patients increased significantly, strengthening the hospital's cross-subsidy model and enabling continued subsidised services for lower socioeconomic patients. The grants have served as an institutional catalyst, enabling SCEH (Dr Shroff's Charity Eye Hospital) to attract further national and international funding, building meaningful research collaborations, and developing a pipeline of translational ophthalmic products.

Note: All the above mentioned CSR initiatives were implemented by the Company through Eicher Group Foundation, a not for profit implementing agency for the Company for its CSR projects.

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 4,155.48 Crores

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 83.11 Crores

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: ₹ 0.07 Crores (bank interest earned)

(d) Amount required to be set-off for the financial year, if any: NIL

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 83.18 Crores

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 42.93 Crores

(b) Amount spent on Administrative Overheads: ₹ 3.02 Crores (includes overheads on expenditure from previous years unspent CSR accounts)

(c) Amount spent on Impact Assessment, if applicable: ₹ 0.66 Crores

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 46.61 Crores

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year(₹ in Crores)	Amount Unspent (₹ in Crores)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
46.61	36.57	April 29, 2026	Not Applicable		

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (₹ in Crores)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	83.11
(ii)	Total amount spent for the Financial Year	46.61
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0.07
(v)	Amount available for set-off in succeeding Financial Years [(iii)-(iv)]	Nil

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year(s)	Original Amount transferred to Unspent CSR Account under sub- section (6) of section 135 (₹ in Crores)	Balance Amount in Unspent CSR Account as on April 1, 2025, under sub-section (6) of section 135 (₹ in Crores)	Amount Spent in the Financial Year (₹ in Crores)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (₹ in Crores)	Deficiency, if any
					Amount (₹ in Crores)	Date of Transfer		
1	FY 2022-23	32.13	6.26	6.26	Not Applicable		Nil	Not Applicable
2	FY 2023-24	33.79	21.19	21.19	Not Applicable		Nil	Not Applicable
3	FY 2024-25	16.43	16.43	14.38	Not Applicable		2.05	Not Applicable

8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR: YES

If Yes, enter the number of Capital assets created/acquired: 4

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration	Name	Registered Address
(1)	(2)	(3)	(4)	(5)	(6)		
1	Computer and equipments at Blara Farms, Village Ghanel, P.O. Dhamandari, Theog, Himachal Pradesh	171209	Jan 1, 2026 to March 31, 2026	0.05 Crores	CSR00005785	Eicher Group Foundation	3rd Floor, Select City Walk, A-3 District Centre, Saket, New Delhi - 110017
2	Furniture & Fixture at Babeli, Kullu District, Himachal Pradesh	175138	March 01, 2026	0.11 Crores	CSR00005785	Eicher Group Foundation	3rd Floor, Select City Walk, A-3 District Centre, Saket, New Delhi - 110017
3	Furniture & Fixtures at Blara Farms, Village Ghanel, P.O. Dhamandari, Theog, Himachal Pradesh	171209	Jan 1, 2026 to March 31, 2026	0.42 Crores	CSR00005785	Eicher Group Foundation	3rd Floor, Select City Walk, A-3 District Centre, Saket, New Delhi - 110017
4	Computers at #96, Sector 32, Gurgaon, Haryana	122001	Jan 1, 2026 to March 31, 2026	0.10 Crores	CSR00005785	Eicher Group Foundation	3rd Floor, Select City Walk, A-3 District Centre, Saket, New Delhi - 110017

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SUB- SECTION (5) OF SECTION 135:

Eicher Group Foundation, a Section 8 Company incorporated by the Company and its unlisted subsidiary VE Commercial Vehicles Limited, plans and executes the CSR projects of the Company as long-term/continuous projects. Spending on the projects is done as per the requirements of the projects which sometime can be lower than the yearly statutory obligation of the Company. Therefore, any unspent amount at the end of the year is transferred to the unspent CSR account. For Financial Year 2025-26, as mentioned under Para 6, unspent CSR amount of ₹ 36.57 Crores was transferred to a separate unspent CSR account pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Schedule VII and relevant rules prescribed thereunder. The Company has plans to spend the entire money from the unspent CSR accounts towards its CSR projects within the prescribed timelines.

Siddhartha Lal
Executive Board Chairman
DIN: 00037645
Place: Gurugram, Haryana
Date: May 22, 2026

Arun Vasu
Chairman, CSR Committee
DIN: 00174675
Place: Gurugram, Haryana
Date: May 22, 2026

ANNEXURE-5

FORM MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended on March 31, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Eicher Motors Limited,
CIN: L34102DL1982PLC129877
Office No. 1111, 11th Floor, Ashoka Estate
Plot No. 24, Barakhamba Road, Connaught Place
New Delhi - 110001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Eicher Motors Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period, according to the provisions of:

i) The Companies Act, 2013 ('the Act') and the rules made there under;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv) Foreign Exchange Management Act, 1999 ('FEMA') and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - There was no reportable event requiring compliance during the Audit Period;

(e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - There was no reportable event requiring compliance during the Audit Period;

(h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - There was no reportable event requiring compliance during the Audit Period;

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - There was no reportable event requiring compliance during the Audit Period; and

vi) Other laws as may be applicable specifically to the Company shall include all the laws which are applicable

to 'automobile products and components' industry i.e. The Motor Vehicles Act, 1988 and rules made thereunder, primarily in respect of vehicles manufactured by the Company.

We have also examined compliance with the applicable clauses of the following:

i) Secretarial Standards issued by The Institute of Company Secretaries of India,

ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited, and

iii) The Company has in place a Structured Digital Database and has complied with the requirements of Reg 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above read with circulars, notifications and amended rules, regulations, standards etc. issued by the Ministry of Corporate Affairs and such other regulatory authorities for such acts, rules, regulations, standards etc. as may be applicable, from time to time.

We further report that during the Audit Period, the Board of Directors of the Company was duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors, including an Independent Woman Director. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.

Adequate notice was given to all Directors to schedule the Board Meetings, including Committee Meetings, agenda and detailed notes on the agenda were sent properly before the scheduled meeting(s), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting(s).

All the decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that, during the Audit Period, we are of the opinion that the Company has in place adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with other applicable laws, rules, regulations and guidelines.

We further report that, during the Audit Period, the Company has allotted equity shares to its employees and officers of the Company pursuant to Employee Stock Option Plan, 2006 and the Restricted Stock Unit Plan, 2019, and granted options under the Restricted Stock Unit Plan, 2019 and necessary compliances of the Act and FEMA were made.

For **AGSB & Associates**
Company Secretaries
(ICSI Firm Registration No.: P2018DE090300)

Amit Gupta
Partner
ACS No.: 57453
CP No.: 21705
PR No.: 1891/2022
UDIN: A057453H000338723

Place: New Delhi
Date: May 12, 2026

This Report is to be read with our letter of even date which is annexed as **Annexure** and forms an integral part of this report.

ANNEXURE

To,
The Members
Eicher Motors Limited
CIN: L34102DL1982PLC129877
Office No. 1111, 11th Floor, Ashoka Estate
Plot No. 24, Barakhamba Road, Connaught Place
New Delhi - 110001

Our Secretarial Audit Report of even date, for the financial year ended March 31, 2026 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.

4. Wherever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of the events etc.

5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, and standards are the responsibility of the management. Our examination was limited to the verification of procedures on a test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

7. We believe that audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.

For **AGSB & Associates**
Company Secretaries
(ICSI Firm Registration No.: P2018DE090300)

Amit Gupta
Partner
ACS No.: 57453
CP No.: 21705
PR No.: 1891/2022
UDIN: A057453H000338723

Place: New Delhi
Date: May 12, 2026

ANNEXURE-6

FORM MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended on March 31, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
VE Commercial Vehicles Limited
CIN: U74900DL2008PLC175032
Registered Office: 3rd Floor, Select City Walk,
A-3, District Centre, Saket, New Delhi - 110 017

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by VE Commercial Vehicles Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026, according to the provisions of:

i) The Companies Act, 2013 ('the Act') and the rules made there under;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv) Foreign Exchange Management Act, 1999 ('FEMA') and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings - Applicable only to the extent of Foreign Direct Investment and Overseas Direct Investment;

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:

   (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

vi) Other laws as may be applicable specifically to the Company shall include all the laws which are applicable to 'automobile products and components' industry i.e. The Motor Vehicles Act, 1988 and rules made thereunder, primarily in respect of vehicles manufactured by the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India and the codes and policies adopted by the Company.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above read with circulars, notifications and amended rules, regulations, standards etc. issued by the Ministry of Corporate Affairs and such other regulatory authorities for such acts, rules, regulations, standards etc. as may be applicable, from time to time.

We further report that during the Audit Period, the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director, and Independent Director. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings including committee meetings, agenda and detailed notes on agenda were sent properly before the scheduled meeting(s), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting(s).

All the decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be and therefore, no dissenting views were required to be captured and recorded as part of minutes.

We further report that during the Audit Period, based on the review of compliance mechanism established by the Company and on the basis of compliance certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the Company has in place adequate systems and processes which commensurate with the size and operations of the Company to monitor and ensure compliance with other applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period:

a. The Company altered its Articles of Association pursuant to the provisions of Section 14 of the Companies Act, 2013 by way of Special Resolution passed at the Extra-Ordinary General Meeting held on March 27, 2026.

b. Mr. Vinod Kumar Aggarwal ceased as Managing Director and Chief Executive Officer of the Company upon completion of his tenure with effect from the close of business hours on March 31, 2026. Further, he was appointed as Non-Executive Chairman of the Company with effect from April 01, 2026.

c. Mr. Srinivas Balantrapu was appointed as Managing Director and Chief Executive Officer with effect from April 01, 2026, pursuant to the approval accorded by the members at the Extra-Ordinary General Meeting held on March 27, 2026.

We further report that during the Audit Period, no specific events/actions which have a major bearing on the Company's affairs have taken place, in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

For **AGSB & Associates**
Company Secretaries
(ICSI Firm Registration No.: P2018DE090300)

Amit Gupta
Partner
ACS No.: 57453
CP No.: 21705
PR No.: 1891/2022
UDIN: A057453H000271282

Place: New Delhi
Date: May 04, 2026

This Report is to be read with our letter of even date which is **annexed** as Annexure and forms an integral part of this report.

ANNEXURE

To,
The Members
VE Commercial Vehicles Limited
CIN: U74900DL2008PLC175032
Registered Office:
3rd Floor Select City Walk
A-3, District Centre, Saket
New Delhi - 110 017

Our Secretarial Audit Report of even date, for the financial year ended March 31, 2026 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.

3. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5. Wherever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of the events etc.

6. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of the management. Our examination was limited to the verification of procedure on test basis.

7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

8. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

For **AGSB & Associates**
Company Secretaries

Amit Gupta
Partner
ACS No.: 57453
CP No.: 21705
PR No.: 1891/2022
UDIN: A057453H000271282

Place: New Delhi
Date: May 04, 2026

CORPORATE GOVERNANCE REPORT

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance continues to be a strong focus area for the Company.

Our philosophy on Corporate Governance in Eicher Motors Limited (EML/Company) emanates from a resolute commitment to protect stakeholders' rights and interest, proactively manage risks and create long-term wealth and value. It permeates in all aspects of working — workplace management, marketplace responsibility, community engagement and business decisions.

The Code of Conduct(s)/Company's Policies and the governance are based on the corporate principles and strong emphasis laid on transparency, accountability, integrity and compliance.

The governance processes of the Company includes creation of empowered sub-committees of the Board to oversee the function of executive management. These sub-committees of the Board majorly comprises Non-Executive Independent Directors, which meet and deliberate regularly to discharge their obligations.

In India, Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015]. The Company has adopted best practices contained in SEBI (LODR) Regulations, 2015.

2. BOARD OF DIRECTORS

2.1. Composition, Meetings, Attendance, Other Directorship, Chairmanship and Membership

The Board of the Company ("the Board") is responsible for the management of the affairs of the Company. As on March 31, 2026, the Board consists of eight Directors out of which five are Non-Executive Independent Directors (including one woman Independent Director), one Non-executive Non-Independent Director and two Executive Directors.

The composition of the Board is as per the requirements of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013. In the opinion of the Board, the Independent Directors of the Company meets all the criteria and conditions specified by SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 and are Independent of the management of the Company. None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as a Director by SEBI or the Ministry of Corporate Affairs or any other such authority. The Company had also obtained a certificate from a Practising Company Secretary in this regard and a copy of the same is enclosed with this report as ***Annexure-1***.

The Company has appointed separate persons to the post of the Chairman and the Managing Director. Mr. Siddhartha Lal is the Chairman of the Board and Mr. Govindarajan Balakrishnan is the Managing Director of the Company. Mr. Siddhartha Lal is not related to Mr. Govindarajan Balakrishnan as per the definition of the term "relative" under the Companies Act, 2013.

Details of the meetings of the Board:

Five Board meetings were held during the financial year ended March 31, 2026, on May 13, 2025 & May 14, 2025, July 31, 2025, November 13, 2025, February 10, 2026 and March 18, 2026. The Directors participated in the meetings of the Board and Committees through video conferencing/physical presence.

Details of attendance in the Board meetings and other details of the Directors as on March 31, 2026 are given below:

Sl. No.	Name of the Director	Category	No. of Board Meetings held during 2025-26	No. of Board Meetings attended	Whether attended the 43rd Annual General Meeting held on August 21, 2025	Number of Directorship held in other Companies	Number of Committee Memberships / Chairmanships held in other Companies	
							Memberships	Chairmanship
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	Mr. Siddhartha Lal DIN: 00037645	Promoter-Executive Chairman	5	5	Yes	1	-	-
2.	Mr. Vinod Kumar Aggarwal DIN: 00038906	Vice Chairman (Non-Executive Non-Independent Director)	5	4	No	1	-	-
3.	Mr. Govindarajan Balakrishnan DIN: 03093035	Managing Director	5	5	Yes	-	-	-
4.	Mr. Inder Mohan Singh DIN: 07114750	Non-Executive Independent Director	5	5	Yes	1	1	-
5.	Mr. S. Madhavan DIN: 06451889	Non-Executive Independent Director	5	5	Yes	4	4	3
6.	Mr. Tejpreet Singh Chopra DIN: 00317683	Non-Executive Lead Independent Director	5	5	Yes	4	2	-
7.	Ms. Ira Gupta DIN: 07517101	Non-Executive Independent Director	5	5	Yes	4	3	1
8.	Mr. Arun Vasu DIN: 00174675	Non-Executive Independent Director	5	5	Yes	1	1	1

Notes:

1. *Mr. Vinod Kumar Aggarwal was the Non-Executive Vice Chairman of the Company till May 20, 2026. He was appointed as the Executive Vice Chairman of the Company (in the capapcity of Executive Director) w.e.f May 21, 2026. Since this report pertains to the financial year 2025-26, designation of Mr. Vinod Kumar Aggarwal is reported as Non-Executive Director.*
2. *For the purpose of this disclosure, public limited companies, whether listed or not, are included and all other companies including private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 or Section 25 of the Companies Act, 1956 are excluded.*
3. *For the purpose of reckoning the limit of Committee positions, chairmanship(s)/ membership(s) of the Audit Committee and the Stakeholders' Relationship Committee alone are considered. Number of membership of a Director in a Committee under column no. 8 of the table above also includes chairperson position in Committees.*
4. *Mr. Tejpreet Singh Chopra is also a Director on the Board of TI Clean Mobility Private Limited (deemed public company) and is a member of its Audit Committee.*

None of the Directors holds chairmanship of the Board Committees in excess of the maximum ceiling of five and membership in excess of the maximum ceiling of ten, as specified under Regulation 26 of SEBI (LODR) Regulations, 2015. No Director of the Company is related to any other Director on the Board.

All Independent Directors of the Company have valid registrations with the Independent Directors' databank maintained by the Indian Institute of Corporate Affairs.

No Independent Director serves as a Whole-time Director/Managing Director in any other listed Company. Further, none of the Non-Executive Directors of the Company hold Directorship/Independent Directorship in more than seven listed companies and the Executive Directors of the Company do not hold any Independent Directorship under Regulation 17A of SEBI (LODR) Regulations, 2015.

Directorship held by Company's Independent Directors in other Listed Companies:

Name of Independent Director	Other listed Companies where the Director is Independent Director
Mr. S. Madhavan	ICICI Bank Limited Procter & Gamble Health Limited (Chairman of Board) Welspun Enterprises Limited Anthem Biosciences Limited
Mr. Tejpreet Singh Chopra	Tube Investments of India Limited Indian Energy Exchange Limited Indraprastha Medical Corporation Limited DCM Shriram Limited
Ms. Ira Gupta	SRF Limited Max Estates Limited Amagi Media Labs Limited
Mr. Arun Vasu	MRF Limited
Mr. Inder Mohan Singh	Nil

2.2. Appointment of Directors

Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and terms and conditions of appointment. The Company has issued letter of appointment to all the Independent Directors and the general terms and conditions of their appointment have been disclosed on the Company's website **www.eichermotors.com**.

While appointing Directors and persons covered under senior management and on a continuous basis, the Board ensures business continuity with due weightage to succession planning.

2.3. Information supplied to the Board

The required information, including information as enumerated under Regulation 17(7) read with Part A of Schedule II of the SEBI (LODR) Regulations, 2015 is made available to the Board of Directors, for discussions and consideration at the quarterly Board Meetings.

2.4. Separate Meeting of Independent Directors

Two separate meetings of the Independent Directors of the Company were held on May 13, 2025 and February 10, 2026, without the attendance of Non-Independent Directors and members of management.

2.5. Shareholding of Non-Executive Directors

As on March 31, 2026, Mr. Vinod Kumar Aggarwal, Vice Chairman holds 15,000 equity shares of face value of ₹ 1 each and Mr. Inder Mohan Singh, Non-Executive Independent Director holds 50 equity shares of face value of ₹ 1 each in the Company. Mr. S. Madhavan, Mr. Tejpreet Singh Chopra, Ms. Ira Gupta and Mr. Arun Vasu, all being Non-Executive Independent Director, do not hold any shares in the Company. The Company has not issued any convertible instruments.

2.6. Familiarisation Programme for Independent Directors

The Company familiarises Independent Directors with regard to their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company, major statutory updates etc. and the details are available on the weblink **https://www.eicher.in/investors-overview/corporate-governance/familiarization-programme**.

2.7. Skills/expertise/competencies of the Board

The Board recognises certain skills/expertise/competencies that are required by it to function effectively in the context of business of the Company and which inter-alia consist of experience & knowledge of the automobile industry, technical skills and specialised knowledge in various areas. The Board members have significant experience and expertise in the areas of corporate governance, finance & accounts, corporate strategy, engineering, automobile industry, media, legal, general management, public relations and information technology. The Company gains immensely from the strategic insights provided by the Directors.

The Board is of the opinion that all Directors possess personal attributes in addition to sound professional knowledge & experience and contribute to the collective skills, expertise and competencies that is required by the Company considering the present business environment.

The Company's Directors possess the relevant skills, expertise as mentioned below:

Name of Director	Corporate Governance	Finance & Accounts	Corporate Strategy	Engineering-technical Skills	Experience/ knowledge of Automobile Industry	Media	Legal	General Management	Public Relations	Information Technology
Mr. Siddhartha Lal	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Vinod Kumar Aggarwal	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Govindarajan Balakrishnan	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Inder Mohan Singh	Yes	Yes	Yes	-	Yes	-	Yes	Yes	Yes	Yes
Mr. S. Madhavan	Yes	Yes	Yes	-	Yes	-	Yes	Yes	Yes	Yes
Mr. Tejpreet Singh Chopra	Yes	Yes	Yes	-	Yes	Yes	-	Yes	Yes	Yes
Ms. Ira Gupta	Yes	Yes	Yes	-	Yes	-	Yes	Yes	Yes	Yes
Mr. Arun Vasu	Yes	Yes	Yes	-	Yes	Yes	Yes	Yes	Yes	Yes

3. AUDIT COMMITTEE

The Composition and the terms of reference of the Audit Committee of the Company are in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015, with all members being financially literate and most having accounting or related financial management expertise. As on March 31, 2026, the Audit Committee consists of three Non-Executive Independent Directors. The role of the Audit Committee is, inter alia, to provide directions to and oversee the internal audit and risk management functions, review of financial results and annual financial statements, interact with statutory auditors and carry out such other matters as are required in terms of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

3.1 Major terms of Reference

(i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

(ii) Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services;

(iii) Reviewing with the management the quarterly, half yearly and annual financial statements and auditors' report/limited review report thereon before submission to the Board for approval;

(iv) Reviewing the Company's financial and risk management policies;

(v) Review and monitor the Auditor's independence and performance, and effectiveness of audit process;

(vi) Approval or any subsequent modification of transactions of the Company with related parties;

(vii) Scrutiny of inter-corporate loans and investments;

(viii) Valuation of assets of the Company, whenever it is necessary;

(ix) Evaluation of internal financial controls and risk management systems;

(x) Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(xi) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(xii) Discussion with internal auditors of any significant findings and follow-up thereon;

(xiii) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(xiv) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(xv) To review the functioning of the whistle blower mechanism;

(xvi) Reviewing the utilisation of loans and/ or advances to /investment in the subsidiary company exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower;

(xvii) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc, on the Company and the shareholders;

(xviii) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews information as required under SEBI (LODR) Regulations, 2015, including the following:

(i) Management discussion and analysis of financial condition and results of operations;

(ii) Internal audit reports relating to internal control weaknesses;

(iii) Management letters/letters of internal control weaknesses, if any, issued by the statutory auditors;

(iv) Statement of related party transactions submitted by management;

(v) The appointment, removal and terms of remuneration of the chief internal auditor.

3.2 Meetings and Attendance

Eight Meetings of the Audit Committee of the Company were held during the financial year ended March 31, 2026 on May 13, 2025 & May 14, 2025, July 30, 2025, July 31, 2025, November 12, 2025, November 13, 2025, January 30, 2026, February 10, 2026 and March 13, 2026. The names of the Members, Chairperson of the Committee and their attendance details are as under:

Sl. No.	Name of Members	Chairperson/ Member	No. of meetings which the member was eligible to attend	No. of meetings attended
1.	Mr. S. Madhavan	Chairperson	8	8
2.	Mr. Inder Mohan Singh	Member	8	7
3.	Mr. Arun Vasu	Member	8	8

Chairperson of the Audit Committee was present at the last Annual General Meeting held on August 21, 2025 for answering the shareholders' queries.

Managing Director, Whole-time Director, other Directors, Chief Financial Officer, the Head of Internal Audit and the Statutory Auditors are invited to attend the Audit Committee meetings as required. The Company Secretary acts as the Secretary to the Audit Committee.

4. STAKEHOLDERS' RELATIONSHIP COMMITTEE

In terms of Regulation 20 of the SEBI (LODR) Regulations, 2015, the Company has a Stakeholders' Relationship Committee which, as on March 31, 2026, consists of two Non-Executive Independent Directors, one Non-Executive Non-Independent Director and one Executive Director. The composition and the role of the Committee are in conformity with the provisions of Section 178 of Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015.

4.1 Major terms of Reference

(i) Redressal of shareholders' complaints relating to transfer/transmission of shares, Non-receipt of Annual Report, Non-receipt of dividends, issue of letter of confirmation in lieu of duplicate shares, general meetings etc;

(ii) Review of measures taken for effective exercise of voting rights by shareholders;

(iii) Review of adherence to the service standards prescribed by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;

(iv) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports, by the shareholders of the Company;

(v) Review of investor complaint redressal mechanism

4.2 Meetings and Attendance

Three Meetings of the Stakeholders' Relationship Committee of the Company were held during the financial year ended March 31, 2026, on July 30, 2025, November 12, 2025 and January 30, 2026. The names of the Members and Chairperson of the Committee and attendance details are as under:

Sl. No.	Name of Members	Chairperson/ Member	No. of meetings which the member was eligible to attend	No. of meetings attended
1.	Ms. Ira Gupta	Chairperson	3	3
2.	Mr. Vinod Kumar Aggarwal	Member	3	2
3.	Mr. Govindarajan Balakrishnan	Member	3	3
4.	Mr. Tejpreet Chopra	Member	3	3

Chairperson of the Committee was present at the last Annual General Meeting held on August 21, 2025.

The Chief Financial Officer is invited to the Stakeholders' Relationship Committee meetings as required. The Company Secretary acts as the Secretary to the Stakeholders' Relationship Committee and is also the Compliance Officer of the Company.

4.3 Status of Complaints

Sl. No.	Particulars	Numbers
1.	Complaints received during FY 2025-26	211
2.	Complaints replied/ resolved during FY 2025-26	209
3.	Pending complaints as on March 31, 2026	2*

**These two complaints were also replied/resolved in April, 2026.*

5. NOMINATION & REMUNERATION COMMITTEE

The Company has a Nomination & Remuneration Committee comprising three Non-Executive Independent Directors as on March 31, 2026. The composition and the role of the Committee are in conformity with the provisions of Section 178 of Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015.

5.1 Major terms of Reference

(i) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommending to the Board their appointment, removal and all remuneration, in whatever form, payable to senior management;

(ii) With respect to appointment of an Independent Director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.

(iii) Laying down the evaluation criteria for performance evaluation of Individual Directors, Board as whole and its Committees;

(iv) Review the implementation and compliance of the performance evaluation process in the Company;

(v) To decide whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

(vi) Devising a policy on diversity of Board of Directors;

(vii) Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a Policy relating to the Remuneration of the Directors, Key Managerial Personnel and other employees;

(viii) To undertake and perform all such functions, powers of supervision and superintendence of Employee Stock Option Plan – 2006 (ESOP, 2006) and Restricted Stock Units Plan, 2019 (RSU Plan, 2019), as contained under SEBI (Share Based Employee Benefits) Regulations, 2014 including any amendments thereof;

(ix) To review and approve any other matter relating to the aforesaid ESOP, 2006 and RSU Plan, 2019 which may be considered necessary and incidental thereto.

5.2 Meetings and Attendance

Four Meetings of the Nomination & Remuneration Committee of the Company were held during the financial year ended March 31, 2026 on April 21, 2025, May 13, 2025, November 12, 2025 and February 02, 2026. The names of the Members, Chairperson of the Committee and attendance details are as under:

Sl. No.	Name of Members	Chairperson/ Member	No. of meetings which the member was eligible to attend	No. of meetings attended
1.	Ms. Ira Gupta	Chairperson	4	4
2.	Mr. S. Madhavan	Member	4	4
3.	Mr. Tejpreet Chopra	Member	4	4

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

5.3 Performance Evaluation Criteria for Independent Directors

The formal annual evaluation of the Board, Board Committees and Individual Directors including the Chairman of the Board for financial year 2025-26 was carried out by the Board and concluded on May 21, 2026, pursuant to the Board Performance Evaluation Policy of the Company and provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Nomination and Remuneration Committee has specified the criteria for effective performance evaluation of the Board, its Committees and Individual Directors of the Company. The performance of the Board and Committees was evaluated after seeking inputs from all the Directors on the basis of the criteria such as Board/Committee constitution, frequency of meetings, effectiveness of processes etc. The performance of individual Directors (including Independent Directors)

was evaluated by the Board (excluding the Director being evaluated) after seeking inputs from all Directors on the basis of the criteria such as thought contribution, business insights and applied knowledge. The results of evaluation were discussed by the Chairman with the Board/individual Directors. Once the evaluation is complete, the implementation is assessed based on the criteria set by the Nomination and Remuneration Committee.

The Independent Directors also separately carried out annual performance evaluation of the Chairman, the non-independent directors and the Board as a whole for financial year 2025-26 as per the requirements of the Companies Act and SEBI (LODR) Regulations, 2015 at their meeting held on May 21, 2026.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has a Corporate Social Responsibility Committee of Directors comprising three Non-Executive Independent Directors and one Executive Director as on March 31, 2026. The composition and the role of the Committee are in conformity with the provisions of Section 135 of Companies Act, 2013 and the Rules made thereunder.

6.1 Major terms of Reference

(i) Formulating and recommending to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in the areas or subjects specified in Schedule VII to the Companies Act, 2013;

(ii) Recommending the amount of expenditure to be incurred on the activities referred to in Company's CSR policy;

(iii) Monitoring the CSR Policy of the Company from time to time;

(iv) Formulating and recommending to the Board, an annual action plan in pursuance of Company's CSR policy.

6.2 Meetings and Attendance

Five Meetings of the Corporate Social Responsibility Committee of the Company were held during the financial year ended March 31, 2026, on May 13, 2025, July 30, 2025, November 12, 2025, January 30, 2026 and March 13, 2026. The names of the Members, Chairperson of the Committee and their attendance details are as under:

Sl. No.	Name of Members	Chairperson/ Member	No. of meetings which the member was eligible to attend	No. of meetings attended
1.	Mr. Arun Vasu	Chairperson	5	5
2.	Mr. Siddhartha Lal	Member	5	4
3.	Mr. Inder Mohan Singh	Member	5	4
4.	Ms. Ira Gupta	Member (w.e.f May 14, 2025)	4	4

The Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee.

7. RISK MANAGEMENT COMMITTEE AND ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) COUNCIL

In terms of Regulation 21 of the SEBI (LODR) Regulations, 2015, the Company has a Risk Management Committee which, as on March 31, 2026, consists of four Directors. The composition and the role of the Committee are in conformity with the above provisions.

7.1 Major terms of Reference:

(i) To assist the Board in formulating the Risk Management Plan and Practises;

(ii) To monitor and review risk management plan and practises of the Company as approved by the Board;

(iii) To monitor and review the risks & measures related to cyber security;

(iv) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the Company, including financial, operational, sectoral, sustainability (particularly, ESG related risks), cyber security risks or any other risk as may be determined by the Committee;

(b) Measures for risk mitigation including systems and processes for internal control of identified risks;

(c) Business continuity plan.

(v) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(vi) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(vii) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(viii) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(ix) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee coordinates its activities with other committees, in instances where there is any overlap with activities of such committees.

7.2 Meetings and Attendance

Two Meetings of the Risk Management Committee of the Company were held during the financial year ended March 31, 2026 on July 30, 2025 and January 30, 2026. The names of the Members and Chairperson of the Committee and attendance details are as under:

Sl. No.	Name of Members	Chairperson/ Member	No. of meetings which the member was eligible to attend	No. of meetings attended
1.	Mr. Tejpreet Singh Chopra	Chairperson	2	1
2.	Mr. Siddhartha Lal	Member	2	2
3.	Mr. Arun Vasu	Member	2	2
4.	Mr. Govindarajan Balakrishnan	Member	2	2

The Company Secretary acts as the Secretary to the Risk Management Committee.

The process of risk prioritisation and mitigation is presented, discussed and reviewed at the Risk Management Committee meetings regularly and various measures have been adopted as an outcome of such discussions.

7.3 The Board has constituted an Environment, Social and Governance (ESG) Council comprising the Managing Director, Chief Financial Officer and Head of Corporate Social Responsibility as its members. The ESG Council meets regularly and reports to the Risk Management Committee of the Company.

8. SHARES COMMITTEE

The Company has appointed MUFG Intime India Private Limited (Formerly Known as Link Intime India Pvt. Ltd.) as its RTA for reviewing and approving all requests for transfer & transmission of shares, if any, issue of letter of confirmation in lieu of duplicate shares, request for name deletion and other matters relating to shareholders servicing. Based on the review of documents by MUFG Intime India Private Limited, the shares committee approves the requests of the shareholders. As on March 31, 2026, the Shares Committee of the Company consists of three members i.e. Ms. Vidhya Srinivasan, Chief Financial Officer, Mr. Atul Sharma, Company Secretary and Mr. M.N.V. Krishna Mohankumar, Financial Controller.

During the financial year ended March 31, 2026, 34 meetings of the Committee were held to approve:

(i) name deletion requests for 34,960 shares,

(ii) name change/correction requests for 96,270 shares,

(iii) approval of request for 93,900 duplicate shares,

(iv) transmission of 35,260 shares, and

(v) dematerialisation of 2,95,580 shares.

Further, during the financial year ended March 31, 2026, the Committee approved transfer of 63,804 equity shares of face value of ₹ 1 each of the shareholders, on which dividend remained unclaimed or unpaid for a period of seven consecutive years or more, to the Investor Education and Protection Fund Authority pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

9. SENIOR MANAGEMENT

Particulars of senior management including the changes since the close of the previous financial year:

Name of Senior Management Personnel	Designation	Changes, if any, during FY 2025-26 and effective date
Mr. Siddhartha Lal	Executive Chairman	No Change
Mr. Govindarajan Balakrishnan	Managing Director of Eicher Motors Limited and CEO-Royal Enfield	
Ms. Vidhya Srinivasan	Chief Financial Officer	
Mr. Mark Wells	Chief of Design	
Mr. Mohit Dhar Jayal	Chief Brand Officer	
Mr. Rajeev Sharma	Chief Human Resource officer	
Mr. Sudhakar Bhagavatula	Chief Digital ξ Information Officer	
Mr. Umesh Krishnappa	Chief Technology Officer - Electric Vehicles	
Mr. Yadvinder Singh Guleria	Chief Commercial Officer	
Mr. Mahesh Tripathi	Chief Operations Officer	
Mr. Atul Sharma	Company Secretary	
Mr. Simon Warburton	Chief Program Manager	Retirement w.e.f. the close of business hours of June 13, 2025
Mr. Mario Alvisi	Chief Growth Officer – Electric Vehicles	Resignation w.e.f the close of business hours of December 31, 2025

Note: Mr. Pradeep Mathew was appointed as the Chief of Product Development and a Senior Management Personnel of the Company, with effect from May 22, 2026.

10. REMUNERATION OF DIRECTORS

10.1 Remuneration to Executive Directors

The remuneration of the Executive Directors is fixed by the Board of Directors pursuant to the approval of the shareholders of the Company. The details of remuneration for the financial year ended March 31, 2026 is as under:

(₹ in Crores)

Name of the Director	Salary (including perquisites)	Statutory contributions	Commission	Service Contract	
				Tenure	Notice period
Mr. Siddhartha Lal, Executive Chairman	10.58	0.30	8.00	5 years (Members approved appointment of Mr. Siddhartha Lal as Executive Chairman w.e.f. February 13, 2025 up to February 12, 2030, by way of an Ordinary Resolution passed on May 01, 2025)	3 months' notice or salary in lieu of notice for 3 months or for such period which falls short of 3 months
Mr. Govindarajan Balakrishnan, Managing Director	10.54#	-	-	5 years (Members approved appointment of Mr. Govindarajan Balakrishnan as Managing Director w.e.f. February 13, 2025 up to February 12, 2030, by way of an Ordinary Resolution passed on May 01, 2025)	3 months' notice or salary in lieu of notice for 3 months or for such period which falls short of 3 months

(#) Consists of the following:

1) Fixed compensation for FY 2025-26 – ₹ 6.56 Crores.
2) Yearly Variable compensation for FY 2025-26 – ₹ 3.98 Crores.

Excludes post-employment and other long-term benefits of ₹ 0.36 Crores

Total remuneration paid as Salary, Allowances, Perquisites, Bonus and Commission is within the limits approved by the shareholders pursuant to the provisions of Section 197 read with Section 198 of the Companies Act, 2013 and the rules made thereunder.

Amount of annual commission to the Executive Chairman and variable compensation to the Managing Director is recommended by the Nomination & Remuneration Committee and approved by the Board at the end of the relevant financial year depending upon the actual performance of the Company against the business plan on parameters including Business Growth in India and outside India, revenue growth, EBITDA, market share, sustainability and ESG related performance, Governance, strategic milestones and such other parameters as determined by the Nomination & Remuneration Committee and the Board every year.

No sitting fees have been paid to Mr. Siddhartha Lal and Mr. Govindarajan Balakrishnan.

No stock options have been granted to Mr. Siddhartha Lal and Mr. Govindarajan Balakrishnan under the Company's RSU Plan and ESOP Plan, during the financial year ended March 31, 2026.

10.2 Remuneration to Non-Executive and Independent Directors

The remuneration of Non-Executive and Independent Directors consists of sitting fees and annual commission. The remuneration details for the financial year ended March 31, 2026 is as under:

(₹ in lakhs)

Name of the Director	Remuneration	
	Sitting fees	Commission
Mr. Inder Mohan Singh – Non-Executive Independent Director	10.10	50.00
Mr. S. Madhavan – Non-Executive Independent Director	11.00	50.00
Mr. Tejpreet Singh Chopra – Non-Executive Lead Independent Director	8.60	50.00
Ms. Ira Gupta – Non-Executive Independent Director	9.80	50.00
Mr. Arun Vasu – Non-Executive Independent Director	11.80	50.00
Total	**51.30**	**250.00**

Note:

During the financial year 2025-26, Mr. Vinod Kumar Aggarwal, Vice Chairman of the Company served as the Managing Director and CEO of VE Commercial Vehicles Ltd (VECV), a material subsidiary of the Company and had drawn remuneration from VECV in accordance with the limits permitted under the Companies Act, 2013 and the rules thereunder and as approved by the Nomination and Remuneration Committee and the Board of VECV.

As part of his remuneration from VECV, he was eligible for the benefits under the long-term incentive plan of VECV which includes issue of Stock Options pursuant to Eicher Motors Limited Restricted Stock Unit Plan 2019 (RSU Plan, 2019). During FY 2025-26, certain stock options have been granted to Mr. Vinod Kumar Aggarwal pursuant to the RSU Plan, 2019 of the Company as per the recommendation received from VECV. VECV shall bear the entire cost of the Stock Options granted by the Company. VECV shall reimburse to the Company, cost of said Stock Options calculated pursuant to the recognised valuation method.

Criteria for making payments to Non-Executive Directors: Remuneration paid to Non-Executive Independent Directors represents sitting fees of ₹1,00,000/- for attending each meeting of the Board of Directors, ₹ 50,000/- for attending each meeting of the Audit Committee and Nomination and Remuneration Committee, ₹ 40,000/- for attending each meeting of the Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The amount of sitting fees as above is fixed by the Board of Directors of the Company.

Shareholders of the Company had approved payment of remuneration by way of commission to the Non-Executive Directors of the Company not exceeding 1% of the annual net profits of the Company for each financial year, calculated in accordance with the provisions of the Companies Act, 2013, in such proportion and in such manner as may be determined by the Board of Directors.

The Board considers criteria such as thought contribution, business insight, applied knowledge, performance of the Company among others while determining the amount of annual commission. Benchmarking with similar size Indian Companies was also done while deciding the commission amount for Independent Directors by the Board. The annual commission of Independent Directors as above is subject to approval of annual financial statements by the shareholders at the forthcoming 44th Annual General Meeting of the Company. Independent Directors are not entitled to any stock options.

During the year under review, there has been no other pecuniary relationship / transactions by the Company with any of the Non-Executive Directors of the Company other than those mentioned in the Note No. 46 to the Standalone Accounts forming part of this Annual Report.

11. SUBSIDIARY COMPANIES

Subsidiary companies of the Company are managed by their respective Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. The Company monitors performance of unlisted subsidiary companies, inter-alia, by the following means:

(i) Financial statements, in particular, the investments made by the subsidiary companies are periodically reviewed by the Audit Committee of the Company;

(ii) Utilisation of loans and/or advances from/ investment in the subsidiary companies as per the threshold specified under SEBI (LODR) Regulations, 2015, are periodically reviewed by the Audit Committee;

(iii) Minutes of Board meetings of subsidiary companies are periodically placed before the Company's Board;

(iv) All significant transactions and arrangements entered into by the subsidiary companies are reviewed periodically by the Board of the Company;

(v) Mr. Inder Mohan Singh, a Non-Executive Independent Director of the Company is an Independent Director on the Board of VE Commercial Vehicles Limited ("VECV")*, an unlisted material subsidiary company of the Company. VECV was incorporated on March 7, 2008 in India and its statutory auditors M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005) were appointed by the shareholders of VECV on May 16, 2022 for a term of five years commencing from FY 2022-23.

The Company has also formulated a policy for determining material subsidiary as required under Regulation 16 of the SEBI (LODR) Regulations, 2015, and the same is disclosed on the Company's website and the web link for the same is **https://www.eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/Policy_for_determining_material_subsidiaries_10022025.pdf**.

**As per Indian Accounting Standards, VECV is considered as a Joint Venture Company for the purpose of preparation of financial statements of the Company.*

12. OTHER DISCLOSURES

12.1 Related Party Transactions

In terms of Indian Accounting Standard-24 on "Related Party Disclosures", as prescribed under Section 133 of the Companies Act, 2013, the Company has identified the related parties and suitable disclosures relating to details of transactions with such related parties have been disclosed in Note No. 46 to the Standalone Accounts forming part of this Annual Report.

All contracts/arrangements/transactions entered into by the Company during the financial year with the Related Parties are in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and there were no materially significant related party transactions entered into during the financial year ended March 31, 2026, which were considered to have potential conflict with the interests of the Company. Related Party Transactions are approved by the Audit Committee, Board and Shareholders, as required, as per the applicable provisions. The Audit Committee also reviews related party transactions entered into by the Company on a quarterly basis.

The Company had obtained shareholders' approval at the 43rd Annual General Meeting held on August 21, 2025 for material related party transactions between VE Commercial Vehicles Limited (VECV), Subsidiary of the Company, and Volvo Group India Private Limited (VGIPL), a related party of VECV, for FY 2025-26 as per the provisions of SEBI (LODR) Regulations, 2015. The aforesaid approval of the shareholders is valid till the date of the 44th Annual General Meeting. Further, based on the recommendations of the Audit Committee and the Board, said transactions between VECV and VGIPL for FY 2026-27 are proposed for the approval of shareholders by way of Ordinary Resolution at the ensuing 44th Annual General Meeting.

The Company has also formulated a policy on materiality of and dealing with Related Party Transactions (RPT Policy). This RPT Policy is available on the website of the Company and the weblink for the same is **https://www.eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/Policy%20on%20Materiality%20of%20and%20Dealing%20with%20Related%20PartyTransactions.pdf**.

12.2 Compliances by the Company

The Company has complied with the requirements of the Stock Exchanges, Regulations of SEBI and other statutory authorities on all matters related to capital markets during the last three years. Other than what is disclosed in the previous years' reports, no penalties, strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities during the year or the previous three years.

12.3 Code of Conduct for Directors and Senior Management

The Board of the Company has adopted a Code of Conduct for Directors and Senior Management

which is strictly adhered to and the same is available on Company's website at **https://www.eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/Eicher-Code-of-Conduct-Directors-and-Senior-Management.pdf**. All the Board Members and Senior Management Personnel have affirmed compliance with the said Code. This Report contains a declaration to this effect signed by Managing Director attached as ***Annexure-2***.

Further, there are no material, financial and commercial transactions, where the Senior Management has personal interest that may have a potential conflict with the interest of the Company at large.

12.4 Code on Prevention of Insider Trading

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company adopted a Code of Conduct for Regulating, Monitoring and Reporting trading by an Insider (Code). All Designated Persons of the Company and its material subsidiary who could have access to the unpublished price sensitive information of the Company, along with their immediate relatives, are governed by this code. The trading window for dealing in securities of the Company is closed and opened as per the provisions of the said Code.

12.5 Managing Director and Chief Financial Officer certification

The certificate required under Regulation 17(8) of SEBI (LODR) Regulations, 2015, duly signed by the Managing Director and the Chief Financial Officer of the Company was placed before the Board. The same forms part of this report as ***Annexure-3***.

12.6 Status of compliance of Non-Mandatory requirements under Regulation 27(1) of SEBI (LODR) Regulations, 2015 read with Part E of Schedule II thereto

The Company complies with the following non-mandatory requirements:

1. The Company does not have a Non-Executive Chairman, therefore the requirement to maintain a Chairman's Office and expense reimbursement is not applicable.

2. Half-yearly and other quarterly financial results are published in newspapers, uploaded on the website of the Company at **www.eichermotors.com** and sent to the shareholders individually through email to their email address registered with the Company/ depository participant(s).

3. The Statutory Auditors have expressed no qualification in their reports on financial statements of the Company.

4. The Internal Auditor reports directly to the Audit Committee.

5. The Company has appointed separate persons to the post of the Chairman and the Managing Director. Mr. Siddhartha Lal is the Executive Chairman and Mr. Govindarajan Balakrishnan is the Managing Director of the Company.

6. During the year, the Independent Directors of the Company met separately twice on May 13, 2025 and February 10, 2026, without the attendance of Non-Independent Directors and members of management.

12.7 Lead Independent Director

Mr. Tejpreet Chopra, Independent Director is designated as the Lead Independent Director by the Board. The Lead Independent Director works with other Independent Directors to ensure an unbiased perspective to the Board deliberations to safeguard the stakeholders interest. The Lead Independent Director presides over as the Chairman of the separate meetings of the Independent Directors of the Company and after taking inputs from all Independent Directors provide feedback to the Chairman of the Board after such meetings.

12.8 Accounting treatment in preparation of the financial statements

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period.

12.9 Vigil Mechanism/Whistle Blower Policy

The Board of Directors of the Company has adopted a Whistle Blower Policy to establish a vigil mechanism for the Directors, employees, vendors and dealers of the Company, to report genuine concerns or grievances including instances of leak or suspected leak of unpublished price sensitive information pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 and the same is available on Company's website at **https://eicher.in/content/dam/eicher-motors/eml-whistle-blower-policy.pdf**. No person has been denied access to the Audit Committee.

12.10 Dividend Distribution Policy

In Compliance with Regulation 43A of the SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has adopted a Dividend Distribution Policy of the Company.

The said Policy is available on the Company's website **https://www.eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/Dividend%20Distribution%20Policy.pdf**.

12.11 Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Act") and the Rules made thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. An Internal Complaints Committee has also been set up, in accordance with the aforesaid Act, to redress complaints received on sexual harassment. During the financial year under review, the Company has received 3 (three) complaints of sexual harassment. As per the process the enquiries had been conducted and the complaints were closed during the year.

The Company also conducts various programmes in the organisation on a continuous basis in order to build awareness in this area. During the year under review, approximately 15,342 employees/trainees were given awareness training on prevention of sexual harassment at workplace. The training structure included training through workshops, e-learning modules and as part of new hires induction programme.

12.12 Commodity price risk or foreign exchange risk and hedging activities

The Company procures the components and services from the suppliers who in turn procure input raw material from the raw material suppliers. Hence direct purchase of raw material by the Company is marginal. However, to facilitate suppliers for procuring right quality of raw material at competitive prices, Company adopts group buying strategy to consolidate the raw material requirements with Steel Mills and Aluminium Alloy suppliers, on behalf of suppliers and administers the prices by settling on quarterly/half yearly basis with forecasted quantum of supplies with appropriate communication to suppliers.

Component suppliers avail the price negotiated by the Company to procure the raw material either from the recommended raw material suppliers or from their own raw material suppliers. However, supplier's own raw material sources require pre-approval from the Company involving quality audits. In this way, both quality standards and price control are adhered to, as per the Company's norms. The order for raw material scheduled quantity is placed by the component suppliers with the raw material suppliers and physical transaction takes place between them. The adjustment in the raw material Prices by the component suppliers is done in accordance with the prices settled by the Company. The Raw Material prices are settled by the Company, periodically, based on domestic market price movements and international price data. Commodity Price fluctuation impact is managed by value analysis and value engineering initiatives, continuous cost optimisation and process improvement initiatives. The Company has not entered into any commodity derivatives with any of the bankers and hence the disclosure of exposure in commodity risks faced by the Company is not applicable.

In addition, the Company manages majority foreign currency collections and payments through EEFC Account (Exchange Earners' Foreign Currency Account) and has relatively low foreign exchange exposure after netting of payments and collections. Further, Foreign Exchange prices are monitored on a continuous basis to undertake any risk management strategies and no hedging activities (by way of Foreign Exchange derivatives) have been undertaken by the Company.

12.13 Details of payments made to Statutory Auditors and its network firms by the Company and its subsidiaries:

(₹ in Crores)

S No.	Particulars	Payments made by the Company	Payments made by subsidiaries of the Company including VECV	Total
1	Audit Fee*	1.73	1.86	3.59
2	Fee for other services	-	0.33	0.33
	Total	**1.73**	**2.19**	**3.92**

**Includes fees for services which can be obtained only from the Statutory Auditors pursuant to the applicable laws.*

12.14 The Company & its subsidiaries have not granted any loans or advances to firms/companies in which their respective Directors are interested. The Company provides bill discounting facility to the vendors of VE Commercial Vehicles Ltd. (material subsidiary of the Company) at interest rate of 8.3% to 9.2% per annum and the credit period is upto 120 days. The balances at any point in time have remained within the overall limit approved by the Audit Committee. As on March 31, 2026, the outstanding balance is ₹ 451.20 Crores.

12.15 There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI (LODR) Regulations, 2015.

13. MEANS OF COMMUNICATION

(i) The consolidated quarterly and annual results are generally published in the Business Standard (English) - all editions and Business Standard (Hindi), Delhi edition, having wide circulation. The Standalone and Consolidated quarterly and annual results of the Company along with limited review reports of the Auditors thereon and/or Auditors' Report are available on the Company's website at **www.eichermotors.com**. In addition, the Company sends standalone and consolidated quarterly and annual results to all shareholders

whose email ids are registered with the Company.

(ii) The Standalone and Consolidated quarterly and annual results along with limited review reports/ Audit Reports of the Auditors thereon, are promptly filed with the Stock Exchanges in terms of Regulation 30 and 33 of SEBI (LODR) Regulations, 2015.

(iii) Public releases are also available on the Company's website. Schedule of Analysts' or Institutional investors' meetings and/or conference call information, presentations made to them, if any, the transcripts and audio recording of quarterly results calls are promptly posted on the website of the Company.

(iv) The Company also disseminates on its website all disclosures filed with the stock exchanges under Regulation 30 of SEBI (LODR) Regulations, 2015 and all other information and documents that are required to be placed on the website of the Company.

(v) The following are displayed on the Website of the Company i.e. **www.eichermotors.com**

- Business of the Company
- Terms and conditions of appointment of Independent Directors
- Composition of various committees of the Board
- Whistle Blower Policy
- Dividend Distribution Policy
- Annual Reports of the Company
- Policy on materiality of and dealing with related party transactions
- Policy for determining material subsidiaries
- Details of familiarisation programmes for Independent Directors
- Shareholding Patterns
- Company Profile
- Press Releases
- Code of Conduct for the Directors and Senior Management
- Contact information - for resolving any investor's queries
- Memorandum and Articles of Association
- Employee Stock Option Plan, 2006 and Restricted Stock Unit Plan, 2019
- Other information as required under Regulation 46 of SEBI (LODR) Regulations, 2015

14. GENERAL SHAREHOLDER INFORMATION

14.1 Day, date, time and venue of the Annual General Meeting

As per the information provided in the Notice of Annual General Meeting.

14.2 Financial Year

The financial year under review is of 12 (twelve) months from April 1, 2025 to March 31, 2026.

14.3 General Body Meetings

Year	Date	Day	Time	Location	Whether passed any Special Resolution
April 1, 2024 - March 31, 2025	21.08.2025 (43rd AGM)	Thursday	1:00 P.M.	Video conferencing (VC)/Other Audio Visual Means (Deemed venue of the meeting: Office Number 1111, 11th Floor, Ashoka Estate, Plot no. 24, Barakhamba Road, New Delhi - 110 001)	No
April 1, 2023 – March 31, 2024	22.08.2024 (42nd AGM)	Thursday	2:00 P.M.	Video conferencing (VC)/Other Audio Visual Means (Deemed venue of the meeting: 3rd Floor- Select Citywalk, A-3 District Centre, Saket, New Delhi- 110 017)	No
April 1, 2022 – March 31, 2023	23.08.2023 (41st AGM)	Wednesday	1:00 P.M.	Video conferencing (VC)/Other Audio Visual Means (Deemed venue of the meeting: 3rd Floor- Select Citywalk, A-3 District Centre, Saket, New Delhi- 110 017)	No

Notes:

1. No Special Resolution was passed at the 43rd, 42nd and 41st Annual General Meeting.

2. During the year under review, the following Special Resolutions were passed by the Company through Postal Ballot (concluded on May 01, 2025):

Resolution	Votes cast in favor (in %)	Votes cast against (in %)
Appointment of Ms. Ira Gupta (DIN: 07517101) as an Independent Woman Director of the Company for a term of 5 consecutive years	99.62	0.38
Appointment of Mr. Arun Vasu (DIN: 00174675) as an Independent Director of the Company for a term of 5 consecutive years	99.71	0.29

Mr. Vijay Gupta, Chartered Accountant, Managing Partner of VKGN & Associates, was appointed as the Scrutinizer for conducting the Postal Ballot process through remote e-voting, in a fair and transparent manner. The Postal Ballot concluded on May 01, 2025 and the aforesaid resolutions were duly passed & the result of the postal ballot was announced on May 02, 2025.

Procedure for Postal Ballot:

The Company followed the postal ballot process in compliance with SEBI (LODR) Regulations, 2015 and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the rules framed thereunder. E-voting facility was provided to all the shareholders, to enable them to cast their votes electronically. The Company engaged National Securities Depository Limited for the purpose of providing e-voting facility.

As at present, no Special Resolutions are proposed to be conducted through postal ballot.

14.4 Financial Calendar – 2025-2026

Adoption of Quarterly/ Annual Results for the quarter/year ended	Date of Board Meetings	Date of publication	Name of Newspapers
June 30, 2025 (Quarterly Results)	31/07/2025	01/08/2025	Business Standard - All Editions (English), and Business Standard (Hindi), Delhi Edition
September 30, 2025 (Quarterly Results)	13/11/2025	14/11/2025	Business Standard - All Editions (English), and Business Standard (Hindi), Delhi Edition
December 31, 2025 (Quarterly Results)	10/02/2026	11/02/2026	Business Standard - All Editions (English), and Business Standard (Hindi), Delhi Edition
March 31, 2026 (Quarterly & Annual Results)	22/05/2026	23/05/2026	Business Standard - All Editions (English), and Business Standard (Hindi), Delhi Edition (Proposed)

Tentative Financial Calendar – for the financial year ending March 31, 2027

Quarterly results for the quarters ending June 30, 2026, September 30, 2026, December 31, 2026 and quarterly/ annual results for the quarter/year ending March 31, 2027 will be approved in the Board Meetings which will be tentatively held in the month of July 2026, November 2026, February 2027 and May 2027 respectively (subject to the finalisation of dates by the Board of Directors). Annual General Meeting for the FY 2026-27 will be tentatively held in between July-August 2027. The Consolidated quarterly and annual results will likely be published in the Business Standard (English) in all Editions and in Business Standard (Hindi), Delhi Edition. The Standalone and Consolidated quarterly and annual results will be submitted with the Stock Exchanges. Additionally, the same will be posted on the Company's website at **www.eichermotors.com**.

14.5 Record Date & Dividend Payment Date

As mentioned in the Notice of the 44th Annual General Meeting.

14.6 Listing on Stock Exchanges

The equity shares of the Company are listed on the following Stock Exchanges:

BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai - 400 001, **www.bseindia.com**

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051, **www.nseindia.com**

The annual listing fees has been paid to both the stock exchanges for FY 2026-27.

14.7 Name of Depositories for dematerialisation of equity shares

Name of the depository	ISIN No.
National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL)	INE066A01021

14.8 Registrar and Share Transfer Agent / Address for correspondence:

Share transmission, transposition, name deletion, issue of letter of confirmation in lieu of duplicate shares, dematerialisation and other communication regarding change of address, dividends, share certificates, investor complaints, etc. may be addressed to:

MUFG Intime India Private Limited (Formerly Known as Link Intime India Pvt. Ltd.)
Registrar and Share Transfer Agent
C-101, 247 Park
LBS Marg, Vikhroli (West),
Mumbai - 400083
Tel No.: 810 811 6767
Email:**Investor.helpdesk@in.mpms.mufg.com**

The security holder may register on 'SWAYAM', RTA's online Investor Self-Service Portal that empowers holders to effortlessly access information through a dashboard and avail various services in digital mode - SWAYAM Portal - **https://swayam.in.mpms.mufg.com/**. Also, you can raise your request directly through service request at **https://web.in.mpms.mufg.com/helpdesk/Service_Request.html**

Members may write for any queries/information at Eicher Motors Limited, Office No. 1111, 11th Floor, Ashoka Estate, Plot No. 24, Barakhamba Road, New Delhi-110001, or at #96, Sector 32, Gurugram- 122001, Haryana, or any query can be sent by email to **investors@eichermotors.com**.

14.9 Share transfer system

The Company has appointed MUFG Intime India Private Limited (Formerly Known as Link Intime India Pvt. Ltd.) as its Registrar and Share Transfer Agent (RTA) for reviewing and approving all requests for transfer & transmission of shares, issue of letter of confirmation in lieu of duplicate shares request, request for name deletion and other matters relating to shareholders servicing. During the financial year ended March 31, 2026, due process was followed for effecting the transfer of shares of the Company. All valid requests for transfer/transmission, of Equity shares are processed and wherever applicable, confirmation is given to the respective depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited, within the statutory timelines, by MUFG Intime India Private Limited.

Details of the total number of requests processed for share transfer, transmission, issue of letter of confirmation in lieu of duplicate shares, name deletion, dematerialisation during the financial year under review are provided under Para 8 of this Report.

SEBI has vide its circular dated January 25, 2022 mandated to issue the securities in dematerialised form only while processing the service request received in the nature of issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. The Company is complying with these requirements.

SEBI vide its circular dated July 02, 2025 opened a special window from July 07, 2025 till January 06, 2026 for re-lodgement of transfer requests which were rejected/returned due to deficiency in the documents. Thereafter, SEBI vide its circular dated January 30, 2026 opened another special window from February 05, 2026 till February 04, 2027 for transfer/dematerialisation of physical securities purchased prior to April 01, 2019. The Company is taking all possible actions to help the shareholders in this regard.

SEBI has mandated furnishing of PAN, specimen signature, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of physical securities. In terms of SEBI circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 and SEBI Master Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025 read with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, the Company had sent communications to all its members holding shares in physical form to provide the aforesaid details.

Further, any service request received from the Members will not be processed until the aforesaid details/documents are provided to RTA. The shareholders shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024. However, non-submission of the request related to "choice of nomination" alone shall not restrain the shareholder in lodging any grievance or avail any service request or claiming payment of dividend/interest/redemption payment in respect of such folios. Furthermore, pursuant to recent SEBI amendments dated November 18, 2025, the issuance of 'payable-at-par' warrants or cheques has been discontinued. Consequently, all payments including dividend, interest, or redemption shall be made only through electronic mode. Relevant details and forms for KYC Updates prescribed by SEBI in this regard are available on the website of the Company also at **https://www.eicher.in/investors-overview/shareholder_s_resources/investor-service-request**. Members holding shares in electronic form are requested to submit the PAN, KYC details to their Depository Participants with whom they are maintaining their demat accounts.

100 days nationwide campaign -Saksham Niveshak

In alignment with the Ministry of Corporate Affairs' initiative, the Company successfully participated in the 100-days 'Saksham Niveshak' nationwide campaign from July 28, 2025, to November 6, 2025, aimed at promoting investor protection and ensuring compliance with KYC norms.

The campaign focused on encouraging shareholders to update their KYC and bank details to facilitate seamless receipt of dividends and to avoid transfer of shares and unclaimed dividends to the Investor Education and Protection Fund.

During the campaign period, the Company sent individual letters/communications to shareholders whose KYC details were incomplete or not updated and advised them to update their KYC and bank details with the Registrar and Share Transfer Agent. The Company also submitted necessary disclosures and intimations to the Stock Exchanges regarding participation in the campaign and published advertisements in widely circulated newspapers to create awareness among shareholders regarding KYC updation requirements. The Company's dedicated participation in the 'Saksham Niveshak' campaign underscores its unwavering commitment to investor protection and regulatory excellence. We continue to prioritise transparent communication and remain dedicated to safeguarding the interests of our stakeholders.

14.10 Dematerialisation of shares and liquidity

As per SEBI's circular dated February 21, 2000, the Company's equity shares are under the Compulsory Demat Category and can only be traded in the dematerialised form w.e.f. March 22, 2000.

Members are requested to avail the facility of the depository system by opening of Demat account with any of the Depository Participant, namely, NSDL and CDSL. Members who hold shares in dematerialised form, should send all their communications concerning rematerialisation of shares, transfers/transmissions, dividends, change of address, change in bank mandate, updation of email id, mobile number, nominations, etc. to the concerned Depository Participant with whom they have opened Demat Account.

27,32,05,874 shares constituting 99.60% of the total paid up equity share capital of the Company are in dematerialised form with NSDL and CDSL as on March 31, 2026.

14.11 Distribution of shareholding as on March 31, 2026

Category	No. of shareholders	% holders	No. of shares of face value of ₹ 1/- each	% Shareholding
1-500	2,80,500	97.28	64,55,874	2.35
501-1,000	3,326	1.15	27,24,188	0.99
1,001-2,000	1,932	0.67	30,90,382	1.13
2,001-3,000	624	0.22	15,41,499	0.56
3,001-4,000	302	0.10	10,79,039	0.39
4,001-5,000	192	0.07	8,72,047	0.32
5,001-10,000	410	0.14	29,82,720	1.09
10,001-50,000	654	0.23	1,50,23,613	5.48
50,001-1,00,000	153	0.05	1,08,84,937	3.97
1,00,001 and above	245	0.09	22,96,59,905	83.72
Total	**2,88,338**	**100.00**	**27,43,14,204**	**100.00**

The Company has not issued any GDRs / ADRs, and there are no outstanding warrants or any convertible instruments.

14.12 Transfer of Unclaimed / Unpaid Dividend to Investor Education and Protection Fund Authority

The Company shall be transferring the unclaimed/ unpaid dividends as mentioned hereunder to the Investor Education and Protection Fund Authority, established by the Central Government, in terms of the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

The tentative schedule for unclaimed dividend to be transferred to Investor Education and Protection Fund Authority is as under:

Dividend for the Financial Year	Due date for transfer to the Central Government
2018-19 (April to March)	September 7, 2026
2019-20 (April to March)*	April 17, 2027
2020-21 (April to March)	September 22, 2028
2021-22 (April to March)	September 25, 2029
2022-23 (April to March)	September 27, 2030
2023-24 (April to March)	September 24, 2031
2024-25 (April to March)	September 26, 2032

**Interim Dividend declared by the Board of Directors on March 11, 2020.*

Members who have not encashed their Dividend Warrants for the above Financial Years/period may approach the Company's Registrar & Share Transfer Agent for encashment of their unclaimed dividend.

14.13 Transfer of Shares to the Investor Education and Protection Fund Authority

In compliance with the provisions of Section 124 and 125 of the Companies Act, 2013 ("the Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ("the Rules"), the Company had transferred 63,804 equity shares of face value of ₹ 1 each, on which dividend remained unclaimed or unpaid for a period of seven consecutive years or more, to the Investor Education and Protection Fund Authority (IEPF Authority) during the year under review.

The requirement of transfer of shares to IEPF Authority does not apply to shares in respect of which there is a specific order of a Court, Tribunal or Statutory Authority, restraining any transfer of the shares or where such shares are pledged or hypothecated under the provisions of the Depositories Act, 1996.

Any person whose share(s)/ unpaid dividend has been transferred to the IEPF Authority may claim the share(s)/ dividend from it pursuant to the said Act and the Rules by submitting an online application in Form IEPF-5 available on the website **www.mca.gov.in**. Simultaneously, claimant shall be required to submit a copy of Form IEPF-5 submitted with IEPF Authority duly signed and accompanied by all requisite original documents to the Company's Registered office address in an envelope marked as "Claim for refund from IEPF Authority" for verification. Shareholders are requested to go through the provisions of the said Act and the Rules and also the information provided on the website **www.iepf.gov.in**. Shareholders may also write to the Company or Company's RTA for any further information/clarification in this regard.

14.14 Unclaimed Shares Suspense Account

In compliance with Regulation 39 of the SEBI (LODR) Regulations, 2015, the Company has maintained Eicher Motors Limited-Unclaimed Suspense Account, in which unclaimed shares lying with the Company have been credited after dematerialisation.

The details with respect to the unclaimed shares of the Company for the financial year ended March 31, 2026 are as under:

Sl. No.	Particulars	No. of shareholders	No. of shares
(i)	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year	1	80
(ii)	Number of shareholders who approached the Company for transfer of shares from the Suspense Account during the year	Nil	Nil
(iii)	Number of shareholders to whom shares were transferred from the Suspense Account during the year	Nil	Nil
(iv)	Number of shareholders whose shares were transferred to Investor Education and Protection Fund Authority in compliance with the provisions of Section 124 & 125 of the Companies Act, 2013 and the rules framed thereunder	1	80
(v)	Aggregate number of shareholders and the outstanding shares lying in the Suspense Account at the end of the year	Nil	Nil

The voting rights on shares lying in Suspense Account shall remain frozen till the rightful owner of such shares claims the shares.

14.15 Nomination facility

Your Company is pleased to offer the facility of nomination to members. Pursuant to Section 72 of the Companies Act, 2013, the members, who hold shares in the physical form and wish to avail nomination facility, are requested to send the duly complete nomination form, available on the website of the Company **www.eichermotors.com**, to the Registrar and Share Transfer Agent of the Company. The Members, who hold shares in the electronic form and wish to avail nomination facility, are requested to send separate request to their respective Depository Participant(s) only.

14.16 Consolidation of folios and avoidance of multiple mailing

In order to enable the Company to reduce costs and duplication of efforts for investor servicing, members who may have more than one folio in their individual name or jointly with other persons mentioned in the same order, are requested to consolidate all similar holdings under

one folio. This would help in monitoring the folios more effectively. Members may write to the Registrar and Share Transfer Agent at the address given at Para 14.8, indicating the folio numbers to be consolidated.

14.17 National Electronic Clearing Services (NECS) Mandate

Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS) mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers etc., to their respective Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Share Transfer Agent to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Company's Registrar and Share Transfer Agent. The Form for intimating Bank and/or NECS mandate is available on the website of the Company **www.eichermotors.com**.

14.18 Registered Office

Office No. 1111, 11th Floor, Ashoka Estate,
Plot No. 24, Barakhamba Road,
New Delhi-110001
Tel. No. (011)- 41095173
Website: **www.eichermotors.com**

14.19 Corporate Office

#96, Sector 32,
Gurugram- 122 001, Haryana, India.
Tel. No. (0124)- 4445070

Headquarters

Royal Enfield Global Headquarters
#296, Rajiv Gandhi Salai,
Sholinganallur, Chennai-600119,
Tamil Nadu, India
Tel.No. (044)-46093434

14.20 Plant locations

(i) Thiruvottiyur High Road, Thiruvottiyur, Chennai - 600 019
(Tamil Nadu)

(ii) A-19/1, SIPCOT Industrial Growth Centre,
Oragadam, Kanchipuram - 602 105
(Tamil Nadu)

(iii) G 121 & 122, SIPCOT Industrial Park,
Vallam Vadagal, Kanchipuram- 602105
(Tamil Nadu)

(iv) Plot No: A3 /2A, SIPCOT Industrial Complex,
Cheyyar -Phase -2, Magajanapakkam -631701
(Tamil Nadu)

This Corporate Governance Report of the Company for the Financial Year ended March 31, 2026 is in compliance with the requirements of Corporate Governance under SEBI (LODR) Regulations, 2015. Further, The Company has complied with all the applicable requirements specified in Regulations 17 to 27 and clause (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the said Regulations.

This is to certify that the information given above is true and correct.

For **Eicher Motors Limited**

Siddhartha Lal
Executive Chairman
DIN: 00037645
Place: Gurugram, Haryana
Date: May 22, 2026

Govindarajan Balakrishnan
Managing Director
DIN:03093035
Place: Gurugram, Haryana
Date: May 22, 2026

ANNEXURE-1

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
Eicher Motors Limited
Office No. 1111, 11th Floor,
Ashoka Estate, Plot No. 24, Barakhamba Road,
New Delhi-110001

a. **Eicher Motors Limited** (CIN: L34102DL1982PLC129877) is having its registered office at Office No. 1111, 11th Floor, Ashoka Estate, Plot No. 24, Barakhamba Road, New Delhi-110001 (hereinafter referred as "Company"). The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Ltd.

b. I have examined the relevant disclosures (DIR-8 and MBP-1)/registers/records/forms /returns maintained by the Company and produced before me for the purpose of issuing this certificate in accordance with regulation 34(3) read together with clause 10(i) of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

c. In our opinion and to the best of our information and according to the verifications and examination of the disclosures under section 149, 164, 184 of the Companies Act, 2013 (the Act) and DIN status at the MCA portal viz. **www.mca.gov.in**, as considered necessary and explanations furnished to us by the Company and its officers, I hereby certify that none of the below named Directors on the Board of the Company as on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority:

Sl. No.	Name of the Directors	Director Identification Number (DIN)	Designation	*Date of Appointment
1.	Siddhartha Vikram Lal	00037645	Executive Chairman	May 01,2006
2.	Govindarajan Balakrishnan	03093035	Managing Director	August 18, 2021
3.	Vinod Kumar Aggarwal	00038906	Vice Chairman and Non-Executive Director	April 01, 2019
4.	Inder Mohan Singh	07114750	Non-Executive Independent Director	November 12, 2018
5.	Tejpreet Singh Chopra	00317683	Non-Executive Independent Director	September 29, 2023
6.	Subramanian Madhavan	06451889	Non-Executive Independent Director	September 29, 2023
7.	Ira Gupta	07517101	Non-Executive Independent Director	February 10, 2025
8.	Arun Vasu	00174675	Non-Executive Independent Director	February 13, 2025

d. Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

e. This certificate is based on the information and records shared with us and I have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

Malavika Bansal
Company Secretary in Practice
FCS: 8231
CoP No: 9159
UDIN: F008231H000288775
Peer Review Certificate No.: 5419/2024

Place: New Delhi
Date: May 06, 2026

ANNEXURE-2

DECLARATION

As per Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, I hereby declare that the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management for the financial year ended March 31, 2026.

For **Eicher Motors Limited**

Govindarajan Balakrishnan
Managing Director
DIN:03093035

Place: Gurugram, Haryana
Date: May 22, 2026

ANNEXURE-3

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

We, Govindarajan Balakrishnan - Managing Director and Vidhya Srinivasan - Chief Financial Officer, hereby certify that:

(a) We have reviewed the financial statements and cash flow statement for the financial year ended March 31, 2026 and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) To the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2026 are fraudulent, illegal or in violation of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee that:

(i) there have not been any significant changes in internal controls over financial reporting during the year ended March 31, 2026;

(ii) there have not been any significant changes in accounting policies during the year ended March 31, 2026; and

(iii) there has not been any instance during the financial year ended March 31, 2026 of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Govindarajan Balakrishnan
Managing Director

Place: Gurugram, Haryana
Date: May 22, 2026

Vidhya Srinivasan
Chief Financial Officer

Place: Gurugram, Haryana
Date: May 22, 2026

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

As per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of
Eicher Motors Limited,
Office No. 1111, 11th Floor,
Ashoka Estate, Plot No. 24,
Barakhamba Road, New Delhi-110001

1. The Corporate Governance Report prepared by Eicher Motors Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2026 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:

   i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;

   ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;

   iii. Obtained and read the Register of Directors as on March 31, 2026 and verified that atleast one independent woman director was on the Board of Directors throughout the year;

iv. Obtained and read the minutes of the following committee meetings / other meetings held from April 1, 2025 to March 31, 2026:

(a) Board of Directors;

(b) Audit Committee;

(c) Annual General Meeting (AGM);

(d) Nomination and Remuneration Committee;

(e) Stakeholders Relationship Committee;

(f) Risk Management Committee

v. Obtained necessary declarations from the directors of the Company.

vi. Obtained and read the policy adopted by the Company for related party transactions.

vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2026, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Sonika Loganey**
Partner
Membership Number: 502220
UDIN: 25502220WWATDH8370

Place of Signature: Gurugram
Date: May 22, 2026

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Eicher Motors Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of Eicher Motors Limited ("the Company"), which comprise the Balance sheet as at March 31, 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report.

We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Intangible assets under development (Refer to the accounting estimates and judgements in Note 3 and Note 7 to the standalone financial statements)	
The Company has various internally generated intangible projects under development. Initial recognition of the development expenditure under these projects is based on assessing each project in relation to specific recognition criteria that needs to be met for capitalization. In addition, the management also assess indication of impairment of the carrying value of assets which requires management judgment and assumptions as affected by future market or economic developments. Due to the materiality of the assets under development recognized and the level of management judgement involved, initial recognition and measurement of internally generated intangible assets under development has been considered as a key audit matter.	Our audit procedures included but were not limited to the following: • Assessed whether the Company's Internally generated intangible assets- research and development expenditure accounting policies is in compliance with Ind AS 38 "Intangible Assets". • We assessed the design, implementation and operating effectiveness over management process of identifying and capitalizing the development expenditure in accordance with the accounting principles of capitalization of expenditure on internally generated intangible assets as per Ind AS 38 such as technical feasibility of the project, intention and ability to complete the intangible asset, ability to use or sell the asset, generation of future economic benefits and the ability to measure costs reliably. • We performed test of details of development expenditure capitalized by reviewing the key assumptions including the authorization of the stage of the project in the development phase, the accuracy of costs included and assessing the useful economic life attributed to the asset. In addition, we considered whether any indicators of impairment were present by understanding the business rationale for projects. We tested the disclosure relating to research and development expenditure in the standalone financial statements.
Revenue Recognition (Refer to the accounting policies in Note 3 to the standalone financial statements)	
Revenue from the sale of goods is recognised upon the transfer of control of the goods to the customer, upon dispatch from factory / depot. The Company uses a variety of shipment terms across its operating markets, and this has an impact on the timing of revenue recognition. There is a risk that revenue could be recognised in the incorrect period for sales transactions occurring on and around the year end therefore revenue recognition has been identified as a key audit matter.	Our audit procedures included the following: • We assessed whether the Company's revenue recognition accounting policies are in compliance with Ind AS 115 "Revenue from contracts with customers". • We assessed the design, implementation and operating effectiveness of the Company's process of recognizing the revenue from sales of goods with regard to the timing of the revenue recognition as per the sales terms with the customers. • We performed test of details of the sales transactions testing based on a representative sampling of the sales orders to test that the related revenues and trade receivables are recorded taking into consideration the terms and conditions of the sale orders, including the shipping terms. • We also performed audit procedures relating to revenue recognition by agreeing dispatches from factory / depot occurring around the year-end to supporting documentation to establish that revenue and corresponding trade receivables are properly recorded in the correct period.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive

income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i) (vi) below on reporting under Rule 11(g);

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account ;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph 2(i) (vi) below on reporting under Rule 11(g)

   (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 41 to the standalone financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

   iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 57 (vii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 57 (viii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 53 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, as stated in Note 56 to the standalone financial statements, the Company has used accounting software(s) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further as explained in Note 56 to the standalone financial statements, audit trail feature at the SAP database level was enabled during the audit period and audit trail feature was not enabled for software used for service type warranties.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software(s) where the audit trail has been enabled.

Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in Note 56 to the standalone financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sonika Loganey
Partner
Membership Number: 502220
UDIN: 26502220IVEDHL1164
Place of Signature: Gurugram
Date: May 22, 2026

ANNEXURE '1'

referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Eicher Motors Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment were physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were identified on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in Note 4 to the financial statements are held in the name of the Company except two immovable properties as indicated in the below mentioned cases as at March 31, 2026 for which title deeds were not available with the Company and hence we are unable to comment on the same.

Description of Property	Gross carrying value as at March 31, 2026 (₹ crores)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of Company
Freehold land located at Alwar, Rajasthan and Jhajjar, Haryana	0.74	Eicher Tractors Limited	No	Since August 02, 2004	The properties were acquired through Group restructuring and management has informed us that they are taking necessary steps to get the properties registered in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2026.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) Physical verification of inventory has been conducted at reasonable intervals during the year by management except for inventories lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate. Inventories lying with third parties have been confirmed by such third parties as at March 31, 2026 There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory.

(b) As disclosed in Note 21 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores from two banks during the year on the basis of security of debt mutual funds and fixed deposits of the Company. The requirements to file quarterly returns/statements by the Company is not stipulated by the banks.

(iii) (a) During the year the Company has provided guarantees for its subsidiary companies, bill discounting facility on behalf of its Joint venture, loans and advances in the nature of loans as follows:

	Guarantees (₹ Crores)	Security	Bill discounting (loans granted on behalf of Joint Venture) (₹ Crores)	Loans to employees (₹ Crores)	Advances in nature of loans to employees (₹ Crores)
Aggregate amount granted/ provided during the year					
- Subsidiaries	329.12*	-	-	-	-
- Joint Ventures	-	-	498.28#	-	-
- Associates	-	-	-	-	-
- Others	-	-	-	-	23.37
Balance outstanding as at balance sheet date in respect of above cases					
- Subsidiaries	358.99	-	-	-	-
- Joint Ventures	-	-	451.20	-	-
- Associates	-	-	-	-	-
- Others	-	-	-	0.04	1.94

* Includes guarantees renewed during the period amounting to ₹ 320.28 crores.

Represents the maximum value of facility used at any point in time during the current year by the Joint Venture. The individual transactions under the bill discounting facility provided to its Joint Venture ranges upto 120 days period and balances at any point of time have remained within the overall sanction limit of the facility provided to Joint Venture.

During the year the Company has not provided loans, stood guarantee and security to firms, Limited Liability Partnerships or any other parties.

(b) During the year the investments made, guarantees provided and the terms and conditions of the grant of all loans (including loans granted on behalf of its Joint Venture), and advances in the nature of loans, investments and guarantees are not prejudicial to the Company's interest. During the year the Company has not provided any security to companies, firms, Limited Liability Partnerships or any other parties.

(c) The Company has granted loans on behalf of its Joint Venture Company during the year where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. The Company has granted advances in the nature of loans during the year where the schedule of repayment of principal has been stipulated and the repayments are regular.

(d) There are no amounts of loans (including loans granted on behalf of its Joint Venture) and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans (including loans granted on behalf of its Joint Venture) or advances in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans (including loans granted on behalf of its Joint Venture) or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of goods, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As explained to us, the statutory dues related to sales tax, service tax and duty of excise are not applicable to the Company.

(b) The dues of goods and services tax, income-tax, sales-tax, service tax, duty of custom, duty of excise, cess, and other statutory dues that have not been deposited on account of any dispute, are as follows:

Name of Statute	Nature of Dues	Forum where it is pending	Period to which it relates	Amount involved (₹ Crores)*	Amount unpaid (₹ Crores)
Central Excise Act, 1944	Excise Duty	Commissioner Appeals Level	1995-96 to 1996-97	0.02	0.01
Central Excise Act, 1944	Excise Duty	CESTAT	2003-04, 2012-13 to 2015-16, 2016-17 to 2017-18	18.66	17.92
Central Excise Act, 1944	Excise Duty	High Court	1995-96 to 1998-99, 1983-84 to 2000-01	3.18	2.21
Bihar Finance Act, 1981	Sales Tax	Commissioner of Sales Tax (Appeals)	2000-01, 2001-02	0.79	0.74
Uttar Pradesh Sales Tax Act, 1948, UttarPradesh VAT Act, 2008	Sales Tax/ Valueadded Tax	Joint / Deputy / Assistant Commissioner (Appeals)	1986-87, 1987-88,1997-98,1998-99,2004-05, 2008-09	0.07	0.02
Uttar Pradesh Sales Tax Act, 1948, Uttar Pradesh VAT Act, 2008	Sales Tax/ Valueadded Tax	Appellate Tribunal	1991-92, 1993-94, 1994-95, 1995-96, 1999-00, 2001-02, 2003-04, 2004-05	0.69	0.57
Uttar Pradesh Sales Tax Act, 1948, Uttar Pradesh VAT Act, 2008	Sales Tax/ Valueadded Tax	Allahabad High Court	1984-85, 1985-86, 2000-01	0.60	0.29
Rajasthan Sales Tax Act, 1994, Rajasthan Value Added Tax Act, 2003	Sales Tax/ Valueadded Tax	Commissioner of Sales Tax (Appeals)	1996-97, 2000-01, 2002-03, 2010-11, 2014-15	0.34	0.28
Rajasthan Sales Tax Act, 1994, RajasthanValue Added Tax Act, 2003	Sales Tax/ Value added Tax	Appellate Tribunal	1990-2000	0.05	0.05
Rajasthan Sales Tax Act, 1994, Rajasthan Value Added Tax Act, 2003	Sales Tax / Value added Tax	Rajasthan High Court	1993-94	0.03	0.01
Rajasthan Sales Tax Act, 1994, RajasthanValue Added Tax Act, 2003	Sales Tax/ Valueadded Tax	Supreme Court of India	1986-87 to 1988-89, 1990-91, 1991-92, 2001-02 to 2003-04	1.96	1.41
Delhi Sales Tax Act, 1975	Sales Tax	Sales Tax Appellate Tribunal	1988-89, 1991-92, 1992-93, 1993-94, 2000-01, 2002-03, 2003-04	0.70	0.58
The Madhya Pradesh General Sales Tax Act, 1958, The Madhya Pradesh VAT Act, 2002	Sales Tax/ Value added Tax	Commissioner of Sales Tax (Appeals)	1994-95, 1995-96, 1996-97, 1999-00, 1998-99, 2000-01, 2001-02, 2002-03, 2008-09	0.19	0.04
The Madhya Pradesh General Sales Tax Act, 1958, The Madhya Pradesh VAT Act, 2002	Sales Tax/ Value added Tax	Appellate Tribunal	1997-98, 1998-99, 2002-03, 2004-05, 2006-07	0.32	0.21
The Madhya Pradesh General Sales Tax Act, 1958, The Madhya Pradesh VAT Act, 2002	Sales Tax/ Value added Tax	High Court	2004-05	0.66	0.39
The Maharashtra Value Added Tax Act, 2002	Value Added Tax	Tribunal	2012-13	0.04	0.03
The Odisha Sales Tax Act, 1947	Value Added Tax	Commissioner of Sales Tax (Appeals)	2000-01	0.01	0.00
The Kerala Value Added Tax, 2003	Value Added Tax	Commissioner of Sales Tax (Appeals)	2012-13	0.03	0.03
The Telangana Value Added Tax, 2005	Value Added Tax	Commissioner of Sales Tax (Appeals)	2005-06	0.12	0.00

Name of Statute	Nature of Dues	Forum where it is pending	Period to which it relates	Amount involved (₹ Crores)*	Amount unpaid (₹ Crores)
The Central Sales Tax Act, Andhra Pradesh, CST	CST	Appellate Tribunal	2002-03, 2015-16	0.46	0.02
The Central Sales Tax Act GOA, The Goa Value Added Tax Act, 2005	Sales Tax/ Value added tax	Appellate Authority	2015-16, 2017-18	0.04	0.03
The Central Sales Tax Act Gujarat	CST	Appellate Authority	1996-97, 2005-06	0.01	0.01
Goods and Service Tax Act, 2017	GST	Assessing officer	2018-19	0.02	0.02
Goods and ServiceTax Act, 2017	GST	High Court	2017-18 to 2022-23	8.88	8.88
Goods and Service Tax Act 2017	GST	Commissioner of GST (Appeals)	2017-18 to 2021-22, 2025-26	18.15	17.21
The Finance Act, 1994	Service Tax	CESTAT	2006-07 to 2011-12	0.39	0.36
The Customs Act, 1962	Customs Duty	Appeal pending with Addl. D.G.F.T	1998-99	3.47	3.47
The Central Sales Tax Act, Kerala	CST	Appellate Authority	2015-16	0.08	0.08
The Gujarat Value Added Tax	VAT	Appellate Authority	2018-19	0.02	0.02
The Punjab Value Added Tax	VAT	Commissioner of Appeals	2015-16 to 2016-17	13.74	10.31
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	AY 2015-16 to AY 2022-23	83.17	16.61
The Income Tax Act, 1961	Income Tax	Dispute Resolution Professional (DRP)	AY 2023-24	3.53	3.53

*Amount as per demand orders including interest and penalty wherever indicated in the order.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company

(ix) (a) The Company has not defaulted in repayment of other borrowings or in the payment of interest thereon to any lender. The Company did not have any outstanding loans due for repayment to any lender and the Company has not defaulted in the payment of interest thereon.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) (a) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(b) The Company is not a Nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

(c) The Company is not a Nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 55 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 51 to the financial statements.

(b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in Note 51 to the financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sonika Loganey
Partner
Membership Number: 502220
UDIN: 26502220IVEDHL1164
Place of Signature: Gurugram
Date: May 22, 2026

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF EICHER MOTORS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Eicher Motors Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sonika Loganey
Partner
Membership Number: 502220
UDIN: 26502220IVEDHL1164
Place of Signature: Gurugram
Date: May 22, 2026

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	**2,296.56**	2,230.34
(b) Capital work-in-progress	5	**201.11**	95.60
(c) Intangible assets	6	**1,173.05**	887.15
(d) Right of use assets	52	**200.21**	217.05
(e) Intangible assets under development	7	**533.22**	381.17
(f) Financial assets			
(i) Investments in subsidiaries & joint ventures	8,9	**426.29**	377.06
(ii) Other investments	10	**10,940.48**	10,802.50
(iii) Other financial assets	12	**2,939.32**	2,068.17
(g) Non-current tax assets (net)	25	**80.06**	87.35
(h) Other non-current assets	17	**250.62**	151.85
Total non-current assets		**19,040.92**	17,298.24
Current assets			
(a) Inventories	13	**1,302.49**	1,105.71
(b) Financial assets			
(i) Investments	10	**2,831.97**	847.55
(ii) Trade receivables	14	**1,340.33**	1,081.08
(iii) Cash and cash equivalents	15	**48.89**	117.22
(iv) Bank balances other than (iii) above	16	**21.75**	44.05
(v) Loans / Bill discounting	11	**451.24**	445.96
(vi) Other financial assets	12	**3,028.86**	2,872.94
(c) Other current assets	17	**497.31**	273.65
Total current assets		**9,522.84**	6,788.16
Total assets		**28,563.76**	24,086.40
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	18	**27.43**	27.42
(b) Other equity	19	**21,780.43**	18,472.42
Total equity		**21,807.86**	18,499.84
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	**201.63**	184.36
(ii) Lease liabilities	52	**44.21**	56.80
(iii) Other financial liabilities	20	**16.00**	29.24
(b) Other non-current liabilities	28	**604.38**	463.64
(c) Provisions	23	**256.17**	192.35
(d) Government grants	26	**170.47**	123.20
(e) Deferred tax liabilities (net)	24	**688.80**	520.53
Total non-current liabilities		**1,981.66**	1,570.12
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	**26.90**	-
(ii) Lease liabilities	52	**23.66**	26.11
(iii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises	42	**100.34**	40.11
Total outstanding dues of creditors other than micro enterprises and small enterprises		**2,591.05**	2,405.49
(iv) Other financial liabilities	20	**521.79**	341.95
(b) Other current liabilities	28	**616.47**	538.08
(c) Provisions	23	**166.49**	121.37
(d) Government grants	26	**28.79**	40.48
(e) Contract liabilities	27	**393.56**	264.42
(f) Current tax liabilities (net)	25	**305.19**	238.43
Total current liabilities		**4,774.24**	4,016.44
Total liabilities		**6,755.90**	5,586.56
Total equity and liabilities		**28,563.76**	24,086.40

See accompanying notes forming part of the standalone financial statements

As per our report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Sonika Loganey
Partner
Membership No : 502220

Place: Gurugram
Date: May 22, 2026

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Siddhartha Lal
Executive Chairman
DIN: 00037645

B Govindarajan
Managing Director
DIN: 03093035

Vinod Aggarwal
Vice Chairman
DIN: 00038906

S Madhavan
Chairman - Audit Committee
DIN: 06451889

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary
Membership No. ACS 22763

Place: Gurugram
Date: May 22, 2026

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from contract with customers	29 (A)	**22,296.75**	18,146.54
Other operating income	29 (B)	**402.98**	304.92
Revenue from operations		**22,699.73**	18,451.46
Other income	30	**1,694.80**	1,408.65
Total Income		**24,394.53**	19,860.11
Expenses			
Cost of raw material and components consumed	31	**12,476.28**	9,926.30
Purchases of traded goods	32	**294.46**	235.02
Change in inventories of finished goods, work-in-progress and traded goods	33	**(64.28)**	(39.73)
Employee benefits expense	34	**1,500.80**	1,279.04
Finance costs	35	**27.46**	24.00
Depreciation and amortisation expense	36	**788.23**	684.09
Other expenses	37	**2,679.62**	2,282.83
Total expenses		**17,702.57**	14,391.55
Profit before exceptional item and tax		**6,691.96**	5,468.56
Exceptional item	34	**(55.45)**	-
Profit before tax		**6,636.51**	5,468.56
Tax expense			
Current tax	38	**1,455.59**	1,119.13
Deferred tax	38	**140.10**	70.17
Total income tax expense		**1,595.69**	1,189.30
Profit for the year		**5,040.82**	4,279.26
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss:-			
Re-measurement gains/(losses) on defined benefit plans		**5.93**	(9.72)
Income tax effect	38	**(1.49)**	2.45
Change in fair value of equity instruments through other comprehensive income (including foreign exchange gains/(losses) on reinstatement)		**31.60**	(301.73)
Income tax effect	38	**(4.52)**	43.15
Net other comprehensive income / (expense) not to be reclassified to profit or loss in subsequent periods		**31.52**	(265.85)
Items that will be reclassified to profit or loss in subsequent periods:-			
Exchange differences in translating the financial statements of foreign operations		**105.31**	34.75
Income tax effect	38	**(26.50)**	(8.75)
Debt instruments through other comprehensive income		**(17.25)**	26.74
Income tax effect	38	**4.34**	(6.73)
Net other comprehensive income / (expense) to be reclassified to profit or loss in subsequent periods		**65.90**	46.01
Other comprehensive income / (expense) for the year, net of tax		**97.42**	(219.84)
Total comprehensive income for the year, net of tax		**5,138.24**	4,059.42
Earnings per equity share of ₹ 1 each (March 31, 2025: ₹ 1) (in ₹)			
(a) Basic	44	**183.79**	156.15
(b) Diluted	44	**183.46**	155.80

See accompanying notes forming part of the standalone financial statements

As per our report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Sonika Loganey
Partner
Membership No : 502220

Place: Gurugram
Date: May 22, 2026

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Siddhartha Lal
Executive Chairman
DIN: 00037645

B Govindarajan
Managing Director
DIN: 03093035

Vinod Aggarwal
Vice Chairman
DIN: 00038906

S Madhavan
Chairman - Audit Committee
DIN: 06451889

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary
Membership No. ACS 22763

Place: Gurugram
Date: May 22, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

A EQUITY SHARE CAPITAL

Particulars	Number of Shares	Amount
For the year ended March 31, 2026 (refer note 18)		
Equity shares of ₹ 1 each issued, subscribed and fully paid		
As at April 01, 2025	**27,41,64,080**	**27.42**
Issue of equity shares under employee stock option plan / restricted stock units plan (refer note 49)	**1,50,124**	**0.01**
As at March 31, 2026	**27,43,14,204**	**27.43**
For the year ended March 31, 2025 (refer note 18)		
Equity shares of ₹ 1 each issued, subscribed and fully paid		
As at April 01, 2024	27,38,05,630	27.38
Issue of equity shares under employee stock option plan / restricted stock units plan (refer note 49)	3,58,450	0.04
As at March 31, 2025	**27,41,64,080**	**27.42**

B OTHER EQUITY

	Reserves and surplus						Items of Other comprehensive income (OCI)				Total equity
Particulars	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Share based payments reserve	Retained earnings	Hedge reserve	Debt instruments through OCI	Fair value of equity instruments through OCI	Foreign currency translation reserve	
For the year ended March 31, 2026 (refer note 19)											
As at April 01, 2025	**0.25**	**1.41**	**434.67**	**339.89**	**106.32**	**17,742.14**	**0.04**	**22.98**	**(258.58)**	**83.30**	**18,472.42**
Profit for the year	-	-	-	-	-	5,040.82	-	-	-	-	5,040.82
Other comprehensive income / (expense) for the year, net of income tax (refer note 19)	-	-	-	-	-	4.44	-	(12.91)	27.08	78.81	97.42
Total comprehensive income / (expense) for the year	**-**	**-**	**-**	**-**	**-**	**5,045.26**	**-**	**(12.91)**	**27.08**	**78.81**	**5,138.24**
Share-based payments (refer note 49)	-	-	-	-	51.13	-	-	-	-	-	51.13
Payment of cash dividend	-	-	-	-	-	(1,919.95)	-	-	-	-	(1,919.95)
Proceeds from issue of equity shares under employee stock option plan / restricted stock units plan	-	-	12.29	-	-	-	-	-	-	-	12.29
Share based expense for employees of subsidiaries / joint venture (refer note 49)	-	-	-	-	26.13	-	-	-	-	-	26.13
Other adjustments (foreign exchange (gains)/loss)	-	-	-	-	0.17	-	-	-	-	-	0.17
Transfer to securities premium on issue of equity shares upon exercise of employee stock option plan / restricted stock units plan	-	-	25.52	-	(25.52)	-	-	-	-	-	-
As at March 31, 2026	**0.25**	**1.41**	**472.48**	**339.89**	**158.23**	**20,867.45**	**0.04**	**10.07**	**(231.50)**	**162.11**	**21,780.43**
For the year ended March 31, 2025 (refer note 19)											
As at April 01, 2024	**0.25**	**1.41**	**319.60**	**339.89**	**77.14**	**14,867.60**	**0.04**	**2.97**	**-**	**57.30**	**15,666.20**
Profit for the year	-	-	-	-	-	4,279.26	-	-	-	-	4,279.26
Other comprehensive income / (expense) for the year, net of income tax (refer note 19)	-	-	-	-	-	(7.27)	-	20.01	(258.58)	26.00	(219.84)
Total comprehensive income / (expense) for the year	**-**	**-**	**-**	**-**	**-**	**4,271.99**	**-**	**20.01**	**(258.58)**	**26.00**	**4,059.42**
Share-based payments (refer note 49)	-	-	-	-	42.32	-	-	-	-	-	42.32
Payment of cash dividend	-	-	-	-	-	(1,397.45)	-	-	-	-	(1,397.45)
Proceeds from issue of equity shares under employee stock option plan / restricted stock units plan	-	-	86.85	-	-	-	-	-	-	-	86.85
Share based expense for employees of subsidiaries / joint venture (refer note 49)	-	-	-	-	15.00	-	-	-	-	-	15.00
Other adjustments (foreign exchange (gains)/loss)	-	-	-	-	0.08	-	-	-	-	-	0.08
Transfer to securities premium on issue of equity shares upon exercise of employee stock option plan / restricted stock units plan	-	-	28.22	-	(28.22)	-	-	-	-	-	-
As at March 31, 2025	**0.25**	**1.41**	**434.67**	**339.89**	**106.32**	**17,742.14**	**0.04**	**22.98**	**(258.58)**	**83.30**	**18,472.42**

See accompanying notes forming part of the standalone financial statements

As per our report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Sonika Loganey
Partner
Membership No : 502220

Place: Gurugram
Date: May 22, 2026

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Siddhartha Lal
Executive Chairman
DIN: 00037645

B Govindarajan
Managing Director
DIN: 03093035

Vinod Aggarwal
Vice Chairman
DIN: 00038906

S Madhavan
Chairman - Audit Committee
DIN: 06451889

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary
Membership No. ACS 22763

Place: Gurugram
Date: May 22, 2026

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
A.	**OPERATING ACTIVITIES**		
	Profit before tax	**6,636.51**	5,468.56
	Adjustments for:		
	Depreciation and amortisation expense	**788.23**	684.09
	Gain on sale of property, plant and equipment	**(1.96)**	(1.69)
	Loss on sale of property, plant and equipment	**3.90**	9.79
	Dividend from joint venture company	**(217.60)**	(136.00)
	Grant income on soft loan from State Industries Promotion Corporation of Tamil Nadu Ltd. (SIPCOT)	**(7.16)**	(10.13)
	Net gain on financial instruments at fair value through profit or loss	**(745.55)**	(863.30)
	Liabilities no longer required, written back	**(36.52)**	-
	Interest income recognised	**(471.29)**	(317.77)
	Expenses recognised in respect of equity-settled share-based payments	**51.13**	42.32
	Exchange difference on reinstatement of property, plant and equipment, intangible assets including capital work-in progress and intangible assets under development	**(104.37)**	(33.32)
	Unrealised foreign exchange difference	**(59.31)**	(7.33)
	Gain on exercise of termination option of leases	**(1.19)**	(0.01)
	Provision for credit impaired trade receivables and advances (including write off)	**0.09**	0.26
	Finance costs recognised	**27.46**	24.00
	Operating profit before changes in working capital	**5,862.37**	4,859.47
	Changes in working capital:		
	Adjustments for (increase) / decrease in non-current assets:		
	Other financial assets	**(1.63)**	(3.25)
	Other assets	**(23.41)**	6.51
	Adjustments for (increase) / decrease in current assets:		
	Inventories	**(196.78)**	(37.08)
	Trade receivables	**(183.75)**	(501.33)
	Other financial assets	**24.61**	(4.11)
	Other assets	**(249.01)**	(42.73)
	Adjustments for increase / (decrease) in non-current liabilities:		
	Other financial liabilities	**(14.39)**	14.11
	Provisions	**58.35**	14.02
	Government grants	**51.42**	(7.93)
	Other liabilities	**140.74**	35.54
	Adjustments for increase / (decrease) in current liabilities:		
	Trade payables	**266.03**	417.85
	Other financial liabilities	**83.56**	6.17
	Provisions	**51.05**	13.20
	Government grants	**(11.78)**	14.54
	Contract liabilities	**129.14**	2.93
	Other liabilities	**78.39**	121.30
	Cash generated from operating activities	**6,064.91**	4,909.21
	Income tax paid (net of refunds)	**(1,356.19)**	(1,079.27)
	Net cash flows from / (used in) operating activities (A)	**4,708.72**	3,829.94
B.	**INVESTING ACTIVITIES**		
	Purchase/Acquisition of Property, plant and equipment and Intangible assets including capital work-in progress, intangible assets under development, payment for capital advance and capital creditors	**(1,255.62)**	(1,010.16)
	Proceeds from disposal of property, plant and equipment and intangible assets	**6.80**	5.30
	Investment in subsidiary companies	**(49.23)**	(18.66)
	Proceeds from sale of equity investments	**-**	5.04
	Proceeds from sale of debt mutual funds and bonds	**8,312.09**	6,820.99

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
	Purchases of debt mutual funds and bonds	**(9,630.75)**	(6,939.29)
	Investments in fixed deposits (maturity more than three months)	**(3,197.40)**	(3,166.48)
	Maturity proceeds from fixed deposits (maturity more than three months)	**2,269.19**	1,470.00
	Bill discounting on behalf of a related party (net)	**(5.28)**	30.92
	Dividend from joint venture company	**217.60**	136.00
	Interest received from bank deposits and others	**334.55**	188.40
	Net cash flows from / (used in) investing activities (B)	**(2,998.05)**	(2,477.94)
C.	**FINANCING ACTIVITIES**		
	Soft loan received from SIPCOT	**6.03**	16.21
	Interest paid	**(0.37)**	(0.37)
	Proceeds from issue of equity share capital under employee stock option plan and restricted stock units plan (including securities premium)	**12.30**	86.89
	Proceeds from grant of restricted stock units to employees of joint venture	**22.17**	9.80
	Interest on lease liabilities paid	**(6.12)**	(6.05)
	Payment of principal portion of lease liabilities	**(25.27)**	(23.76)
	Dividend paid	**(1,919.95)**	(1,397.45)
	Net cash flows from / (used in) financing activities (C)	**(1,911.21)**	(1,314.73)
	Change in foreign currency translation arising on foreign branch (D)		
	Exchange difference on conversion of foreign branch	**105.31**	34.75
	Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)+(D)	**(95.23)**	72.02
	Cash and cash equivalents at the beginning of the year	**117.22**	45.20
	Cash and cash equivalents at the end of the year	**21.99**	117.22

Particulars	As at March 31, 2026	As at March 31, 2025
Components of cash and cash equivalents		
Cash on hand	**0.01**	-
Balances with banks:		
In current accounts	**48.88**	117.22
Cash and cash equivalents as per balance sheet (refer note 15)	**48.89**	117.22
Bank overdrafts (refer note 21)	**(26.90)**	-
Cash and cash equivalents for the purpose of statement of cash flows (refer note 15)	**21.99**	117.22

See accompanying notes forming part of the standalone financial statements

As per our report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Sonika Loganey
Partner
Membership No : 502220

Place: Gurugram
Date: May 22, 2026

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Siddhartha Lal
Executive Chairman
DIN: 00037645

B Govindarajan
Managing Director
DIN: 03093035

Vinod Aggarwal
Vice Chairman
DIN: 00038906

S Madhavan
Chairman - Audit Committee
DIN: 06451889

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary
Membership No. ACS 22763

Place: Gurugram
Date: May 22, 2026

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

1. CORPORATE INFORMATION

Eicher Motors Limited ("EML" or "the Company") CIN: L34102DL1982PLC129877, is a public limited company domiciled and incorporated in India under the provisions of the Companies Act, 1956. The Company is engaged in the manufacturing, selling and distribution of motorcycles, trading of spare parts and related services. The Company has its registered office at number 1111, 11th Floor, Ashoka Estate, Plot number 24, Barakhamba Road, New Delhi, India, corporate office at number 96, Sector – 32, Gurugram, Haryana, India and global headquarters (RE - Tech Centre), number 296, Rajiv Gandhi Salai (OMR), Sholinganallur, Chennai, Tamil Nadu, India. The Company has its equity shares listed on the BSE Limited and National Stock Exchange of India Limited. The standalone financial statements for the year ended March 31, 2026, were approved for issue in accordance with a resolution of the Board of Directors on May 22, 2026.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

2.1 Statement of Compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and the presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

2.2 Accounting convention

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies below (also refer note 47). The standalone financial statements are presented in Indian Crore Rupees and all values are rounded to the nearest two decimals, except when otherwise indicated.

2.3 Operating cycle

Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

3.1 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.2 Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions, that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Company. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Company decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.3 Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Sale of manufactured and traded goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer;

- Domestic sales are recognised at the time of dispatch from the point of sale;
- Export sales are recognised on the date when shipped on board or delivery of goods at the destination agreed as per the respective terms of sale and are initially recorded at the relevant exchange rates prevailing on the date of the transaction;

The Company offers specific credit period to certain customers and payment for the sale is made as per the credit terms in the agreements with the customers.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, Road Side Assistance (RSA), Free Service Coupons (FSC), etc.). In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of traded goods provide customers with a right of return for which, the consideration is estimated based on goods expected to be returned. The rights of return give rise to variable consideration. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability.

Significant financing component

The Company applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

Warranty obligations

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions in section 3.15 Provisions.

The Company provides a one to three years warranty beyond fixing defects that existed at the time of sale. These service-type warranties are sold either separately or bundled together with the sale of goods. Contracts for bundled sales of goods and a service-type warranty comprise two performance obligations because the promises to transfer the goods and to provide the service-type warranty are capable of being distinct. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as a contract liability. Revenue is recognised on the service-type warranty to the extent of actual cost incurred on rendering the warranty service.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 3.16 Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability (including deferred revenue) is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.4 Leases

The Company assesses at the contract inception, whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

Buildings	2 to 20 years
Lease-hold land	99 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 3.13 Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases of buildings and others (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

3.5 Foreign currencies

The standalone financial statements are presented in Indian Rupees, which is also the functional currency of the Company. In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Transactions in foreign currencies are initially recorded by the foreign operation (branch) at the functional currency spot rates at the date the transaction first qualifies for recognition. In respect of foreign operation, the monetary assets and liabilities are translated into INR at the rate of exchange prevailing at the reporting date and their statement of profit and loss at the rates prevailing on the date of the transactions. However, for practical reasons, the Company uses an average rate to translate the income and expense items, if the average approximates the actual rate at the date of the transaction.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are initially recognised in the financial statements of the Company in the other comprehensive income. These exchange differences are reclassified from equity (Foreign currency translation reserve) to profit or loss on disposal of the net investment.

- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in Other Comprehensive Income (OCI).

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.7 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

equal amounts over the expected useful life of the related asset.

When the Company receives grant of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset, i.e., by equal annual instalments.

In the case of Export Promotion Capital Goods ('EPCG') grant, the Company recognise the grant in the statement of profit and loss on a systematic basis over the useful life of the assets.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

3.8 Retirement and other employee benefits

Provident fund

(i) The Company operates a scheme of provident fund for eligible employees, which is a defined benefit plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a part of the contributions to the "Eicher Executive Provident Fund Trust". The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

The cost of providing benefits under above mentioned defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(ii) The employees, who are not covered under the scheme stated in 3.8 (i) above, are covered in a defined contribution scheme wherein their portion of provident fund is contributed to the government administered provident fund. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

Gratuity

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund.

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Re-measurements, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurements recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss in subsequent periods. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs charged to profit or loss are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses or curtailments and settlements);
- net interest expense or income;

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plans.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, in the period the related service is rendered at the un-discounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the un-discounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits such as annual leave and sick leave are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

3.9 Share-based payment arrangements

Employees (including senior executives) of the Company (including subsidiaries and joint ventures) receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note no. 49.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.10 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted at the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity which intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Goods and Services Tax (GST) / value added taxes paid on acquisition of assets or on incurring expenses

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current assets/ liabilities in the balance sheet.

3.11 Property, plant and equipment

Property, plant and equipment (including furniture, fixtures, vehicles, etc.) held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Freehold land is not depreciated.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Cost includes items directly attributable to the construction or acquisition of the item of property, plant and equipment, and, for qualifying assets, borrowing costs will be capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is charged on a pro-rata basis at the straight line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the Schedule II to the Act as provided below and except in respect of moulds and dies which are depreciated over their estimated useful life of 0 to 7 years, wherein, the life of the said assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage (including unit of production) of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. The useful lives for various property, plant and equipment are given below:

Particulars	Estimated useful life (in years)	Schedule II useful life (in years)
Buildings	10-60	30-60
Buildings (temporary structures)	2-3	3
Plant and equipment	5-15*	15
Furniture and fixtures	2-10	8-10
Office equipment	2-5	5
Vehicles	5	8-10

*except in respect of moulds and dies covered above.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. As part of transition from the previous GAAP, the Company had elected to continue with the carrying value for all of its property, plant and equipment recognised in the previous GAAP as deemed cost at the transition date. The residual values, useful lives and methods of depreciation of property, plant and equipment

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.12 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately and intangible assets not yet available for use are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in the statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. As part of transition from the previous GAAP, the Company had elected to continue with the carrying value for all of its intangible assets recognised in the previous GAAP as deemed cost at the transition date. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Derecognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the statement of profit or loss when the asset is de-recognised.

Useful lives of intangible assets

Intangible assets comprising of product design, prototypes, etc., either acquired or internally developed are amortised over the estimated minimum useful life of the related products. Cost of software is amortised over a period depending on the estimated useful life of asset. The useful lives for intangible assets are given below:

Particulars	Estimated useful life (in years)
Product designs, prototypes, etc.	3 to 10
Computer software	3

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

3.13 Impairment of non-financial assets

At the end of each reporting period, the Company assesses, whether there is any indication that an asset may be impaired. If any such indication exists or annual impairment test for an asset is required, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs of disposal and value in use.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's cash generating unit (CGU).

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years.

A reversal of an impairment loss is recognised immediately in profit or loss.

Intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

3.14 Inventories

Inventories comprising Raw materials, work-in-progress, stores and spares, loose tools, traded goods and finished goods are stated at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to its present location and condition. Cost of inventories is determined on a moving average.

Finished goods and work-in-progress includes cost of direct materials, labour and an appropriate proportion of manufacturing overheads at normal capacity and where applicable, duty. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3.15 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Warranties

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise. The initial estimate of warranty-related costs is revised annually.

Onerous contracts

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities). If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions, contingent liabilities are reviewed at each Balance Sheet date.

3.16 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss except Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.17 Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value through profit and loss or fair value through other comprehensive income, depending on the classification of the financial assets.

Classification and Measurement of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI") (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon de-recognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

All other financial assets are subsequently measured at fair value through profit or loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated at FVTPL.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on historical credit loss experience and adjustments for forward looking information.

Derecognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

3.18 Financial liabilities and equity instruments

Classification as financial liability or equity

Debt and equity instruments issued by Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognized in the other comprehensive income. These gains/ loss are not subsequently transferred to P₹L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of cost of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Derecognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations.

3.19 Derivative Instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

3.20 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the standalone statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.21 Dividend

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India a distribution is authorised when it is approved by the shareholders, However, Board of Directors of a Company may declare interim dividend during any financial year out of the surplus in statement of profit and loss and out of the profits of the financial year in which such interim dividend is sought to be declared. A corresponding amount is recognised directly in other equity.

3.22 Earnings per share

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

3.23 Investment in subsidiaries and joint ventures

A subsidiary is an entity that is controlled by another entity. An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its subsidiaries and joint ventures are accounted at cost less impairment.

Impairment of investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

amount, the impairment loss is recorded in the Statement of Profit and Loss.
When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

3.24 Events after the reporting period

If the Company receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its standalone financial statements. The Company will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its standalone financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

3.25 New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Amendments to Ind AS 21 – Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after April 1, 2025. When applying the amendments, an entity cannot restate comparative information. The amendments do not have a material impact on the Company's financial statements.

(ii) Amendments to Ind AS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after April 1, 2025 retrospectively in accordance with Ind AS 8.

(iii) Amendments to Ind AS 7 and Ind AS 107 – Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments do not have a material impact on the Company's financial statements since the Company has not entered into any supplier finance arrangements.

(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after April 1, 2025, but not for any interim periods ending on or before March 31, 2026.

The amendments had no impact on the Company's consolidated financial statements as the Company is not in scope of the Pillar Two model rules.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

4. PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Office equipments#	Vehicles	Total
Cost							
At April 01, 2024	**85.95**	**953.23**	**2,707.30**	**40.45**	**227.59**	**161.02**	**4,175.54**
Additions	-	258.54	473.14	2.87	41.21	53.53	829.29
Disposals	-	(0.50)	(88.14)	(0.96)	(2.73)	(11.52)	(103.85)
Written off	-	(0.03)	(79.64)	-	-	-	(79.67)
Adjustments (Exchange difference)	-	3.35	3.63	0.14	1.43	2.70	11.25
At March 31, 2025	**85.95**	**1,214.59**	**3,016.29**	**42.50**	**267.50**	**205.73**	**4,832.56**
Additions	-	49.93	475.02	4.07	68.14	39.46	636.62
Disposals	-	(14.40)	(73.70)	(3.08)	(9.25)	(16.40)	(116.83)
Written off	-	-	(82.07)	(3.75)	(12.18)	-	(98.00)
Adjustments (Exchange difference)	-	16.55	10.53	0.41	4.86	9.26	41.61
At March 31, 2026	**85.95**	**1,266.67**	**3,346.07**	**40.15**	**319.07**	**238.05**	**5,295.96**
Depreciation							
At April 01, 2024	**-**	**242.49**	**1,752.35**	**28.31**	**162.95**	**78.34**	**2,264.44**
Charge for the year	-	42.17	385.62	4.86	40.90	30.53	504.08
Disposals	-	(0.50)	(82.26)	(0.70)	(2.57)	(9.17)	(95.20)
Written off	-	(0.03)	(76.07)	-	-	-	(76.10)
Adjustments (Exchange difference)	-	0.75	1.70	0.09	1.19	1.27	5.00
At March 31, 2025	**-**	**284.88**	**1,981.34**	**32.56**	**202.47**	**100.97**	**2,602.22**
Charge for the year	-	50.38	445.10	4.97	46.20	38.31	584.96
Disposals	-	(12.78)	(72.07)	(2.88)	(9.24)	(11.63)	(108.60)
Written off	-	-	(82.07)	(3.75)	(12.18)	-	(98.00)
Adjustments (Exchange difference)	-	2.77	6.13	0.31	4.03	5.58	18.82
At March 31, 2026	**-**	**325.25**	**2,278.43**	**31.21**	**231.28**	**133.23**	**2,999.40**
Net carrying amount							
At March 31, 2026	**85.95**	**941.42**	**1,067.64**	**8.94**	**87.79**	**104.82**	**2,296.56**
At March 31, 2025	85.95	929.71	1,034.95	9.94	65.03	104.76	2,230.34

On transition to Ind AS (i.e., 1 April 2015), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

Cost and net carrying amount of office equipments include computers and information systems of ₹ 134.88 crores as at March 31, 2026 (₹ 100.82 crores as at March 31, 2025) and ₹ 46.30 crores as at March 31, 2026 (₹ 30.94 crores as at March 31, 2025), respectively.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Immovable property not held in the name of the Company

Description of item of property	Property location	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Freehold land	Alwar, Rajasthan and Jhajjar, Haryana	0.74	Eicher Tractors Ltd.	No	August 2, 2004	The properties were acquired through Group restructuring and the Company is taking necessary steps to get the properties registered in its name.

Property, plant and equipment of the Company at Oragadam and Thiruvottiyur units upto the carrying value of ₹ 361.01 crores (March 31, 2025: ₹ 361.01 crores) are secured by first charge towards the Soft loan obtained from SIPCOT.

5. CAPITAL WORK-IN-PROGRESS*

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	**95.60**	210.04
Additions	**740.33**	714.28
Capitalised	**(636.62)**	(829.29)
Adjustments (Exchange difference)	**1.80**	0.57
Closing	**201.11**	95.60

As at March 31, 2026

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	**192.89**	**7.34**	**0.88**	**-**	**201.11**
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
Total	**192.89**	**7.34**	**0.88**	**-**	**201.11**

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2026

As at March 31, 2025

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	94.72	0.88	-	-	95.60
Projects temporarily suspended	-	-	-	-	-
Total	94.72	0.88	-	-	95.60

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025

* Capital work in progress comprises of expenditure for buildings, plant in the course of construction and machineries yet to be installed.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

6. INTANGIBLE ASSETS

Particulars	Product designs, prototypes*	Computer software	Total
Cost			
At April 01, 2024	**920.14**	**252.21**	**1,172.34**
Additions#	287.94	46.69	334.63
Written off	(18.34)	(17.40)	(35.74)
Adjustments (Exchange difference)	25.21	0.51	25.72
At March 31, 2025	**1,214.95**	**282.01**	**1,496.95**
Additions#	363.03	38.94	401.97
Disposals	(0.55)	(3.23)	(3.78)
Written off	(0.01)	-	(0.01)
Adjustments (Exchange difference)	89.68	1.40	91.08
At March 31, 2026	**1,667.10**	**319.12**	**1,986.21**
Amortisation			
At April 01, 2024	**294.22**	**187.46**	**481.68**
Charge for the year	110.61	43.08	153.69
Written off	(18.34)	(16.22)	(34.56)
Adjustments (Exchange difference)	8.38	0.61	8.99
At March 31, 2025	**394.87**	**214.93**	**609.80**
Charge for the year	130.93	43.74	174.67
Disposals	(0.04)	(3.23)	(3.27)
Written off	(0.01)	-	(0.01)
Adjustments (Exchange difference)	30.68	1.29	31.97
At March 31, 2026	**556.43**	**256.73**	**813.16**
Net carrying amount			
At March 31, 2026	**1,110.67**	**62.39**	**1,173.05**
At March 31, 2025	820.08	67.08	887.15

On transition to Ind AS (i.e. April 01, 2015), the Company has elected to continue with the carrying value of all Intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible assets.

* includes trademarks with finite useful life amortised on a straight-line basis over the estimated useful life of 3 years.

being internally developed or acquired (other than acquisition of a subsidiary)

There are neither restrictions over the title of the Company's intangible assets, nor are any intangible assets pledged as security for liabilities.

7. INTANGIBLE ASSETS UNDER DEVELOPMENT*

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	**381.17**	343.45
Additions	**533.35**	362.58
Capitalised	**(401.97)**	(334.63)
Adjustments (Exchange difference)	**20.67**	9.77
Closing	**533.22**	381.17

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

As at March 31, 2026

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	**313.59**	**135.99**	**52.18**	**31.46**	**533.22**
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
Total	**313.59**	**135.99**	**52.18**	**31.46**	**533.22**

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2026

As at March 31, 2025

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	237.77	87.89	43.62	11.89	381.17
Projects temporarily suspended	-	-	-	-	-
Total	237.77	87.89	43.62	11.89	381.17

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025

* Intangible assets under development mainly consists of cost of new products under development.

Investments in subsidiaries & joint ventures

8. INVESTMENT IN EQUITY INSTRUMENTS OF SUBSIDIARY COMPANIES (UNQUOTED, AT COST)

Particulars	As at March 31, 2026	As at March 31, 2025
	Non-current	Non-current
15,25,56,569 numbers (March 31, 2025 : 15,25,56,569 numbers) shares of Brasilian Real 1 each fully paid up of Royal Enfield Brasil Comércio de Motocicletas Ltda	**245.01**	245.01
1,00,000 numbers (March 31, 2025 : 1,00,000 numbers) shares of Royal Enfield North America Limited (no face value)	**34.17**	34.17
3,69,50,000 numbers (March 31, 2025 : 3,69,50,000 numbers) shares of Thai Baht 5 each fully paid up of Royal Enfield (Thailand) Limited	**42.21**	42.21
61,00,000 numbers (March 31, 2025 : 31,00,000 numbers) shares of GBP 1 each fully paid up of Royal Enfield UK Limited	**66.40**	31.57
35,00,000 numbers (March 31, 2025 : 20,00,000) shares of EUR 1 each fully paid up of Royal Enfield Europe B.V.	**33.06**	18.66
Sub-total (A)	**420.85**	371.62

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

9. INVESTMENT IN EQUITY INSTRUMENTS OF JOINT VENTURE COMPANIES (UNQUOTED, AT COST)

Particulars	As at March 31, 2026	As at March 31, 2025
	Non-current	Non-current
54,40,000 numbers (March 31, 2025 : 54,40,000 numbers) Equity shares of ₹ 10 each fully paid up of VE Commercial Vehicles Limited	**5.44**	5.44
32,54,89,000 numbers (March 31, 2025 : 32,54,89,000 numbers) Equity shares of ₹ 10 each fully paid up of Eicher Polaris Private Limited	**325.49**	325.49
Eicher Group Foundation (License under Section 8(1) of the Companies Act, 2013)*	**330.93**	330.93
Less: Impairment in value of investments in Eicher Polaris Private Limited	**(325.49)**	(325.49)
Sub-total (B)	**5.44**	5.44
Total (A+B)	**426.29**	377.06

* Cost of investment is stated as ₹ Nil as the same cannot be distributed to the members in the event of liquidation. Actual cost of investment of ₹ 0.03 crores has been charged to the Statement of Profit and Loss in the financial year 2015-16.

Particulars	As at March 31, 2026	As at March 31, 2025
	Non-current	Non-current
Aggregate carrying value of unquoted investments (net)	**426.29**	377.06
Aggregate amount of impairment in value of investments	**325.49**	325.49

10. OTHER INVESTMENTS

Particulars	As at March 31, 2026		As at March 31, 2025	
	Non-Current	Current	Non-Current	Current
Unquoted Investments				
(a) Investment in equity instruments of companies at FVTPL				
10,26,250 numbers (March 31, 2025 : 10,26,250 numbers) Equity shares of ₹ 10 per share fully paid up of Flamesun Solar Private Limited	**8.21**	**-**	8.21	-
(b) Investment in equity instruments of companies at FVTOCI				
55,363 numbers (March 31, 2025 : 55,363 numbers) Equity shares of EUR 0.01 per share fully paid up of Stark Future S.L.,#	**172.90**	**-**	141.30	-
Sub-total (A) = (a) +(b)	**181.11**	**-**	149.51	-

#During the year ended March 31, 2023, the Company had made a strategic investment in the equity shares of a Spanish electric mobility Company, Stark Future SL (investee), for 50 million Euro which represents a 9.99% (undiluted basis) stake in the investee as on March 31, 2026 (March 31, 2025: 10.88% (undiluted basis)). The Company has determined that it cannot exercise any significant influence over the investee (Note 39). Carrying value of investment as at March 31, 2026 is ₹ 172.90 crores (March 31, 2025: ₹ 141.30 crores), net of Fair value movement gain / (loss) (including reinstatement gain) in instrument amounting to ₹ 31.60 crores for the year ended March 31, 2026 (for the year ended March 31, 2025: ₹ (301.73) crores)

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	As at March 31, 2026		As at March 31, 2025	
	Non-Current	Current	Non-Current	Current
Unquoted Investments				
(c) (i) Investments in mutual funds carried at FVTPL	**6,336.16**	**647.53**	6,649.51	-
(c) (ii) Investments in Target Maturity Index Funds at FVTOCI**	**1,952.31**	**978.50**	2,739.94	-
Quoted Investments				
(c) (iii) Investments in mutual funds carried at FVTPL	**846.14**	**644.86**	607.05	805.07
(c) (iv) Investments in Target Maturity Index Funds at FVTOCI**	**442.45**	**174.62**	439.92	-
Sub-total (B)	**9,577.06**	**2,445.51**	10,436.42	805.07
(d) Investment in bonds carried at amortized cost (including interest accrued) **Sub-total (C)**	**1,182.31**	**386.46**	216.57	42.48
Total (A+B+C)	**10,940.48**	**2,831.97**	10,802.50	847.55
** Exchanged trade funds/Target Maturity Index funds follows a passive buy and hold strategy to receive contractual cash flows except for meeting redemption and rebalance requirements. Investments in such funds are classified as FVTOCI considering the business model of the Company, to realize cash flows from these investments upon maturity or upon sale.				
Aggregate carrying value of quoted investments	**2,470.90**	**1,205.94**	1,263.54	847.55
Aggregate market value of quoted investments	**2,458.29**	**1,159.14**	1,266.43	847.78
Aggregate carrying value of unquoted investments	**6,011.29**	**466.89**	8,272.53	-
Aggregate amount of impairment in value of investments	**-**	**-**	-	-
Category-wise investments - as per Ind AS 109 Classifications				
Financial assets carried at FVTPL				
Unquoted				
Investment in equity instruments	**8.21**	**-**	8.21	-
Investment in mutual funds	**6,336.16**	**647.53**	6,649.51	-
Quoted				
Investment in mutual funds	**846.14**	**644.86**	607.05	805.07
Financial assets carried at FVTOCI				
Unquoted				
Investment in equity instruments	**172.90**	**-**	141.30	-
Investment in mutual funds	**1,952.31**	**978.50**	2,739.94	-
Quoted				
Investment in mutual funds	**442.45**	**174.62**	439.92	-
Financial assets carried at amortized cost				
Quoted				
Investment in bonds	**1,182.31**	**386.46**	216.57	42.48

Investments at fair value through OCI (fully paid) reflect investment in unquoted equity instruments, quoted and unquoted mutual funds (debt securities). These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business of the Company. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding. The Company has not transferred any gain or loss within equity in the current and the comparative year. Refer note 47 for determination of their fair values. The debt securities meet SPPI test and are held in a business model whose objective is met both by collecting contractual cash flows and selling the asset.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

11. LOANS / BILL DISCOUNTING

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Unsecured, considered good, unless stated otherwise		
Loans to employees	**0.04**	0.04
Bill discounting on behalf of a related party# (refer note 46)	**451.20**	445.92
Total	**451.24**	445.96

Disclosure required under Sec 186(4) of the Companies Act, 2013

#Represents bills discounted to vendors of VE Commercial Vehicles Limited (VECV, a joint venture of the Company) at 8.3% to 9.2% per annum and the credit period up to 120 days. The balances at any point in time have remained within the overall sanction limit.

12. OTHER FINANCIAL ASSETS

(At amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Unsecured, considered good, unless stated otherwise		
Security deposits	**25.16**	23.03
Bank deposits with remaining maturity greater than twelve months (including interest accrued)	**2,908.99**	2,045.14
Others (including receivables from related parties - refer note 46)	**5.17**	-
Total	**2,939.32**	2,068.17
Current		
Unsecured, considered good, unless stated otherwise		
Bank deposits with remaining maturity less than twelve months (including interest accrued)	**3,011.97**	2,854.72
Facilitation income receivable	**12.47**	12.80
Others (including receivables from related parties - refer note 46)	**4.42**	5.42
Total	**3,028.86**	2,872.94

13. INVENTORIES

(At the lower of cost and net realizable value)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials [includes in transit ₹ 35.59 crores (previous year ₹ 43.41 crores)]	**509.20**	384.73
Work in progress	**86.33**	44.32
Finished goods	**586.63**	562.89
Traded goods	**79.08**	80.55
Stores and spares	**28.96**	19.81
Loose tools	**12.29**	13.41
Total	**1,302.49**	1,105.71

Inventories are net of non-moving/slow-moving provisions. During the year ₹ 12.27 crores (March 31, 2025 : ₹ (1.18 crores)) was recognised as an expense/(income) in the Statement of Profit and Loss.

The method of valuation of inventories has been stated in note 3.14

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

14. TRADE RECEIVABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables	**270.92**	487.26
Receivables from related parties (refer note 46)	**1,069.41**	593.82
Total	**1,340.33**	1,081.08
Current		
Considered good - secured	**56.16**	269.47
Considered good - unsecured	**1,284.17**	811.61
Trade Receivables - credit impaired	**5.47**	5.37
	1,345.80	1,086.45
Less: Provision for credit impaired receivables	**(5.47)**	(5.37)
Total	**1,340.33**	1,081.08

Trade receivables ageing — **As at March 31, 2026**

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months – 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	**1,106.14**	**232.38**	**1.81**	**-**	**-**	**-**	**1,340.33**
Undisputed trade receivables - which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Undisputed trade receivables - credit impaired	**-**	**-**	**1.24**	**0.57**	**0.97**	**2.69**	**5.47**
Disputed trade receivables - considered good	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disputed trade receivables - which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disputed trade receivables - credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**1,106.14**	**232.38**	**3.05**	**0.57**	**0.97**	**2.69**	**1,345.80**

Trade receivables ageing — **As at March 31, 2025**

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months – 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	912.54	166.08	2.17	0.29	-	-	1,081.08
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	0.56	2.12	2.14	0.55	5.37
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	912.54	166.08	2.73	2.41	2.14	0.55	1,086.45

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule

Trade receivables are non-interest bearing. No trade receivables, loans and advances or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

All domestic sales are on advance payment basis, except for sale to certain distributors, institutional sales and Canteen stores Department which carries credit period of a maximum of 60 days.

Export sales carry credit period of 0 to 270 days, depending on the contractual terms with respective customers.

For terms and condition for related party sales refer note 46.

15. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	**0.01**	-
Balances with banks:		
In current accounts	**48.88**	117.22
	48.89	117.22

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars		As at March 31, 2026	As at March 31, 2025
Cash on hand		**0.01**	-
Balances with banks:			
In current accounts		**48.88**	117.22
		48.89	117.22
Bank overdrafts (refer note 21)		**(26.90)**	-
Cash and cash equivalents for the purpose of statement of cash flows	**Total**	**21.99**	117.22

At March 31 2026, the Company had ₹ 78.58 crores (March 31, 2025: ₹ 105.48 crores) of undrawn borrowing facilities. The Company has pledged a part of its debt mutual funds of ₹ 134.08 crores (March 31, 2025: ₹ 125.10 crores) to fulfil collateral requirements for bank overdrafts.

Changes in liabilities arising from financing activities, non-cash financing and investing activities

Particulars	April 1, 2025	Net cash flows	Others*	March 31, 2026
Obligation under lease (refer note 52)	82.91	(31.39)	16.35	**67.87**
Soft loan received from SIPCOT (refer note 21)	184.36	5.66	11.61	**201.63**
Total liabilities from financing activities	267.27	(25.73)	27.96	**269.50**

Particulars	April 1, 2024	Net cash flows	Others*	March 31, 2025
Obligation under lease (refer note 52)	37.47	(29.81)	75.25	82.91
Soft loan received from SIPCOT (refer note 21)	163.46	15.84	5.06	184.36
Total liabilities from financing activities	200.93	(13.97)	80.31	267.27

*Others comprise of lease additions, grant income, interest cost, movement in government grant (deferred revenue on SIPCOT soft loan) and other adjustments in finance lease.

Non-cash financing and investing activities

Particulars	As at March 31, 2026	As at March 31, 2025
Acquisition of Right-of-use assets (refer note 52)	**14.60**	70.99

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

16. OTHER BANK BALANCES

Particulars	As at March 31, 2026	As at March 31, 2025
In unpaid dividend accounts#	**19.71**	16.85
Unspent CSR accounts#	**2.04**	27.20
Total	**21.75**	44.05

#There are restrictions in the balances in Unpaid Dividend accounts and Unspent CSR accounts.

17. OTHER ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Unsecured, considered good, unless stated otherwise		
Capital advances	**147.21**	71.85
Prepaid expenses	**76.04**	57.90
Balance with government authorities	**10.73**	10.52
Government incentives receivable	**16.64**	11.58
Total	**250.62**	151.85
Current		
Unsecured, considered good, unless stated otherwise		
Advance to suppliers		
- Considered good	**287.05**	103.22
- Considered doubtful	**19.48**	19.48
	306.53	122.70
Less: Provision for doubtful advance	**(19.48)**	(19.48)
	287.05	103.22
Advance to employees	**7.89**	17.40
Prepaid expenses	**101.73**	75.25
Balance with government authorities	**76.70**	58.65
Government incentives receivable	**23.94**	19.13
Total	**497.31**	273.65

18. SHARE CAPITAL

(a) Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorized Equity share capital		
30,00,00,000 numbers - Equity shares of ₹ 1 each (March 31, 2025 : 30,00,00,000 numbers - Equity shares of ₹ 1 each)	**30.00**	30.00
Total	**30.00**	30.00
Issued, subscribed and fully paid up		
27,43,14,204 numbers - Equity shares of ₹ 1 each (March 31, 2025 : 27,41,64,080 numbers - Equity shares of ₹ 1 each)	**27.43**	27.42
Total	**27.43**	27.42

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Nos.	₹ in crores	Nos.	₹ in crores
At the beginning of the year	**27,41,64,080**	**27.42**	27,38,05,630	27.38
Issued during the year (refer note 49)	**1,50,124**	**0.01**	3,58,450	0.04
Outstanding at the end of the year	**27,43,14,204**	**27.43**	27,41,64,080	27.42

(ii) Details of shareholders holding more than 5% equity shares in the Company:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Nos.	% holding in the class	Nos.	% holding in the class
The Simran Siddhartha Tara Benefit Trust				
Outstanding at the end of the year	**12,03,06,480**	**43.86%**	12,03,06,480	43.88%

(iii) Share options granted under the Company's employee share option plan and restricted stock unit plan carry no rights to dividend and no voting rights (refer note 49).

(b) Preference share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorized Preference share capital		
1,01,000 numbers (March 31, 2025 : 1,01,000 numbers) Redeemable preference shares of ₹100 each	**1.01**	1.01
Total	**1.01**	1.01

The Company has not issued any preference shares.

(c) Details of equity shares held by promoters

As at March 31, 2026

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year*
Equity shares of ₹ 1 each fully paid					
Ms. Simran Lal	**31,52,410**	**-**	**31,52,410**	**1.15%**	**0.00%**
Ms. Tara Lal	**31,49,940**	**-**	**31,49,940**	**1.15%**	**0.00%**
Mr. Siddhartha Lal	**28,85,470**	**-**	**28,85,470**	**1.05%**	**0.00%**
The Simran Siddhartha Tara Benefit Trust (Trustee- Vikram Lal)	**12,03,06,480**	**-**	**12,03,06,480**	**43.86%**	**(0.02%)**
The Brinda Lal Trust, Trustee- Vikram Lal	**48,57,070**	**-**	**48,57,070**	**1.77%**	**0.00%**
Karvansarai Investments Private Limited	**1,51,430**	**-**	**1,51,430**	**0.06%**	**0.00%**
Tara Lal Trust, Trustee- Vikram Lal	**324**	**-**	**324**	**0.00%**	**0.00%**
Raul Rai	**350**	**-**	**350**	**0.00%**	**0.00%**
Siddhartha Lal Trust	**61,470**	**-**	**61,470**	**0.02%**	**0.00%**
Total	**13,45,64,944**	**-**	**13,45,64,944**	**49.06%**	

*Change in shareholding of Promoter & Promoter Group is on account of allotment of equity shares by the Company to its employees (other than Promoter & Promoter Group) under its Employee Stock Option Plan 2006 and Restricted Stock Unit Plan 2019, during the financial year 2025-26.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year*
Equity shares of ₹ 1 each fully paid					
Ms. Simran Lal	31,52,410	-	31,52,410	1.15%	0.00%
Ms. Tara Lal	31,49,940	-	31,49,940	1.15%	0.00%
Mr. Siddhartha Lal	28,85,470	-	28,85,470	1.05%	0.00%
The Simran Siddhartha Tara Benefit Trust (Trustee- Vikram Lal)	12,03,06,480	-	12,03,06,480	43.88%	(0.06%)
The Brinda Lal Trust, Trustee- Vikram Lal	48,57,070	-	48,57,070	1.77%	0.00%
Karvansarai Investments Private Limited	1,51,430	-	1,51,430	0.06%	0.00%
Tara Lal Trust, Trustee- Vikram Lal	324	-	324	0.00%	0.00%
Raul Rai	493	(143)	350	0.00%	0.00%
Siddhartha Lal Trust	61,470	-	61,470	0.02%	0.00%
Total	13,45,65,087	(143)	13,45,64,944	49.08%	

*Change in shareholding of Promoter & Promoter Group is on account of allotment of equity shares by the Company to its employees (other than Promoter & Promoter Group) under its Employee Stock Option Plan 2006 and Restricted Stock Unit Plan 2019, during the financial year 2024-25.

19. OTHER EQUITY

Particulars	As at March 31, 2026	As at March 31, 2025
Capital reserves	**0.25**	0.25
Capital redemption reserve	**1.41**	1.41
Securities premium	**472.48**	434.67
General reserves	**339.89**	339.89
Share based payments reserve	**158.23**	106.32
Foreign currency translation reserve	**162.11**	83.30
Hedge reserve	**0.04**	0.04
Debt instruments through other comprehensive income	**10.07**	22.98
Fair value of equity instruments through Other comprehensive income (FVTOCI) (refer note 10 and 47)	**(231.50)**	(258.58)
Retained earnings	**20,867.45**	17,742.14
Total	**21,780.43**	18,472.42

	Particulars	As at March 31, 2026	As at March 31, 2025
A	**Capital reserve**		
	Opening balance	**0.25**	0.25
	Add / Less: Movement during the year	**-**	-
	Closing balance	**0.25**	0.25

Capital Reserve represents a non-distributable reserve and is not available for distribution to shareholders.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

	Particulars	As at March 31, 2026	As at March 31, 2025
B	**Capital redemption reserve**		
	Opening balance	**1.41**	1.41
	Add / Less: Movement during the year	**-**	-
	Closing balance	**1.41**	1.41

The Capital redemption reserve was created at the time of buy back of shares. The Company can utilize the same for the purpose of issue of fully paid-up bonus shares to its members.

	Particulars	As at March 31, 2026	As at March 31, 2025
C	**Securities premium**		
	Opening balance	**434.67**	319.60
	Add : Proceeds from issue of equity shares	**12.29**	86.85
	Add : Transferred from share options outstanding account	**25.52**	28.22
	Closing balance	**472.48**	434.67

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

	Particulars	As at March 31, 2026	As at March 31, 2025
D	**General reserves**		
	Opening balance	**339.89**	339.89
	Add: Amount transferred from retained earnings	**-**	-
	Closing balance	**339.89**	339.89

General reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations under the erstwhile Companies Act 1956. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act 2013.

	Particulars	As at March 31, 2026	As at March 31, 2025
E	**Share based payments reserve**		
	Opening balance	**106.32**	77.14
	Add : Share based expense during the year	**51.13**	42.32
	Add : Share based expense for employees of subsidiary / joint venture companies (refer note 46 and 49)	**26.13**	15.00
	Less : Transferred to securities premium on issue of shares	**(25.52)**	(28.22)
	Other adjustments (foreign exchange (gains)/loss)	**0.17**	0.08
	Closing balance	**158.23**	106.32

The above reserve relates to share options granted by the Company to certain employees under its employee share option plan/restricted stock units plan. Further information about share-based payments to employees is set out in note 49.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

	Particulars	As at March 31, 2026	As at March 31, 2025
F	**Foreign currency translation reserve**		
	Opening balance	**83.30**	57.30
	Add : Exchange differences in translation of foreign operations	**78.81**	26.00
	Closing balance	**162.11**	83.30

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

	Particulars	As at March 31, 2026	As at March 31, 2025
G	**Hedge reserve**		
	Opening balance	**0.04**	0.04
	Add: Gain/(loss) recognised on cash flow hedges	**-**	-
	Closing balance	**0.04**	0.04

The Company uses hedging instruments as part of its management of foreign currency risk associated with trade receivables. For hedging foreign currency risk, the Company uses foreign currency forward contracts. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the effective portion of cash flow hedges. Amounts recognised in the effective portion of cash flow hedges are reclassified to the statement of profit and loss when the hedged item affects profit or loss.

	Particulars	As at March 31, 2026	As at March 31, 2025
H	**Debt instruments through other comprehensive income**		
	Opening balance	**22.98**	2.97
	Add: Other comprehensive income for the year	**(12.91)**	20.01
	Closing balance	**10.07**	22.98

This reserve represents cumulative gains (net of losses) arising on revaluation of Debt instruments measured through Other Comprehensive Income, net of amounts reclassified, if any to the profit/loss account, if such instruments are disposed off.

	Particulars	As at March 31, 2026	As at March 31, 2025
I	**Fair value of equity instruments through Other comprehensive income (FVTOCI)**		
	Opening balance	**(258.58)**	-
	Add : Equity instruments fair valued through Other comprehensive income	**27.08**	(258.58)
	Closing balance	**(231.50)**	(258.58)

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in the FVTOCI reserve within equity.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

	Particulars	As at March 31, 2026	As at March 31, 2025
J	**Retained earnings**		
	Opening balance	**17,742.14**	14,867.60
	Add: Profit for the year	**5,040.82**	4,279.26
	Add: Other Comprehensive income/(expense): from Remeasurement of defined benefit obligation net of income tax	**4.44**	(7.27)
	Less: Final dividend for FY 2023-24 paid in FY 2024-25 (amount per share ₹ 51)	**-**	(1,397.45)
	Less: Final dividend for FY 2024-25 paid in FY 2025-26 (amount per share ₹ 70)	**(1,919.95)**	-
	Total appropriations	**(1,919.95)**	(1,397.45)
	Balance at end of year	**20,867.45**	17,742.14

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders and is available for use in accordance with the provisions of the Companies Act, 2013. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Financial Liabilities:

20. OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Security deposits received from customers and dealers (interest bearing)	**16.00**	29.24
Total	**16.00**	29.24
Current		
Employee dues	**270.13**	192.71
Capital creditors	**205.79**	112.38
Unpaid dividend *	**19.71**	16.84
Provision for constructive obligation towards the discontinued operations of a joint venture	**4.01**	4.01
Others (insurance reimbursements to dealers)	**22.15**	16.01
Total	**521.79**	341.95

*Does not include any amounts outstanding which are required to be credited to Investor Education and Protection Fund.

21. BORROWINGS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Secured		
- From Others		
Soft loan - State Industries Promotion Corporation of Tamilnadu Ltd. (SIPCOT) (including interest payable)*	**201.63**	184.36
Total	**201.63**	184.36
Current		
Secured		
- From bank		
Overdraft facility**	**26.90**	-
Total	**26.90**	-

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

*Soft loan from SIPCOT is at a subsidised interest rate of 0.1% per annum. The principal amount of the loan is repayable after 10 years, commencing from June 2032 to March 2036 and interest is payable quarterly. The loan is secured by first charge on the Property, plant and equipment of the Company at Oragadam and Thiruvottiyur units with a carrying value of ₹ 361.01 crores (March 31, 2025: ₹ 361.01 crores)

**Secured overdraft facility carries interest @ 6.58% to 7.69% per annum (March 31, 2025: interest @ 7.69% to 8.30% per annum), secured by the Company's debt mutual funds and repayable on demand.

The Company has not defaulted on any loans and interest payable.

22. TRADE PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises		
Dues to micro and small enterprises (refer note 42)	**100.34**	40.11
Sub-total (A)	**100.34**	40.11
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Other trade payables	**2,523.58**	2,331.30
Trade payables to related parties (refer note 46)	**67.47**	74.19
Sub-total (B)	**2,591.05**	2,405.49
Total (A+B)	**2,691.39**	2,445.60

Trade payables ageing

As at March 31, 2026

Particulars	Unbilled and Not dues*	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	**100.34**	-	-	-	-	**100.34**
Undisputed dues of creditors other than micro enterprises and small enterprises	**2,488.11**	**90.51**	**9.80**	**2.63**	-	**2,591.05**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**2,588.45**	**90.51**	**9.80**	**2.63**	-	**2,691.39**

*includes not due value of trade payables of:

₹ 95.22 crores with respect to micro enterprises and small enterprises and

₹ 1,756.43 crores with respect to other than micro enterprises and small enterprises

The Company does not has any balances with a company struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

As at March 31, 2025

Particulars	Unbilled and Not dues*	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	40.11	-	-	-	-	40.11
Undisputed dues of creditors other than micro enterprises and small enterprises	2,254.27	143.68	2.63	4.91	-	2,405.49
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	2,294.38	143.68	2.63	4.91	-	2,445.60

*includes not due value of trade payables of:
₹ 39.14 crores with respect to micro enterprises and small enterprises and
₹ 1,675.00 crores with respect to other than micro enterprises and small enterprises

The Company has balance with the below-mentioned company struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956:

Name of the company	Nature of transactions with struck-off company	Relationship with the struck off company	As at March 31, 2025	As at March 31, 2024
Vikas Scientific Instruments Private Limited	Trade payables	External Vendor	-	0.01
Hindustan Magnesium Products Private Limited	Trade payables	External Vendor	-	-

Terms and conditions of the above financial liabilities:
Trade payables are non-interest bearing and are generally on terms of 0 to 90 days, for terms and conditions pertaining to dues to related parties, refer note 46

23. PROVISIONS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Employee benefits - refer note (i) below		
Compensated absences	**57.50**	48.34
Other employee benefits	**20.46**	7.30
Warranties - refer note (ii) below	**172.06**	136.71
Onerous contract - refer note (ii) below	**6.15**	-
Total	**256.17**	192.35
Current		
Employee benefits - refer note (i) below		
Compensated absences	**1.64**	1.07
Gratuity payable	**15.82**	14.19
Other employee benefits	**7.27**	1.32
Sub-total (A)	**24.73**	16.58
Warranties - refer note (ii) below	**134.51**	91.76
Onerous contract - refer note (ii) below	**7.25**	13.03
Sub-total (B)	**141.76**	104.79
Total (A+B)	**166.49**	121.37

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

(i) The provision for employee benefits includes earned leave, sick leave, gratuity, providend fund and vested long service reward.

(ii) Movement in warranties and onerous contract provisions

Particulars	As at March 31, 2026	
	Warranties	Onerous Contract
Opening balance	**228.47**	**13.03**
Arising during the year	**150.64**	**11.44**
Amount utilized during the year	**(78.01)**	**(11.07)**
Unwinding of discount and changes in the discount rate	**5.47**	**-**
Closing balance	**306.57**	**13.40**

Particulars	As at March 31, 2025	
	Warranties	Onerous Contract
Opening balance	227.85	2.68
Arising during the year	80.54	13.22
Amount utilized during the year	(84.53)	(2.87)
Unwinding of discount and changes in the discount rate	4.61	-
Closing balance	228.47	13.03

Provision for warranty claims represents the present value of the management's best estimate of the future economic costs that will be required under the Company's obligations for warranties. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.

Provision for onerous contract represents management's best estimate of the costs that will be required under the Company's obligations towards coupon based service contracts. This provision represents unavoidable costs under coupon based service contracts reflect the net cost of fulfilling the contract, which is the higher than the compensation arising from its fulfilment. The estimate has been made on the basis of expected costs required to be incurred for fulfilment of a contract.

24. DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities on		
Property, plant and equipment and intangible assets	**363.81**	288.97
Investments measured at FVTPL	**384.06**	281.37
Loan from SIPCOT	**22.11**	37.51
Right of use assets	**15.32**	19.46
Debt instruments through other comprehensive income	**2.10**	6.44
Others	**28.14**	20.15
Sub-total (A)	**815.54**	653.90
Less: Deferred tax assets on		
Accrued expenses deductible on payment	**10.71**	4.26
Deferred revenue	**25.04**	34.47
Provision for compensated absences and other employee benefits	**14.89**	12.44
Provision for doubtful debts and advances	**6.75**	6.72
Lease liabilities	**17.08**	20.86
Change in fair value of equity instruments through other comprehensive income (including foreign exchange gains/(losses) on reinstatement)	**38.63**	43.15
Others	**13.64**	11.47
Sub-total (B)	**126.74**	133.37
Total (A-B)	**688.80**	520.53

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Movement of deferred tax liabilities/assets
For the year ended March 31, 2026

Particulars	Opening balance	Recognized in profit or loss	Recognized in Other comprehensive income	Closing balance
Deferred tax liabilities on				
Property, plant and equipment and intangible assets	**288.97**	**74.84**	**-**	**363.81**
Investments measured at FVTPL	**281.37**	**102.69**	**-**	**384.06**
Loan from State Industries Promotion Corporation of Tamilnadu Ltd.	**37.51**	**(15.40)**	**-**	**22.11**
Right of use assets	**19.46**	**(4.14)**	**-**	**15.32**
Debt instruments through other comprehensive income	**6.44**	**-**	**(4.34)**	**2.10**
Others	**20.15**	**7.99**	**-**	**28.14**
Sub-total (A)	**653.90**	**165.98**	**(4.34)**	**815.54**
Less: Deferred tax assets on				
Accrued expenses deductible on payment	**4.26**	**6.45**	**-**	**10.71**
Deferred revenue	**34.47**	**(9.43)**	**-**	**25.04**
Provision for compensated absences and other employee benefits	**12.44**	**2.45**	**-**	**14.89**
Exchange differences in translating the financial statements of foreign operations	**-**	**26.50**	**(26.50)**	**-**
Remeasurement of defined benefit obligation	**-**	**1.49**	**(1.49)**	**-**
Provision for doubtful debts and advances	**6.72**	**0.03**	**-**	**6.75**
Lease liabilities	**20.86**	**(3.78)**	**-**	**17.08**
Change in fair value of equity instruments through other comprehensive income (including foreign exchange gains/(losses) on reinstatement)	**43.15**	**-**	**(4.52)**	**38.63**
Others	**11.47**	**2.17**	**-**	**13.64**
Sub-total (B)	**133.37**	**25.88**	**(32.51)**	**126.74**
Total (A-B)	**520.53**	**140.10**	**28.17**	**688.80**

For the year ended March 31, 2025

	Opening balance	Recognized in profit or loss	Recognized in Other comprehensive income	Closing balance
Deferred tax liabilities on				
Property, plant and equipment and intangible assets	241.80	47.17	-	288.97
Investments measured at FVTPL	251.93	29.44	-	281.37
Loan from State Industries Promotion Corporation of Tamilnadu Ltd.	38.69	(1.18)	-	37.51
Right of use assets	7.00	12.46	-	19.46
Debt instruments through other comprehensive income	(0.29)	-	6.73	6.44
Others	16.94	3.21	-	20.15
Sub-total (A)	556.07	91.10	6.73	653.90
Less: Deferred tax assets on				
Accrued expenses deductible on payment	9.27	(5.01)	-	4.26
Deferred revenue	33.01	1.46	-	34.47
Provision for compensated absences and other employee benefits	9.22	3.22	-	12.44

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

	Opening balance	Recognized in profit or loss	Recognized in Other comprehensive income	Closing balance
Exchange differences in translating the financial statements of foreign operations	-	8.75	(8.75)	-
Remeasurement of defined benefit obligation	-	(2.45)	2.45	-
Provision for doubtful debts and advances	7.13	(0.41)	-	6.72
Lease liabilities	9.43	11.43	-	20.86
Change in fair value of equity instruments through other comprehensive income (including foreign exchange gains/(losses) on reinstatement)	-	-	43.15	43.15
Others	7.53	3.94	-	11.47
Sub-total (B)	75.59	20.93	36.85	133.37
Total (A-B)	480.48	70.17	(30.12)	520.53

25. CURRENT TAX LIABILITIES / NON-CURRENT TAX ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax liabilities		
Provision for current tax (net)	**305.19**	238.43
Total	**305.19**	238.43
Non-current tax assets		
Advance income tax (net)	**80.06**	87.35
Total	**80.06**	87.35

26. GOVERNMENT GRANTS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Deferred revenue arising from Government grants (refer note (i) and (ii) below)	**170.47**	123.20
Total	**170.47**	123.20
Current		
Deferred revenue arising from Government grants (refer note (i) and (ii) below)	**28.79**	40.48
Total	**28.79**	40.48

(i) The deferred revenue arises as a result of:

a) The benefit (Research and Development Expenditure Credit, supports entities that work on innovative projects in science and technology) received/receivable towards intangible assets by the United Kingdom (UK) Branch of the Company from the Government of UK - Department for Business Innovation & Skills and Department for His Majesty's Revenue & Customs (HMRC) of ₹ 111.28 crores as at March 31, 2026 (March 31, 2025: ₹ 71.03 crores)

b) Represents Government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipments of ₹ 38.04 crores as at March 31, 2026 (March 31, 2025: ₹ 38.65 crores) and the benefit of below-market rate of interest (at 0.1% per annum) arising on account of soft-loan from SIPCOT accounted for as Government grant of ₹ 49.94 crores as at March 31, 2026 (March 31, 2025: ₹ 54.00 crores)

These grants will be recognized in statement of profit and loss on a systematic basis over the useful life of the related property, plant and equipment / intangible assets.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

(ii) Movement in Government grants

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	**163.68**	158.97
Additions during the year	**72.24**	39.56
Amount recognised as income during the year	**(36.66)**	(34.85)
Closing balance	**199.26**	163.68

27. CONTRACT LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Advance received from customers and dealers	**393.56**	264.42
Total	**393.56**	264.42

28. OTHER LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Deferred revenue	**604.38**	463.64
Total	**604.38**	463.64
Current		
Deferred revenue	**377.49**	296.41
Statutory remittances (contributions to PF and ESIC, withholding taxes, GST, etc.)	**161.73**	156.11
Unspent CSR liabilities (refer note 51)	**38.62**	43.88
Others (includes discounts/incentives)	**38.63**	41.68
Total	**616.47**	538.08

29. REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(A) Revenue from contract with customers		
Revenue from contract with customers (Goods transferred at a point in time)		
Manufactured goods	**20,825.00**	16,962.52
Traded goods	**1,353.21**	1,083.33
Revenue from contract with customers (Services transferred over time)		
Service type warranties	**118.54**	100.69
Sub-total (A)	**22,296.75**	18,146.54
(B) Other operating revenue		
Government grant (Export incentives)	**109.13**	93.92
Scrap sale	**20.12**	43.08
Income from after sales services and others	**273.73**	167.92
Sub-total (B)	**402.98**	304.92
Total (A+B)	**22,699.73**	18,451.46

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Also refer accounting policy 3.3 on Revenue from contract with customers

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Details of products sold		
Manufactured goods		
Two wheelers	**19,298.76**	15,656.84
Spare parts and other components	**1,526.24**	1,305.68
Total	**20,825.00**	16,962.52
Traded goods		
Accessories and other allied products	**1,353.21**	1,083.33
Total	**1,353.21**	1,083.33
Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price	**22,688.67**	18,444.56
Adjustments:		
- Trade Discount	**170.93**	113.35
- Incentives	**88.62**	79.74
- Deferral of revenue (FSC, RSA) and others	**132.37**	104.93
Total	**22,296.75**	18,146.54

Contract Balances

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables (refer note 14)	**1,340.33**	1,081.08
Non-current liabilities		
- Deferred revenue (refer note 28)	**604.38**	463.64
Contract liabilities (refer note 27)	**393.56**	264.42
Current liabilities		
- Deferred revenue (refer note 28)	**377.49**	296.41

Trade receivables mainly increased on account of overall higher export volumes.

The overall outstanding balances in respect of current and non-current liabilities towards two wheelers and service type warranties increased due to the continuous increase in the Company's customer base.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Amount of Revenue recognised from:		
Amounts included in other liabilities (deferred revenue) and contract liabilities at the beginning of the year	**388.52**	350.86

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Revenue from sale of goods

The performance obligation for the sale of goods is satisfied at the point in time when control of the goods is transferred to the customer.

- Domestic sales are recognised at the time of dispatch from the point of sale;
- Export sales are recognised on the date when shipped on board or delivery of goods at the destination agreed as per the respective terms of sale and are initially recorded at the relevant exchange rates prevailing on the date of the transaction.

The Company offers specific credit period to certain customers and payment for the sale is made as per the credit terms in the agreements with the customers.

Pursuant to application of practical expedient under IND AS 115, no additional disclosure is provided in respect of remaining unsatisfied performance obligations.

Revenue from sale of service type warranties

The performance obligation for the service type warranty is satisfied over the warranty contract based on time elapsed and payment is fully on advance basis.

Persuant to application of practical expendient under INDAS 115, no additional disclosure is provided in respect of remaining unsatisfied performance obligations.

30. OTHER INCOME

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income on financial assets carried at amortized cost		
Bank deposits and bonds	**435.53**	280.00
Discount on bills (refer note 46)	**34.14**	36.01
Others	**1.62**	1.76
	471.29	317.77
Dividend income		
Dividend from joint venture company	**217.60**	136.00
	217.60	136.00
Other non-operating income		
Grant income on soft loan from SIPCOT	**7.16**	10.13
Gain on financial instruments at fair value through profit or loss (mutual funds)	**745.55**	863.30
Facilitation income	**69.45**	60.11
Liabilities no longer required, written back	**36.52**	-
Profit on sale of property, plant and equipment	**1.96**	1.69
Gain on exercise of termination option of leases	**1.19**	0.01
Other non-operating income	**7.69**	4.40
Exchange gain (net)	**136.39**	15.24
	1,005.91	954.88
Total	**1,694.80**	1,408.65

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

31. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year	**384.73**	388.03
Add: Purchases	**12,801.37**	10,155.66
	13,186.10	10,543.69
Less: Inventories at the end of the year	**509.20**	384.73
Less: Material cost of vehicles capitalized*	**3.85**	9.50
	12,673.05	10,149.46
Less: Sale of raw materials to suppliers on cost to cost basis	**196.77**	223.16
Total	**12,476.28**	9,926.30

*includes ₹ Nil under capital work-in-progress (Previous year: ₹ 0.36 crores)

32. PURCHASES OF TRADED GOODS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Accessories and other allied products	**294.46**	235.02
Total	**294.46**	235.02

33. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year			
Finished goods		**562.89**	510.15
Work-in-progress		**44.32**	52.65
Traded goods		**80.55**	85.23
	A	**687.76**	648.03
Inventories at the end of the year			
Finished goods		**586.63**	562.89
Work-in-progress		**86.33**	44.32
Traded goods		**79.08**	80.55
	B	**752.04**	687.76
(Increase)/Decrease in inventories			
Finished goods		**(23.74)**	(52.74)
Work-in-progress		**(42.01)**	8.33
Traded goods		**1.47**	4.68
Net change (A-B)		**(64.28)**	(39.73)

34. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus (refer note 43 for Gratuity expense)	**1,329.79**	1,131.60
Contribution to provident and other funds (refer note 43)	**44.81**	41.52
Share-based payments (refer note 49)	**51.13**	42.32
Staff welfare expenses	**75.07**	63.60
Total	**1,500.80**	1,279.04

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

On November 21, 2025, the Government of India notified four Labour Codes, consolidating 29 existing labour laws. Subsequently, the Ministry of Labour & Employment issued draft Rules and FAQs to facilitate assessment of the financial implications arising from changes in the regulatory framework. Based on an assessment of the impact of these Codes, the Company has provided for an amount of ₹ 55.45 crores, as an exceptional item of a non recurring nature for the year ended March 31, 2026. This assessment and the above provision in the accounts are based on information currently available & the FAQs on key accounting implications arising from the Labour Codes issued by the Institute of Chartered Accountants of India.

Subsequent to the year-end, the Central Government has notified the Code on Wages (Central) Rules, 2026, however, the corresponding State Rules and certain other operational clarifications under the New Labour Codes are yet to be notified. The Company continues to monitor the notification of the remaining State Rules and clarifications, the impact, if any, of these will be accounted in accordance with applicable accounting standards.

35. FINANCE COSTS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on debts and borrowings	**15.87**	13.34
Unwinding of discount on provisions	**5.47**	4.61
Interest on lease liabilities (refer note 52)	**6.12**	6.05
Total	**27.46**	24.00

36. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on property, plant and equipment (refer note 4)	**584.96**	504.08
Amortisation of intangible assets (refer note 6)	**174.67**	153.69
Depreciation of right-of-use assets (refer note 52)	**28.60**	26.32
Total	**788.23**	684.09

37. OTHER EXPENSES

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and machinery spares (including loose tools and packing material)	**347.57**	286.23
Loss on sale of property, plant and equipment and intangible assets	**3.90**	9.79
Power and fuel	**101.17**	89.36
Insurance	**47.58**	43.40
Repairs and maintenance		
Buildings	**9.55**	6.43
Plant and equipment	**71.12**	50.47
Others	**129.58**	108.48
Rates and taxes	**29.16**	12.12
Advertisement	**33.34**	92.12
Freight and handling charges	**313.55**	272.96
Provision for warranty (refer note 23)	**150.66**	80.63
Provision for onerous contract (refer note 23)	**11.44**	7.07
Other selling and distribution expenses	**893.74**	708.45
Expense related to short term leases	**62.72**	56.95
Legal and professional charges*	**80.44**	99.17
Travelling expenses	**146.05**	152.19
Development expenses	**33.11**	36.30
Corporate social responsibility expenditure (refer note 51)	**83.18**	66.68
Provision for credit impaired trade receivables and advances (including write off)	**0.09**	0.26
Miscellaneous expenses	**131.67**	103.77
Total	**2,679.62**	2,282.83

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

***Including payment to auditors as below (excluding GST):**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
As auditors:		
a) For audit	**0.62**	0.67
b) For limited reviews of unaudited financial results	**0.41**	0.36
Total	**1.03**	1.03
In other capacity:		
a) For other services - certifications and special purpose audits	**0.61**	0.46
b) For reimbursement of expenses	**0.09**	0.09
Total	**0.70**	0.55

38. INCOME TAX RECOGNIZED IN STATEMENT OF PROFIT AND LOSS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax		
In respect of the current year	**1,455.59**	1,119.13
Sub-total (A)	**1,455.59**	1,119.13
Deferred tax		
Relating to origination and reversal of temporary differences	**140.10**	70.17
Sub-total (B)	**140.10**	70.17
Total income tax expense recognized in the statement of profit and loss Total (A+B)	**1,595.69**	1,189.30

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	**6,636.51**	5,468.56
Income tax expense calculated at 25.168% (previous year @ 25.168%)	**1,670.28**	1,376.33
Effect on long-term capital gain from investment in mutual funds	**(171.42)**	(217.45)
Effect of ESOP/RSU expenses not deductible in determining taxable profits	**12.87**	10.65
Effect of income exempt from taxation (Dividend income)	**(54.77)**	(34.23)
Effect due to change in fair valuation on mutual funds	**98.36**	35.87
Effect of CSR Expenses	**20.93**	16.78
Effect of tax restriction on Research and Development Expenditure Credit and others	**19.44**	1.35
	1,595.69	1,189.30
Income tax expense recognized in statement of profit and loss	**1,595.69**	1,189.30
Income tax rate :		
Basic rate	**22.000%**	22.000%
Surcharge - 10% (applied on basic rate)	**2.200%**	2.200%
Cess - 4% (applied on basic plus surcharge)	**0.968%**	0.968%
	25.168%	25.168%

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Income tax recognized in other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Deferred tax charge/(benefit)		
Arising on income and expenses recognized in other comprehensive income:		
Exchange differences in translating the financial statements of foreign operations	**26.50**	8.75
Debt instruments through other comprehensive income	**(4.34)**	6.73
Remeasurement of defined benefit obligation	**1.49**	(2.45)
Change in fair value of equity instruments through other comprehensive income (including foreign exchange gains/(losses) on reinstatement)	**4.52**	(43.15)
Total income tax recognized in other comprehensive income **Total**	**28.17**	(30.12)
Bifurcation of the income tax recognized in other comprehensive income into:-		
Items that will be reclassified to profit or loss	**22.16**	15.48
Items that will not be reclassified to profit or loss	**6.01**	(45.60)
Total	**28.17**	(30.12)

39. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company accounting policies, which are described in note 3, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:-

Recoverability of intangible assets and intangible assets under development

The Company has various internally generated intangible assets either capitalised or under development. Initial recognition of the expenditure under these assets are based on assessing each asset in relation to the specific recognition criteria to be met for capitalisation, for e.g. technological and economic feasibility and the ability of the asset to generate economic benefits in the future. In addition, the management also assesses any indicators of impairment of the carrying value of the assets. This requires the management's judgement and assumptions, which are affected by future market or economic developments. The management has analysed the recognition criteria and future market conditions and is confident that these assets do not require any adjustments to their carrying value at the year end. (Refer note 3.12 and 7)

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date. As at March 31, 2026 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year. (Refer note 3.11, 3.12, 4 and 6)

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 3.9 and 49.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. (Refer note 3.13)

Equity investments designated at FVTOCI

Equity instruments designated at fair value through OCI include investments in equity shares of Stark Future S.L., for a non-controlling interests of 9.99% (undiluted basis) as at March 31, 2026 (March 31, 2025: 10.88% (undiluted basis)). This investment was irrevocably designated at initial recognition as fair value through OCI considering it to be strategic in nature. (Refer note 3.17 and 10)

During the year ended March 31, 2026, the Company has recognized changes in fair value, including foreign exchange gains / (losses) on reinstatement, in respect of its investment in equity instruments carried at Fair value through Other comprehensive income.

40. RESEARCH AND DEVELOPMENT COSTS:

Research and development costs incurred during the year ended March 31, 2026 that are capitalized, aggregates to ₹ 567.95 crores (March 31, 2025: ₹ 463.08 crores). Research and development costs that are not eligible for capitalization have been expensed during the year ended March 31, 2026 of ₹ 186.74 crores (March 31, 2025: ₹ 149.64 crores), and they are recognized in other expenses.

41. CONTINGENT LIABILITIES NOT PROVIDED FOR :

Particulars		As at March 31, 2026	As at March 31, 2025
a)	In respect of following:		
	- Excise duty matters	**18.69**	18.69
	- Sales tax matters	**6.96**	8.07
	- Service tax matters	**0.39**	0.39
	- Customs duty matters	**3.48**	3.48
	- Goods and Services tax	**14.77**	19.46
	- Direct tax matters	**15.99**	12.46
b)	Claims against the Company not acknowledged as debts*	**17.03**	19.38
c)	Guarantees given:- to bank/others for credit facility granted to 100% subsidiary Companies	**365.47**	324.07

All the above matters other than guarantee given by the Company are subject to legal proceedings in the ordinary course of business. The legal proceeding when ultimately concluded will not, in the opinion of management, have a material effect on the result of operations or the financial position of the Company.

*These are consumer related cases, based on management's evaluation and advised by the Company's legal counsels that those are only possible, but not probable, that the action will succeed. Accordingly, no provision for any liability has been made in these financial statements.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

42. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

Particulars		As at March 31, 2026	As at March 31, 2025
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	**100.34**	40.11
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	**-**	-
(iii)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	**-**	-
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	**0.01**	0.01
(v)	The amount of interest accrued and remaining unpaid at the end of each accounting year	**0.12**	0.11
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	**-**	-

43. EMPLOYEE BENEFIT PLANS

The details of various employee benefits provided to employees are as under:

A. Defined Contribution Plans

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Details of amount recognized as expense for defined contribution plans is given below:-			
a)	Provident fund* (Government administered fund)	**13.59**	11.76
b)	National Pension Scheme	**3.78**	2.52
c)	Superannuation fund	**0.32**	0.32
d)	Employee State Insurance Corporation	**0.03**	0.24
e)	Other funds (National Insurance and Pension funds, to HMRC UK, as per UK laws)	**30.97**	26.80
Total		**48.69**	41.64

B. Defined Benefit Plan

	For the year ended March 31, 2026	For the year ended March 31, 2025
Details of amount recognized as expense for defined benefit plans is given below:-		
Provident fund* (Eicher Executive Provident Fund Trust)	**13.12**	11.40

* Provident fund (Government administered and Trust managed) includes ₹ 3.10 crores (March 31, 2025: ₹ 2.35 crores) capitalized during the year and ₹ 13.90 crores (March 31, 2025: ₹ 9.17 crores) considered in intangible assets under development (pending capitalisation).

The Defined benefit plan of the Company includes entitlement of gratuity and provident fund scheme.

This plan typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest Risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2026 by Mr. K.K.Dharni (FIAI M.No. 00051), Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

Gratuity :

The gratuity plan is governed by the Payment of Gratuity Act, 1972 or the Code of Social Security, 2020. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. Generally, it aims to have a portfolio mix of equity instruments, and debt instruments. Generally, equity instruments should not exceed 15% of total portfolio. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

As the plan assets include significant investments in quoted equity shares of entities, the Company is also exposed to equity market risk to the extent of the proportionate investment made.

The principal assumptions used for the purposes of the actuarial valuations were as follows :-

Principal assumptions:	Gratuity - Funded		Gratuity - Unfunded	
	As at March 31, 2026	As at March 31, 2025	**As at March 31, 2026**	As at March 31, 2025
Discount rate	**6.99%**	6.79%	**6.99%**	6.79%
Future salary increase	**12.00%**	12.00%	**12.00%**	12.00%
Retirement age	**58 years**	58 years	**58 years**	58 years
Rate of withdrawal	**8.75%**	8.75%	**8.75%**	8.75%
Mortality rates inclusive of provision for disability	**IALM (2012 - 14)**	IALM (2012 - 14)	**IALM (2012 - 14)**	IALM (2012 - 14)

Amounts recognized in statement of profit and loss in respect of these defined benefit plans are as follows :-

Particulars	Gratuity - Funded		Gratuity - Unfunded	
	For the year ended March 31, 2026	For the year ended March 31, 2025	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Service cost:				
Current service cost	**20.85**	13.59	**2.91**	2.98
Past service cost and (gain)/loss from settlements	**52.50**	-	**0.48**	10.56
Net Interest expense	**-**	-	**0.96**	0.37
Components of defined benefit costs recognized in profit or loss	**73.35**	13.59	**4.35**	13.91
Remeasurement on the net defined benefit liability:				
Return on plan assets (excluding amounts included in net interest expense)	**(2.42)**	1.10	**-**	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	**(2.92)**	4.20	**(0.36)**	0.88

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	Gratuity - Funded		Gratuity - Unfunded	
	For the year ended March 31, 2026	For the year ended March 31, 2025	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Actuarial (gains)/ losses arising from experience adjustments	**0.26**	4.13	**(2.36)**	(0.60)
Components of defined benefit costs recognized in other comprehensive income	**(5.08)**	9.43	**(2.72)**	0.28
Total	**68.27**	23.02	**1.63**	14.19

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows :

Particulars	Gratuity - Funded		Gratuity - Unfunded	
	As at March 31, 2026	As at March 31, 2025	**As at March 31, 2026**	As at March 31, 2025
Present Value of funded defined benefit obligation	**192.73**	116.06	**15.82**	14.19
Fair value of plan assets	**192.73**	116.06	**-**	-
Net liability arising from defined benefit obligation	**-**	-	**15.82**	14.19

Movements in the present value of the defined benefit obligation are as follows :-

Particulars	Gratuity - Funded		Gratuity - Unfunded	
	For the year ended March 31, 2026	For the year ended March 31, 2025	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Opening defined obligation	**116.06**	90.57	**14.19**	-
Current service cost	**20.85**	13.59	**2.91**	2.98
Interest cost	**7.88**	6.48	**0.96**	0.37
Past Service Cost including curtailment Gains/Losses	**52.50**	-	**0.48**	10.56
Actuarial (gains)/ losses	**(2.66)**	8.33	**(2.72)**	0.28
Benefits paid	**(1.90)**	(2.91)	**-**	-
Closing defined benefit obligation	**192.73**	116.06	**15.82**	14.19

Movements in the fair value of the plan assets are as follows :-

Particulars	Gratuity - Funded	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening fair value of plan assets[@]	**116.06**	90.57
Interest income	**7.88**	6.48
Actuarial gains/ (losses)	**2.42**	(1.10)
Contribution	**68.27**	23.02
Benefit paid	**(1.90)**	(2.91)
Closing fair value of plan assets[@]	**192.73**	116.06

[@]Funds managed by EML Employees Company Gratuity Scheme (Trust).

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

The major categories of plan assets maintained with the approved insurance companies for EML Trust are as follows:

The Fair value of the plan assets at the end of reporting period for each category are as follows.

Particulars	As at March 31, 2026	As at March 31, 2025
Debt instruments categorized by issuers' credit rating:		
AAA/A1+/Government securities/Cash/Fixed yield instruments	**128.03**	102.79
AA+/AA	**7.57**	7.13
Deposits, Equity	**57.13**	6.14
Total	**192.73**	116.06

The fair values of the above instruments are determined based on quoted market prices in active market. The actual return on plan assets was ₹ 10.30 crores for the year ended March 31, 2026.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Gratuity funded

- If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by ₹ 8.17 crores (increase by ₹ 8.79 crores) [as at March 31, 2025: Decrease by ₹ 5.80 crores (increase by ₹ 6.31 crores)].
- If the expected salary growth increases (decreases) by 50 basis points, the defined benefit obligation would increase by ₹ 4.69 crores (decrease by ₹ 4.73 crores) [as at March 31, 2025: Increase by ₹ 5.97 crores (decrease by ₹ 5.57 crores)].

Gratuity unfunded

- If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by ₹ 0.88 crores (increase by ₹ 0.96 crores) [as at March 31, 2025: decrease by ₹ 0.82 crores (increase by ₹ 0.90 crores)].
- If the expected salary growth increases (decreases) by 50 basis points, the defined benefit obligation would increase by ₹ 0.78 crores (decrease by ₹ 0.75 crores) [as at March 31, 2025: increase by ₹ 0.74 crores (decrease by ₹ 0.71 crores)].

Sensitivities due to change in mortality rate and change in withdrawal rate are not material and hence impact of such change is not calculated.

Sensitivity Analysis

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

The changes to principal assumptions on future salary increase and rate of withdrawal have been made to reflect the Company's trend of actual average salary increase and average attrition rates over the past years.

Other disclosures

Maturity profile of defined benefit obligation

Particulars	Gratuity - Funded		Gratuity - Unfunded	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Average duration of the defined benefit obligation (in years)	**9.30**	9.41	**9.71**	9.76

The estimated contribution during next year is ₹ 24.13 crores (March 31, 2025 : ₹ 14.64 crores) and ₹ 4.83 crores (March 31, 2025: ₹ 4.57 crores) to the funded and unfunded defined benefit plans respectively.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

The following are expected payments to the defined benefit plan in future years:

Particulars	Gratuity - Funded		Gratuity - Unfunded	
	As at March 31, 2026	As at March 31, 2025	**As at March 31, 2026**	As at March 31, 2025
0 to 1 year	**14.72**	6.81	**0.70**	0.62
1 to 2 year	**16.57**	10.83	**1.18**	1.03
2 to 3 year	**15.01**	9.22	**1.14**	1.03
3 to 4 year	**14.90**	8.39	**1.10**	0.98
4 to 5 year	**12.73**	8.28	**1.04**	0.92
5 to 6 year	**13.78**	7.13	**0.95**	0.85
6th year onwards	**105.02**	65.40	**9.71**	8.76
Total	**192.73**	116.06	**15.82**	14.19

Provident fund :

The Company operates a scheme of provident fund for eligible employees, which is a defined benefit plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a part of the contributions to the "Eicher Executive Provident Fund Trust". The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

The principal assumptions used for the purposes of the actuarial valuations were as follows :-

Principal assumptions:	**For the year ended March 31, 2026**
Discount rate	**7.60%**
Expected statutory interest rate on the ledger balance	**8.25%**
Expected short fall in interest earnings on the fund	**0.50%**
Retirement age	**58 years**
Mortality rates inclusive of provision for disability	**IALM (2012 - 14)**

Amounts recognized in statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	**For the year ended March 31, 2026**
Service cost:	
Current service cost	**11.54**
Past service cost and (gain)/loss from settlements	**-**
Net Interest expense	**-**
Components of defined benefit costs recognized in profit or loss	**11.54**
Remeasurement on the net defined benefit liability:	
Return on plan assets (excluding amounts included in net interest expense)	**1.60**
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	**-**
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	**(0.03)**
Actuarial (gains)/ losses arising from experience adjustments	**0.31**
Components of defined benefit costs recognized in other comprehensive income	**1.88**
	13.42

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31, 2026
Present Value of funded defined benefit obligation	**262.02**
Fair value of plan assets	**258.56**
Net liability arising from defined benefit obligation	**3.46**

Movements in the present value of the defined benefit obligation are as follows:

Particulars	For the year ended March 31, 2026
Opening defined obligation	**229.42**
Current service cost	**11.54**
Contributions by plan participants / employees	**16.06**
Interest cost	**18.89**
Past Service Cost including curtailment Gains/Losses	**-**
Actuarial (gains)/ losses	**0.28**
Benefits paid	**(18.53)**
Settlements/Transfer In	**4.36**
Closing defined benefit obligation	**262.02**

Movements in the fair value of the plan assets are as follows :-

Particulars	For the year ended March 31, 2026
Opening fair value of plan assets@	**227.84**
Actual return on plan assets	**17.29**
Employer contribution	**11.54**
Plan Participants / Employee Contribution	**16.06**
Benefits paid	**(18.53)**
Settlements / Transfer In	**4.36**
Closing fair value of plan assets@	**258.56**

@Funds managed by Eicher Executive Provident Fund (Trust).

The Fair value of the plan assets at the end of reporting period for each category are as follows.

Particulars	As at March 31, 2026
Government securities	**141.10**
High quality Corporate Bonds - Public sector	**76.66**
High quality Corporate Bonds - Private sector	**16.00**
Others	**24.80**
Total	**258.56**

The fair values of the above instruments are determined based on quoted market prices in active market. The actual return on plan assets was ₹ 17.29 crores for the year ended March 31, 2026.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by ₹ 0.05 crores (increase by ₹ 0.05 crores)

Sensitivities due to change in mortality rate and change in withdrawal rate are not material and hence impact of such change is not calculated.

Other disclosures

Maturity profile of defined benefit obligation

The following are expected payments to the defined benefit plan in future years:

Particulars	As at March 31, 2026
Within the next 12 months (next annual reporting period)	**45.52**
Between 2 and 5 years	**10.91**
Between 5 and 10 years	**32.06**
Beyond 10 years	**173.53**
	262.02

The Company expects to fund ₹ 11.83 crores toward its trust-managed providend fund plan during the year 2026-27.

44. EARNINGS PER SHARE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share (in ₹)	**183.79**	156.15
Diluted earnings per share (in ₹)	**183.46**	155.80
Basic earnings per share		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.		
Profit for the year, per statement of profit and loss (₹ in crores)	**5,040.82**	4,279.26
Weighted average number of equity shares for the purposes of basic earnings per share	**27,42,68,798**	27,40,50,145
Diluted earnings per share		
The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows.		
Profit for the year, per statement of profit and loss (₹ in crores)	**5,040.82**	4,279.26
Weighted average number of equity shares for the purposes of basic earnings per share	**27,42,68,798**	27,40,50,145
Shares deemed to be issued for no consideration in respect of :		
- employee stock option plan / restricted stock units plan	**4,94,518**	6,12,118
Weighted average number of equity shares for the purposes of diluted earnings per share	**27,47,63,316**	27,46,62,263

45. SEGMENT REPORTING DISCLOSURE

The Company primarily operates in the automotive segment. The automotive segment includes all activities related to development, design, manufacture, assembly and sale of two-wheelers as well as sale of related parts and accessories.

As defined in Ind AS 108, the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirement of Ind AS 108 "Operating Segments".

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Geographical information

The "Geographical Segments" comprises of domestic segment which includes sales to customers located in India and the overseas segment includes sales to customers located outside India.

Particulars	Domestic	Overseas	Total
Revenue from operations			
For the year ended March 31, 2026	**19,916.28**	**2,783.45**	**22,699.73**
For the year ended March 31, 2025	16,142.49	2,308.97	18,451.46
Non-current segment assets			
As at March 31, 2026	**3,634.36**	**1,020.41**	**4,654.77**
As at March 31, 2025	3,124.86	838.30	3,963.16

a) Domestic segment includes sales and services to customers located in India.

b) Overseas segment includes sales and services rendered to customers located outside India.

c) Non-current segment assets represents total non current assets excluding non current financial assets.

d) The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue have been identified to segments on the basis of their relationship to the operating activities of the segment.

Information about major customers

No customer individually accounted for more than 10% of the revenue.

46. RELATED PARTY DISCLOSURES UNDER IND AS 24

a. Related party disclosures

Name of related parties and their relationship:

Name of related party		Nature of Relationship	Principal place of business
Royal Enfield North America Ltd.	(RENA)	100 % Subsidiary company (March 31, 2025: 100%)	Milwaukee, USA
Royal Enfield Canada Ltd.	(RECA)	100% subsidiary company of RENA (March 31, 2025: 100%)	Vancouver BC, Canada
Royal Enfield Brasil Comercio de Motocicletas Ltda	(RE Brasil)	100% Subsidiary company (March 31, 2025: 100%)	São Paulo, Brasil
Royal Enfield (Thailand) Ltd.	(RET)	100% Subsidiary company (March 31, 2025: 100%)	Bangkok, Thailand
Royal Enfield (UK) Ltd	(REUK)	100 % Subsidiary company (March 31, 2025: 100%)	Leicestershire, UK
Royal Enfield Europe B.V.	(REEU)	100 % Subsidiary company (March 31, 2025: 100%)	Gelderland, Netherlands
VE Commercial Vehicles Limited	(VECVL)	54.40% Joint venture company (March 31, 2025: 54.40%)	New Delhi, India
VECV Lanka (Private) Limited	(VECV Lanka)	100% Subsidiary company of VECVL (March 31, 2025: 100%)	Colombo, Srilanka
VECV South Africa (PTY) Ltd.	(VECV Africa)	100% Subsidiary company of VECVL (March 31, 2025: 100%)	Centurion, South Africa
VE Electro-Mobility Limited	(VEEM)	100% Subsidiary company of VECVL (March 31, 2025: 100%)	New Delhi, India

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Name of related party		Nature of Relationship	Principal place of business
VE Connected Solutions Private Limited	(VECS)	51% Subsidiary company of VECVL (March 31, 2025: 51%)	New Delhi, India
PT VECV Automotive Indonesia	(PT VECV)	99.99% Subsidiary company of VECVL (March 31, 2025: 99.99%)	North Jakarta, Indonesia
Eicher Polaris Private Limited	(EPPL)	50% Joint venture company (March 31, 2025: 50%)	New Delhi, India
Eicher Group Foundation	(EGF)	50% Joint venture company (March 31, 2025: 50%)	New Delhi, India
Eicher Goodearth Private Limited	(EGPL)	Entity under the control of the key management personnel	New Delhi, India
Eicher Goodearth India Private Limited	(EGIPL)	Entity under the control of the key management personnel	New Delhi, India
Nicobar Design Private Limited	(NDPL)	Entity under the control of the key management personnel	New Delhi, India
Eicher Executive Provident Fund Trust	(EEPF)	Post employment benefit plan	Haryana, India
Eicher Tractors Executive Staff Superannuation Fund	(ETESSF)	Post employment benefit plan	Haryana, India
Eicher Motors Limited Employees Gratuity Trust	(EMLEGT)	Post employment benefit plan	New Delhi, India
The Simran Siddhartha Tara Benefit Trust	(SSTBT)	Executive Chairman is a trustee	New Delhi, India
Sunshine Automobiles		Directors' relative is a partner	New Delhi, India
Shardul Amarchand Mangaldas & Co.		Director is a partner	New Delhi, India
Mr. Vikram Lal		Relative of KMP	

b. Key management personnel:

Mr. Siddhartha Lal	Managing Director (upto February 12, 2025) Executive Chairman (w.e.f. February 13, 2025)
Mr. B Govindarajan	Whole-time Director & Chief Executive Officer of Royal Enfield (upto February 12, 2025) Managing Director (w.e.f. February 13, 2025)
Mr. S. Sandilya	Chairman (upto February 12, 2025)
Ms. Manvi Sinha	Independent Director (upto February 12, 2025)
Mr. Inder Mohan Singh	Independent Director
Mr. S. Madhavan	Independent Director
Mr. Tejpreet Chopra	Independent Director
Ms. Ira Gupta	Independent Director (w.e.f. February 10, 2025)
Mr. Arun Vasu	Independent Director (w.e.f. February 13, 2025)
Mr. Vinod Aggarwal	Non-executive Director (upto February 12, 2025) Vice Chairman (Non-executive w.e.f. February 13, 2025) Vice-Chairman (Executive w.e.f May 21, 2026)
Ms. Vidhya Srinivasan	Chief Financial Officer
Mr. Atul Sharma	Company Secretary

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

c. Transactions with the key management personnel during the year:

Particulars	Nature of transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
Reumuneration to key management personnel	Short-term benefits	**26.60**	31.54*
	Post-employment benefits	**0.40**	0.23
	Other long-term benefits	**0.25**	0.18
	Share-based payments	**2.25**	10.97
	Sitting fees	**0.51**	0.28
	Commission	**10.50**	16.16
		40.51	59.36

Post-employment benefits and other long-term benefits mentioned above were accrued and not paid as on March 31, 2026

*Remuneration includes National Insurance payable on fixed salary and commission and pension payable on fixed salary, to HMRC UK, as per UK laws

d. Transactions with the related parties

Name of related party	Nature of transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
VE Commercial Vehicles Limited	Purchase of raw materials and components / services	**296.81**	250.37
	Corporate service charges	**3.34**	2.69
	Dividend income	**217.60**	136.00
	Discount on bills	**34.14**	36.01
	Recovery of Share based payments	**22.17**	9.80
Eicher Polaris Private Limited	Expenses reimbursed/reimbursable by the Company	**0.01**	0.03
Eicher Goodearth Private Limited	Corporate service charges	**1.07**	1.15
	Rent	**4.69**	4.36
	Expenses reimbursed/reimbursable to the Company	**0.76**	0.18
Eicher Goodearth India Private Limited	Brand fees	**5.00**	5.00
Royal Enfield North America Ltd	Guarantee given / forex revaluation (increase)/decrease	**(17.24)**	(4.19)
	Sale of products	**130.43**	108.21
	Recovery of Share based payments	**1.80**	2.12
	Expenses reimbursed/reimbursable by the Company	**8.97**	18.32
	Sales and marketing service expense	**3.59**	3.34
	Purchase of products	**0.43**	-
Royal Enfield Brasil Comercio de Motocicletas Ltda	Guarantee given / forex revaluation (increase)/decrease	**(9.07)**	(2.21)
	Sale of products ^	**735.68**	436.67
	Recovery of Share based payments	**0.44**	-
	Expenses reimbursed/reimbursable to the Company	**0.37**	13.73
	Expenses reimbursed/reimbursable by the Company	**5.92**	4.22
Royal Enfield (Thailand) Ltd	Guarantee given / forex revaluation (increase)/decrease	**(12.53)**	(0.75)
	Sale of products	**54.23**	37.74
	Expenses reimbursed/reimbursable to the Company	**13.83**	1.47
	Recovery of Share based payments	**0.26**	1.01
	Expenses reimbursed/reimbursable by the Company	**1.76**	1.30
	Sales and marketing service expense	**5.10**	4.34
	Royalty income	**2.81**	1.75
	Purchase of raw materials	**15.09**	-

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Name of related party	Nature of transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
Royal Enfield UK Limited	Guarantee given / forex revaluation (increase)/decrease	**(4.32)**	(11.06)
	Sale of products	**90.96**	85.19
	Expenses reimbursed/reimbursable to the Company	**1.81**	2.70
	Recovery of Share based payments	**1.55**	2.15
	Expenses reimbursed/reimbursable by the Company#	**21.76**	35.00
	Sales and marketing service expense	**11.85**	12.42
	Investment in share capital of subsidiary company	**34.83**	-
	Purchase of products	**0.86**	-
Royal Enfield Europe B.V.	Guarantee given / forex revaluation (increase)/decrease	**(1.01)**	(5.59)
	Sale of products	**136.93**	10.85
	Expenses reimbursed/reimbursable to the Company	**2.57**	0.16
	Investment in share capital of subsidiary company	**14.40**	18.66
Eicher Group Foundation	Contributions made towards Corporate social responsibility	**79.64**	74.66
	Surplus income on Corporate social responsibility expenditure	**0.07**	0.11
Eicher Executive Provident Fund Trust	Contribution to provident fund (Employer's share only)	**13.12**	11.40
Eicher Tractors Executive Staff Superannuation Fund	Contribution to superannuation fund	**0.26**	0.26
Eicher Motors Limited Employees Gratuity Trust	Contribution to gratuity fund (including one-time impact of ₹ 55.45 crores, refer note 34)	**68.27**	23.02
	Benefits paid by the Trust on behalf of the Company	**(1.90)**	(2.91)
Sunshine Automobiles	Sale of products	**54.13**	46.25
	Payment for Free service coupon and warranty claims	**1.62**	1.42
	Expenses reimbursed/reimbursable to the Company	**0.04**	0.09
Shardul Amarchand Mangaldas & Co.	Legal and professional charges	**0.47**	0.35
Mr. Vikram Lal	Expenses reimbursed/reimbursable to the Company	**0.02**	-

^ includes sale of products to third party motorcycle assembler(s) of ₹ 700.62 crores (Previous year: ₹ 419.23 crores)

e. Balance outstanding at the year end

Name of related party	Nature	As at March 31, 2026	As at March 31, 2025
VE Commercial Vehicles Limited	Trade payables	**51.07**	52.42
	Investment in equity instruments	**5.44**	5.44
	Bills discounted*	**451.20**	445.92
* The balance at any point of time during the year was within the overall sanction limit of ₹ 550 crores			
Eicher Polaris Private Limited	Trade payables	**0.31**	0.04
Eicher Group Foundation	Receivable of unspent CSR fund (including surplus)	**1.48**	0.59
Eicher Goodearth Private Limited	Security deposits receivable	**1.09**	1.09
	Corporate service charges	**0.25**	0.25
	Expenses reimbursable to the Company	**0.06**	0.06
Eicher Goodearth India Private Limited	Trade payables	**5.00**	5.00

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Name of related party	Nature	As at March 31, 2026	As at March 31, 2025
Royal Enfield North America Ltd	Trade receivables	**137.94**	87.78
	Other financial assets	**3.40**	2.12
	Trade payables	**1.72**	6.01
	Investment in equity instruments	**34.17**	34.17
	Guarantee given (including forex revaluation)	**179.84**	162.60
Royal Enfield Brasil Comercio de Motocicletas Ltda	Trade receivables ^	**734.39**	384.04
	Other financial assets	**0.45**	-
	Trade Payables	**0.43**	0.35
	Investment in equity instruments	**245.01**	245.01
	Guarantee given (including forex revaluation)	**94.65**	85.58
Royal Enfield (Thailand) Ltd	Trade receivables	**23.75**	22.49
	Other financial assets	**1.05**	1.01
	Trade Payables	**2.65**	4.71
	Investment in equity instruments	**42.21**	42.21
	Guarantee given (including forex revaluation)	**41.46**	28.93
Royal Enfield UK Limited	Trade receivables	**80.50**	88.58
	Other financial assets	**3.17**	2.15
	Trade Payables	**6.60**	5.70
	Investment in equity instruments	**66.40**	31.57
	Guarantee given (including forex revaluation)	**36.43**	32.11
Royal Enfield Europe B.V.	Trade receivables	**92.83**	10.93
	Investment in equity instruments	**33.06**	18.66
	Guarantee given (including forex revaluation)	**6.59**	5.59
Key management personnel	Commission payable	**8.00**	13.84
	Variable pay	**5.72**	3.88
	Post-employment benefits	**5.48**	5.19
Independent directors	Sitting fee	**-**	0.01
	Commission payable	**2.50**	2.33
Sunshine Automobiles	Security deposit payable	**0.02**	0.02
	Advances received towards vehicles, spares, apparel and accessories sales	**0.52**	0.29
Eicher Executive Provident Fund Trust	Contribution to provident fund (Employer's share only)	**1.08**	0.95
Eicher Tractors Executive Staff Superannuation Fund	Contribution to superannuation fund	**0.02**	0.02

^ includes receivables from third party motorcycle assembler(s) of ₹ 707.61 crores (Previous year: ₹ 359.61 crores)

Terms and conditions of transactions with related parties

All transactions from related parties are in the normal course of business and in terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025 : ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The Company generally provides a credit period of 30 days to 270 days with respect to receivables from RET, RENA, RE Brasil, REUK and REEU.

Guarantees provided to the subsidiaries are in accordance with the section 186 (4) of the Companies Act, 2013.

Expenses reimbursed/reimbursable by the Company includes mark-up, as applicable.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

The Company has a credit period of 45 days with respect to payables to VE Commercial Vehicles Limited.

Brand fees payable to Eicher Goodearth India Private Limited upon approval by Shareholders at its Annual General Meeting.
Rent payable to Eicher Goodearth India Private Limited on due basis.
The Company has a credit period of 0 to 90 days with respect to payables to related parties.

47. FINANCIAL INSTRUMENTS

47.1 Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholders through efficient allocation of capital towards expansion of business, optimization of working capital requirements and deployment of surplus funds into various investment options. The Company uses the operational cash flows and equity to meet its capital requirements.

The Company is not subject to any externally imposed capital requirements.

The management of the Company reviews the capital structure of the Company on regular basis. As part of this review, the management of the Company considers risks associated with the movement in the working capital.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2026 and March 31, 2025.

The following table summarizes the capital of the Company:

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings	**228.53**	184.36
Less: cash and cash equivalents (refer note 15)	**(48.89)**	(117.22)
Net debt	**179.64**	67.14
Share capital	**27.43**	27.42
Other equity	**21,780.43**	18,472.42
Total Equity	**21,807.86**	18,499.84
Gearing ratio	**0.82%**	0.36%

47.2 Categories of financial instruments (fair value disclosures)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets at fair value through profit or loss		
Non-current		
Investments in equity	**8.21**	8.21
Investments in mutual funds	**7,182.30**	7,256.56
Current		
Investments in mutual funds	**1,292.39**	805.07
Financial assets at fair value through other comprehensive income		
Non-current		
Investments in mutual funds	**2,394.76**	3,179.86
Investments in equity	**172.90**	141.30
Current		
Investments in mutual funds	**1,153.12**	-

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets at amortized cost		
Non-current		
Investments in bonds	**1,182.31**	216.57
Other financial assets	**2,939.32**	2,068.17
Current		
Investments in bonds	**386.46**	42.48
Trade receivables	**1,340.33**	1,081.08
Cash and cash equivalents	**48.89**	117.22
Bank balances other than cash and cash equivalents	**21.75**	44.05
Loans / Bill discounting	**451.24**	445.96
Other financial assets	**3,028.86**	2,872.94
Financial liabilities at amortized cost		
Non-current		
Borrowings	**201.63**	184.36
Lease liabilities	**44.21**	56.80
Other financial liabilities	**16.00**	29.24
Current		
Borrowings	**26.90**	-
Lease liabilities	**23.66**	26.11
Trade payables	**2,691.39**	2,445.60
Other financial liabilities	**521.79**	341.95

Fair values of above financial instruments are not disclosed separately, as the carrying values of the current financial instruments disclosed above are reasonable approximations of the fair value and non-current financial instruments are carried at fair value.

47.3 Fair value measurements

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorizing the financial instruments measured at fair value into Level 1 to Level 3 :-

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Quantitative disclosures fair value measurement hierarchy for assets:

There are certain Company's financial assets which are measured at fair value at the end of each reporting period. Following table gives information about how the fair values of these financial assets are determined:-

Particulars	Fair value as at March 31, 2026		
	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss			
Non-current			
Investments in equity*	**-**	**-**	**8.21**
Investments in mutual funds	**7,182.30**	**-**	**-**
Current			
Investments in mutual funds	**1,292.39**	**-**	**-**
Financial assets at fair value through other comprehensive income			
Non-current			
Investments in mutual funds	**2,394.76**	**-**	**-**
Investments in equity#	**-**	**-**	**172.90**
Current			
Investments in mutual funds	**1,153.12**	**-**	**-**

Particulars	Fair value as at March 31, 2025		
	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss			
Non-current			
Investments in equity*	-	-	8.21
Investments in mutual funds	7,256.56	-	-
Current			
Investments in mutual funds	805.07	-	-
Financial assets at fair value through other comprehensive income			
Non-current			
Investments in mutual funds	3,179.86	-	-
Investments in equity#	-	-	141.30

* represents the investments in equity of Flamesun Solar Private Limited. As per the share purchase agreement between the Company and these parties, in case of termination or as the case may be, the Company shall transfer the equity shares to the person nominated by each party (Nominated person) as may be prescribed and consideration to receive in this regard shall be the same amount as paid by the Company towards purchase of these equity investments (cost of purchase).

represents equity instruments designated at fair value through OCI include investments in equity shares of Stark Future S.L.,. for a non-controlling interests of 9.99% (undiluted basis) as at March 31, 2026 (March 31, 2025: 10.88% (undiluted basis)). This investment was irrevocably designated at initial recognition as fair value through OCI considering it to be strategic in nature.

Valuation inputs

Particulars	March 31, 2026	March 31, 2025
Valuation method	**Comparable Transactions Multiple**	Comparable Transactions Multiple
Target multiple (Enterprise value / Sales)	**1.7x**	3.0x

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Sensitivity Analysis

Particulars	Change in multiple	March 31, 2026	March 31, 2025
Significant Unobservable Input:			
Revenue multiple - 1.7x (Previous year - 3.0x)	+0.1x	**11.99**	7.39
	-0.1x	**(11.99)**	(7.39)

Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed out in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognized in the standalone financial statements approximate their fair values.

Particulars	March 31, 2026		March 31, 2025	
	Carrying amount	Fair value (Level 1)	Carrying amount	Fair value (Level 1)
Financial assets at amortized cost				
Non-current				
Investments in bonds	**1,182.31**	**1,169.70**	216.57	219.46
Current				
Investments in bonds	**386.46**	**339.66**	42.48	42.71

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

- Investments traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house.
- The fair value of bonds is based on quoted prices and market observable inputs.
- Trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, current borrowings, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.
- There were no transfers between Level 1, Level 2 and Level 3 during the year and the previous year.

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's management monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The management reviews cash resources, implements strategies for foreign currency exposures and ensuring market risk limit and policies.

The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates risk/ liquidity risk which impact returns on investments. Market risk exposures are measured using sensitivity analysis.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(Amount in foreign currency in crores)

Foreign currency exposure	As at March 31, 2026		As at March 31, 2025	
	Foreign currency monetary assets	Foreign currency monetary liabilities	Foreign currency monetary assets	Foreign currency monetary liabilities
USD	**5.14**	**0.47**	8.12	0.75
EURO	**1.98**	**0.15**	2.63	0.26
GBP	**0.67**	**0.15**	0.82	0.20
JPY	**-**	**9.21**	-	9.84
THB	**8.65**	**0.98**	9.32	1.95
IDR	**-**	**-**	-	2.10
BRL	**27.70**	**-**	-	-
AUD	**-**	**0.04**	-	-
RUB	**-**	**0.67**	-	-
MAD	**-**	**0.01**	-	-
RMB/CNY	**-**	**0.23**	-	-

The Company is mainly exposed to USD, EURO, GBP and BRL.

Foreign currency sensitivity

The company uses the sensitivity rate of 5% when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. In the opinion of the management, the sensitivity of increase or decrease of ₹ 61.93 crores (March 31, 2025: ₹ 47.17 crores) against the relevant foreign currencies is not material to the financial statements.

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Change in rate	Effect on profit before tax	Change in rate	Effect on profit before tax
USD	**5%**	**22.12**	5%	31.55
	(5%)	**(22.12)**	(5%)	(31.55)
EURO	**5%**	**9.97**	5%	10.90
	(5%)	**(9.97)**	(5%)	(10.90)
GBP	**5%**	**3.25**	5%	3.44
	(5%)	**(3.25)**	(5%)	(3.44)
JPY	**5%**	**0.27**	5%	0.28
	(5%)	**(0.27)**	(5%)	(0.28)
THB	**5%**	**1.10**	5%	0.93
	(5%)	**(1.10)**	(5%)	(0.93)

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Change in rate	Effect on profit before tax	Change in rate	Effect on profit before tax
BRL	**5%**	**24.87**	5%	-
	(5%)	**(24.87)**	(5%)	-
IDR	**5%**	**-**	5%	0.00
	(5%)	**-**	(5%)	(0.00)
AUD	**5%**	**0.13**	5%	-
	(5%)	**(0.13)**	(5%)	-
RUB	**5%**	**0.04**	5%	-
	(5%)	**(0.04)**	(5%)	-
MAD	**5%**	**0.01**	5%	-
	(5%)	**(0.01)**	(5%)	-
RMB/CNY	**5%**	**0.16**	5%	-
	(5%)	**(0.16)**	(5%)	-

Equity price risk

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/ bonds, trade receivables, loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

The Company has used a practical expedient by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information.

Movement in impairment allowance – Trade receivable

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at beginning of the year	**5.37**	5.88
Add: Provided during the year	**0.15**	0.26
Less: Reversals of provision / amounts written off	**(0.05)**	(0.77)
Balance at end of the year	**5.47**	5.37

Other price risks

The Company has deployed its surplus funds into various financial instruments including units of mutual funds, bonds, etc. The Company is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in interest rates, liquidity and credit quality of underlying securities.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

NAV price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to NAV price risks at the end of the reporting period. If NAV prices had been 1% higher/lower, the profit for the year ended March 31, 2026 would increase/decrease by ₹ 120.23 crores (for the year ended March 31, 2025: increase/decrease by ₹ 112.41 crores).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. Since the Company's borrowings which are affected by interest rate fluctuation is very insignificant to the size and operations of the Company, therefore, a change in interest rate risk does not have a material impact on the Company's financial statements in relation to fair value of financial instruments.

Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Maturity profile of financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

Particulars	As at March 31, 2026			
	Less than 1 year	1 to 5 years	More than 5 Years	Total
Non-current				
(i) Borrowings (undiscounted)	**-**	**-**	**339.42**	**339.42**
(ii) Lease liabilities (undiscounted)	**-**	**42.46**	**12.41**	**54.87**
(iii) Other financial liabilities	**-**	**-**	**16.00**	**16.00**
Current				
(i) Borrowings (undiscounted)	**26.90**	**-**	**-**	**26.90**
(ii) Lease liabilities (undiscounted)	**28.29**	**-**	**-**	**28.29**
(iii) Trade payables	**2,691.39**	**-**	**-**	**2,691.39**
(iv) Other financial liabilities	**521.79**	**-**	**-**	**521.79**

Particulars	As at March 31, 2025			
	Less than 1 year	1 to 5 years	More than 5 Years	Total
Non-current				
(i) Borrowings (undiscounted)	-	-	333.39	333.39
(ii) Lease liabilities (undiscounted)	-	56.94	13.67	70.61
(iii) Other financial liabilities	-	-	29.24	29.24
Current				
(i) Borrowings (undiscounted)	-	-	-	-
(ii) Lease liabilities (undiscounted)	31.35	-	-	31.35
(iii) Trade payables	2,445.60	-	-	2,445.60
(iv) Other financial liabilities	341.95	-	-	341.95

The surplus funds with the Company and operational cash flows will be sufficient to dispose the financial liabilities with in the maturity period.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

49. SHARE-BASED PAYMENTS

Employee Stock Option Plan, 2006 of the Company

Pursuant to the approval accorded by shareholders at their Annual General Meeting held on July 5th 2006, the Nomination and Remuneration Committee of the Company formulated Employee Stock Option Plan 2006' ("ESOP, 2006") of the Company.

ESOP, 2006 is applicable to all permanent and full-time employees (as defined in the Plan), excluding employee who is a Promoter or belonging to Promoter Group of the Company and other exclusions as per SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time ("SEBI Regulations"). The eligibility of employees to receive grants under the Plan is decided by the Nomination and Remuneration Committee, from time to time at its sole discretion.

Vesting of the options shall take place in the manner as may be determined by the Nomination and Remuneration Committee at the time of grant, provided, the vesting period shall not be less than 1 year from the date of grant or such other period as may be prescribed, from time to time, under the aforesaid SEBI Regulations.

Vesting of options shall be subject to the conditions that the Grantee shall be in continuous employment with the Company (or its subsidiary company, as the case may be) and subject to such other conditions and exceptions as provided under Company's ESOP, 2006.

The Exercise Price of each grant is determined by the Nomination and Remuneration Committee at the time of grant, provided that the Exercise Price shall not be less than the closing market price of the shares of the Company on NSE/BSE on the day preceding the date of grant of Options.

The options vested can be exercised at any time until completion of seven years from the date of vesting. Any options remaining not exercised at the end of the exercise period shall lapse. At the time of exercise, the participant may pay the exercise price in the form as approved by the Nomination and Remuneration Committee in accordance with the terms of the ESOP, 2006.

Each stock option, when exercised, is convertible into one equity share of the Company. No amount is payable by the option grantee on grant of option. The options carry neither rights to dividends nor voting rights until they are exercised & converted into shares.

Details of the Employee Stock Option Plan, 2006 of the Company

The following share-based payment arrangements were in existence during the current year and previous year :

Optionseries	Number	Grantdate	Vestingperiod	Expirydate	ExercisePrice ₹	Fair value of options at grant date ₹
(viii)	1,60,000	11-Aug-14	3-5Years	10-Aug-24	847.75	433.63
(x)	20,000	12-Jan-15	1Year	11-Jan-25	1,473.90	762.66
(x)	2,03,000	12-Jan-15	3-5Years	11-Jan-25	1,473.90	739.39
(xii)	5,30,000	8-May-15	3-5Years	7-May-25	1,480.70	774.20
(xiii)	65,900	21-Jul-15	3-5Years	20-Jul-25	2,124.80	1,111.25
(xiv)	78,000	6-Nov-15	3-5Years	5-Nov-25	1,767.80	901.05
(xv)	42,000	5-Feb-16	3-5Years	4-Feb-26	1,689.40	856.59
(xvi)	24,000	27-Apr-16	3-5Years	26-Apr-26	2,014.80	1,005.58
(xvii)	21,000	28-Jul-16	3-5Years	27-Jul-26	2,034.00	1,043.71
(xviii)	30,000	28-Oct-16	3-5Years	27-Oct-26	2,449.20	1,175.40
(xxi)	13,500	9-Aug-17	3-5Years	8-Aug-27	3,212.10	1,497.35

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Optionseries	Number	Grantdate	Vestingperiod	Expirydate	ExercisePrice ₹	Fair value of options at grant date ₹
(xxii)	15,000	14-Nov-17	3-5Years	13-Nov-27	3,058.50	1,452.09
(xxx)	36,000	1-Aug-19	3-5Years	31-Jul-31	1,634.90	745.52
(xxxi)	82,500	6-May-20	3-5Years	5-May-32	1,381.10	446.24
(xxxii)	4,27,500	6-May-20	3Years	5-May-30	1,381.10	386.16
(xxxiv)	10,000	10-Feb-21	3Years	9-Feb-31	2,948.00	875.95
(xxxv)	3,28,500	27-May-21	3Years	26-May-31	2,634.00	782.21
(xxxvi)	2,00,000	27-May-21	3-4Years	26-May-31	2,634.00	829.69
(xxxvii)	50,000	3-Nov-21	3Years	2-Nov-31	2,543.00	744.18
(xxxviii)	50,000	10-Feb-25	5Years	9-Feb-35	5,373.00	1,993.51
(xxxviii)	50,000	10-Feb-25	6Years	9-Feb-36	5,373.00	2,239.95
(xxxviii)	50,000	10-Feb-25	7Years	9-Feb-37	5,373.00	2,435.84

Fair value of share options granted in the year

The weighted average fair value of the share options granted during the financial year is ₹ Nil (March 31, 2025 : ₹ 2,223.10). Options were priced using Black Scholes options pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting market conditions attached to the option), and behavioural considerations. Expected Volatility was determined by taking the daily volatility of the share price on NSE, over a period prior to the date of grant, corresponding to the expected life of the options for each vesting.

Inputs into the Black Scholes options pricing model

	Option series		
Particulars	(xxxv)	(xxxvi)	(xxxvii)
Grant date share price (₹)	2,633.50	2,633.50	2,542.50
Exercise price (₹)	2,633.50	2,633.50	2,543.00
Expected volatility	37.75%	34.62%	36.29%
Option life	3 Years	4 Years	3 Years
Dividend yield	0.67%	0.67%	0.64%
Risk-free interest rate	4.73%	5.37%	5.07%

	Option series		
Particulars	(xxxviii)	(xxxviii)	(xxxviii)
Grant date share price (₹)	5,373.00	5,373.00	5,373.00
Exercise price (₹)	5,373.00	5,373.00	5,373.00
Expected volatility	32.07%	31.90%	30.66%
Option life	7 Years	6 Years	5 Years
Dividend yield	0.72%	0.72%	0.72%
Risk-free interest rate	6.83%	6.75%	6.74%

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Movements in share options during the year

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Number of options	Weighted average exercise price ₹	Number of options	Weighted average exercise price ₹
Balance at beginning of the year	**3,77,680**	**1,949.49**	5,90,130	2,369.40
Granted during the year	**-**	**-**	1,50,000	5,372.55
Forfeited during the year	**-**	**-**	(4,000)	2,764.54
Exercised during the year	**(65,224)**	**1,885.42**	(3,58,450)	2,423.94
Balance at end of the year	**3,12,456**	**1,267.61**	3,77,680	1,949.49
Exercisable at the end of the year	**1,62,456**	**2,438.02**	1,77,680	2,180.02

Effect of share-based payment transactions on the entity's Profit or Loss:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Share-based payments	**5.68**	3.99

Share options exercised during the year

The following share options were exercised during the year and previous year:

Option series		Number exercised	Exercise date	Exercise Price ₹
For the year ended March 31, 2026				
(viii)	Granted on Aug 11, 2014	**5,000**	**14-May-25**	**847.75**
(xii)	Granted on May 8, 2015	**4,750**	**14-May-25**	**1,480.70**
(xv)	Granted on February 5, 2016	**500**	**14-May-25**	**1,689.40**
(xxi)	Granted on August 9, 2017	**4,000**	**14-May-25**	**3,212.10**
(xxxv)	Granted on May 27, 2021	**6,810**	**14-May-25**	**2,634.00**
(xii)	Granted on May 8, 2015	**5,400**	**31-Jul-25**	**1,480.70**
(xxxii)	Granted on May 6, 2020	**9,950**	**31-Jul-25**	**1,381.10**
(xxxv)	Granted on May 27, 2021	**5,500**	**31-Jul-25**	**2,634.00**
(xii)	Granted on May 8, 2015	**5,380**	**13-Nov-25**	**1,480.70**
(xxi)	Granted on August 9, 2017	**1,667**	**13-Nov-25**	**3,212.10**
(xxxii)	Granted on May 6, 2020	**5,000**	**13-Nov-25**	**1,381.10**
(xxxv)	Granted on May 27, 2021	**1,900**	**13-Nov-25**	**2,634.00**
(xxxi)	Granted on May 6, 2020	**5,000**	**10-Feb-26**	**1,381.10**
(xxxv)	Granted on May 27, 2021	**1,900**	**10-Feb-26**	**2,634.00**
(xv)	Granted on February 5, 2016	**800**	**10-Feb-26**	**1,689.40**
(xxi)	Granted on August 9, 2017	**1,667**	**10-Feb-26**	**3,212.10**
		65,224		
Weighted average exercise price (₹)		**1,885.42**		

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Option series		Number exercised	Exercise date	Exercise Price ₹
For the year ended March 31, 2025				
(xii)	Granted on May 8, 2015	7,120	11-May-24	1,480.70
(xv)	Granted on February 5, 2016	500	11-May-24	1,689.40
(xvii)	Granted on July 28, 2016	3,200	11-May-24	2,034.00
(xxi)	Granted on August 9, 2017	4,500	11-May-24	3,212.10
(xii)	Granted on November 14, 2017	15,000	11-May-24	3,058.50
(xxxii)	Granted on May 6, 2020	9,600	11-May-24	1,381.10
(xxxv)	Granted on May 27, 2021	1,14,965	11-May-24	2,634.00
(xxxvi)	Granted on May 27, 2021	50,000	11-May-24	2,634.00
(xvii)	Granted on July 28, 2016	1,800	7-Aug-24	2,034.00
(xxx)	Granted on August 1, 2019	12,000	7-Aug-24	1,634.90
(xxxii)	Granted on May 6, 2020	5,770	7-Aug-24	1,381.10
(xxxv)	Granted on May 27, 2021	30,625	7-Aug-24	2,634.00
(xii)	Granted on May 8, 2015	4,600	10-Nov-24	1,480.70
(xxxii)	Granted on May 6, 2020	4,000	10-Nov-24	1,381.10
(xxxv)	Granted on May 27, 2021	13,150	10-Nov-24	2,634.00
(xxxvii)	Granted on November 3, 2021	50,000	10-Nov-24	2,543.00
(viii)	Granted on August 11, 2014	5,000	5-Feb-25	847.75
(xv)	Granted on February 5, 2016	600	5-Feb-25	1,689.40
(xxxii)	Granted on May 6, 2020	4,000	5-Feb-25	1,381.10
(xxxv)	Granted on May 27, 2021	8,300	5-Feb-25	2,634.00
(xxxv)	Granted on May 27, 2021	3,350	20-Mar-25	2,634.00
(xii)	Granted on May 8, 2015	10,370	20-Mar-25	1,480.70
		3,58,450		
Weighted average exercise price (₹)		2,423.94		

Share options outstanding at end of the year

Options series		Options outstanding		Remaining contractual life in years		Exercise Price ₹
		As at March 31, 2026	As at March 31, 2025	**As at March 31, 2026**	As at March 31, 2025	
(viii)	11-Aug-14	**-**	5,000	**-**	-	847.75
(xii)	8-May-15	**2,510**	18,040	**-**	0.10	1,480.70
(xv)	5-Feb-16	**3,700**	5,000	**-**	0.84	1,689.40
(xxi)	9-Aug-17	**1,666**	9,000	**1.35**	2.35	3,212.10
(xxxii)	6-May-20	**21,080**	41,030	**4.10**	5.10	1,381.10
(xxxv)	27-May-21	**83,500**	99,610	**5.15**	6.15	2,634.00
(xxxvi)	27-May-21	**50,000**	50,000	**5.15**	6.15	2,634.00
(xxxviii)	10-Feb-25	**1,50,000**	1,50,000	**8.87**	9.87	5,373.00
		3,12,456	3,77,680			

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Restricted Stock Units Plan, 2019 ("RSU 2019")

Pursuant to approval accorded by shareholders at their Annual General Meeting held on August 1, 2019, the Nomination and Remuneration Committee of the Company formulated 'Eicher Motors Limited - Restricted Stock Units Plan 2019' ("RSU Plan 2019") for grant of Restricted Stock Units ("RSU"), in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time ("SEBI Regulations").

RSU Plan 2019 is applicable to (i) a permanent employee of the Company working in India or outside India; or (ii) a Director of the Company, whether whole-time or not; and (iii) an employee, as defined in (i) or (ii) of this Para, of a Subsidiary Company (including joint venture), in India or outside India, excluding such category of persons as defined under RSU Plan 2019 of the Company and/or SEBI Regulations. The eligibility of employees or eligibility criteria to receive grants under RSU Plan 2019 is decided by Nomination and Remuneration Committee, from time to time.

The Nomination and Remuneration Committee shall specify the vesting criteria based on continued employment with the Company (or its subsidiary / joint venture, as the case may be) and/or certain performance criteria to be fulfilled for vesting of RSU and/or any other criteria as it may deems fit and subject to such other conditions and exceptions as provided under RSU Plan, 2019.

Vesting of RSU shall take place in the manner as may be determined by the Nomination and Remuneration Committee at the time of grant, provided that the vesting shall not take place earlier than minimum vesting period of one year but not later than maximum vesting period of seven years from the date of grant of such RSU.

Exercise Price of each grant shall be the face value of the share as on date of exercise of RSU. The exercise period of a vested RSU shall be a maximum of seven years from the date of vesting of RSU, or such other shorter period as may be prescribed by the Nomination and Remuneration Committee at time of Grant and as set out in the letter of Grant, subject to such other conditions and exceptions as provided under Company's RSU Plan, 2019. Any RSU remaining not exercised at the end of the exercise period shall lapse. At the time of exercise, the participant may pay the exercise price in a form as approved by the Nomination and Remuneration Committee in accordance with the terms of the RSU Plan, 2019.

Each RSU, when exercised, is convertible into one equity share of the Company. No amount is payable by the RSU grantee on grant of RSU. RSU carry neither rights to dividends nor voting rights until they are exercised & converted into shares.

Detail of Restricted Stock Units Plan, 2019 ("RSU 2019")

The following share-based payment arrangements were in existence during the current year and previous year:

Options series	Number	Grant date	Vesting period	Expiry date	Exercise Price ₹	Fair value of options at grant date ₹
(iv)	1,30,430	12-May-22	3years	11-May-32	1.00	2,342.87
(v)	10,750	10-Nov-22	3years	9-Nov-32	1.00	3,665.42
(vi)	3,300	18-Nov-22	3years	17-Nov-32	1.00	3,379.52
(vii)	1,31,900	10-May-23	3years	9-May-33	1.00	3,320.64
(viii)	5,000	3-Aug-23	3years	2-Aug-33	1.00	3,267.77
(ix)	12,350	10-Nov-23	3years	9-Nov-33	1.00	3,472.95
(x)	2,05,003	11-May-24	3years	10-May-34	1.00	4,479.35
(xi)	1,725	7-Aug-24	3years	6-Aug-34	1.00	4,554.29
(xii)	1,450	5-Feb-25	3years	4-Feb-35	1.00	5,333.59
(xiii)	18,000	10-Feb-25	3years	9-Feb-35	1.00	5,257.68
(xiv)	1,63,933	13-May-25	3years	12-May-35	1.00	5,401.99
(xv)	1,300	12-Nov-25	3years	11-Nov-35	1.00	6,705.91
(xvi)	826	12-Nov-25	2.5years	12-May-35	1.00	6,733.31

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Fair value of stock units granted in the year

The weighted average fair value of the stock units granted during the financial year is ₹ 5,418.82 (March 31, 2025 : ₹ 4,547.34). Options were priced using Black Scholes options pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting market conditions attached to the option), and behavioral considerations. Expected Volatility was determined by taking the daily volatility of the share price on NSE, over a period prior to the date of grant, corresponding to the expected life of the options for each vesting.

Inputs into the Black Scholes options pricing model

	Option series			
Particulars	**(x)**	**(xi)**	**(xii)**	**(xiii)**
Grant date share price (₹)	4,568.05	4,653.90	5,450.10	5,373.00
Exercise price (₹)	1.00	1.00	1.00	1.00
Expected volatility	26.57%	26.67%	26.38%	26.48%
Option life	3 years	3 years	3 years	3 years
Dividend yield	0.65%	0.72%	0.72%	0.72%
Risk-free interest rate	7.24%	6.90%	6.79%	6.75%

Inputs into the Black Scholes options pricing model

	Option series		
Particulars	**(xiv)**	**(xv)**	**(xvi)**
Grant date share price (₹)	5,520.00	6,873.00	6,873.00
Exercise price (₹)	1.00	1.00	1.00
Expected volatility	26.29%	23.94%	23.85%
Option life	3 years	3 years	2.5 years
Dividend yield	0.72%	0.82%	0.82%
Risk-free interest rate	6.08%	5.95%	5.95%

Movements in share options during the year

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Number of options	Weighted average exercise price ₹	Number of options	Weighted average exercise price ₹
Balance at beginning of the year	**4,91,725**	**1.00**	2,75,730	1.00
Granted during the year	**1,66,059**	**1.00**	2,26,178	1.00
Forfeited during the year	**(19,538)**	**1.00**	(10,183)	1.00
Exercised during the year	**(84,900)**	**1.00**	-	-
Balance at end of the year	**5,53,346**	**1.00**	4,91,725	1.00
Exercisable at the end of the year	**41,356**	**1.00**	-	-

Effect of share-based payment transactions on the entity's Profit or Loss:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Share-based payments*	**45.45**	38.33

*excludes share based expense of ₹ 26.30 crores recharged from subsidiary companies and a joint venture

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Stock units exercised during the year

The following share options were exercised during the year and previous year:

Option series		Number exercised	Exercise date	Exercise Price ₹
For the year ended March 31, 2026				
(iv)	Granted on May 12, 2022	**67,100**	**14-May-25**	**1.00**
(iv)	Granted on May 12, 2022	**4,900**	**31-Jul-25**	**1.00**
(iv)	Granted on May 12, 2022	**3,100**	**13-Nov-25**	**1.00**
(iv)	Granted on Nov 10, 2022	**4,200**	**13-Nov-25**	**1.00**
(v)	Granted on Nov 10, 2022	**500**	**10-Feb-26**	**1.00**
(iv)	Granted on May 12, 2022	**1,800**	**10-Feb-26**	**1.00**
(vi)	Granted on Nov 18, 2022	**3,300**	**10-Feb-26**	**1.00**
		84,900		
Weighted average exercise price (₹)		**1.00**		

Option series	Number exercised	Exercise date	Exercise Price ₹
For the year ended March 31, 2025			
Nil	Nil	Nil	Nil

Share options outstanding at end of the year

Options series		Options outstanding		Remaining contractual life in years		Exercise Price ₹
		As at March 31, 2026	As at March 31, 2025	**As at March 31, 2026**	As at March 31, 2025	
(iv)	12-May-22	**37,630**	1,14,730	**6.11**	7.11	1.00
(v)	10-Nov-22	**2,350**	8,950	**6.61**	7.61	1.00
(vi)	18-Nov-22	**-**	3,300	**6.63**	7.63	1.00
(vii)	10-May-23	**1,22,500**	1,26,300	**7.11**	8.11	1.00
(viii)	3-Aug-23	**2,000**	5,000	**7.34**	8.34	1.00
(ix)	10-Nov-23	**10,550**	10,550	**7.61**	8.61	1.00
(x)	10-May-24	**1,95,520**	2,01,720	**8.11**	9.11	1.00
(xi)	7-Aug-24	**1,725**	1,725	**8.35**	9.35	1.00
(xii)	5-Feb-25	**1,000**	1,450	**8.85**	9.85	1.00
(xiii)	10-Feb-25	**18,000**	18,000	**8.87**	9.87	1.00
(xiv)	13-May-25	**1,59,945**	-	**9.12**	-	1.00
(xv)	12-Nov-25	**1,300**	-	**9.62**	-	1.00
(xvi)	12-Nov-25	**826**	-	**9.12**	-	1.00
		5,53,346	4,91,725			

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

50. CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances) ₹ 563.56 crores (March 31, 2025 : ₹ 293.75 crores).

The Company has other commitments, for purchase/sales orders which are issued after considering requirements per operating cycle for purchase /sale of goods and services, employee's benefits including union agreement in normal course of business. The Company does not have any long term commitments or material non-cancellable contractual commitments/contracts, which might have material impact on the financial statements.

51. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

Particulars			For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Gross amount required to be spent and approved by the board to be spent#		**83.18**	66.68
(b)	Amount spent:			
	During the year ending on March 31, 2026:			
	(i)	Construction/acquisition of any asset	**-**	-
	(ii)	On purpose other than (i) above*	**46.61**	-
	During the year ending on March 31, 2025:			
	(i)	Construction/acquisition of any asset	**-**	-
	(ii)	On purpose other than (i) above*	**-**	50.25
(c)	Unspent amount in relation to:			
	(i)	Ongoing project	**36.57**	16.43
	(ii)	Other than ongoing project	**-**	-
# Includes surplus generated on unspent CSR balances amounting to ₹ 0.07 crores (March 31, 2025: 0.11 crores)				
*Includes administrative and impact assessment expenses			**3.58**	3.09

Details of ongoing projects and other than ongoing projects — **For the year ended March 31, 2026**

In case of S. 135(6) (Ongoing Project)						
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company*	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company**	In Separate CSR Unspent A/c
16.43	**27.20**	**83.18**	**46.61**	**41.59**	**36.57**	**2.04**

* The amount of ₹ 16.43 crores was transferred to separate CSR unspent account during April, 2025 as per MCA circular no. 14/2021 dated 25th August 2021.

** The unspent amount pertaining to the FY 2025-26 was transferred to the separate CSR unspent account in April, 2026 as per the CSR Rules.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

In case of S. 135(5) (Other than ongoing project)				
Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	-	-	-

Details of ongoing projects and other than ongoing projects For the year ended March 31, 2025

In case of S. 135(6) (Ongoing Project)						
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company*	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company**	In Separate CSR Unspent A/c
33.79	25.37	66.68	50.25	31.96	16.43	27.20

In case of S. 135(5) (Other than ongoing project)				
Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	-	-	-

* The amount of ₹ 33.79 crores was transferred to separate CSR unspent account during April, 2024 as per MCA circular no. 14/2021 dated 25th August 2021.

** The unspent amount pertaining to the FY 2024-25 was transferred to the separate CSR unspent account in April, 2025 as per the CSR Rules.

CSR activities undertaken directly or through Eicher Group Foundation (EGF), Licence under Section 8(1) of the Companies Act 2013 (refer note 46). About 75 years ago, the Himalayas became Royal Enfield's spiritual home. Royal Enfield Social Mission is catalysing an ecosystem of collective action to meet its long term vision of partnering 100 Himalayan communities by 2030 towards building climate resilience.

At the intersection of Culture, Conservation & Materiality, the Royal Enfield Social Mission projects and initiatives include 'The Himalayan Knot' - a textile conservation project, bringing together pastoral communities, artisans and designers for wider market access; 'The Himalayan Hub' - a collective learning center for Climate Resilience; a network of community-run 'Green Pit Stops', embodying responsible travel; 'The Great Himalayan Exploration' in partnership with UNESCO to document Intangible Cultural Heritage (ICH); the Royal Enfield 'Ice Hockey League' promoting rural sports and winter tourism; conserving biodiversity and wildlife through the Keystone Species project; and 'Helmets for India' - a road safety initiative.

Through the Social Mission, Royal Enfield is also encouraging and inspiring one million riders to explore sustainably and 'Leave every place better'.

In addition to the Social Mission, Royal Enfield also works with local communities near its manufacturing plants in Tamil Nadu, focusing on areas such as education, livelihood, sanitation, healthcare etc. Two multi-decade partnerships with Bodh Shiksha Samiti in Rajasthan and Dr. Shroff Charity Eye Hospital in Delhi continue to be supported as legacy projects.

The Company's projects are long term and money is spent depending upon the requirement of the projects. During the financial year 2025-26, ₹ 46.61 crores (March 31, 2025: 50.25 crores) was spent as per the requirements of CSR projects (including administrative expenses) and the unspent amount of ₹ 36.57 crores (March 31, 2025: 16.43 crores) is transferred to unspent CSR account pursuant to the CSR Rules subsequent to the year-end.

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

52. IND AS 116 LEASES

As a lessee

The Company has lease contracts for various buildings used in its operations. Leases of buildings generally have lease terms between 2 and 20 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options which are further disclosed below.

The Company also has certain leases of buildings with lease terms of 12 months or less and leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases respectively.

(i) Movement in the carrying value of the Right to Use Asset

Particulars	March 31, 2026			March 31, 2025		
	Land	Buildings	Total	Land	Buildings	Total
Opening Balance	**139.72**	**77.33**	**217.05**	141.37	30.84	172.21
Depreciation charge for the period	**(1.56)**	**(27.04)**	**(28.60)**	(1.65)	(24.67)	(26.32)
Additions during the period	**-**	**14.60**	**14.60**	-	70.99	70.99
Adjustment/Deletion	**-**	**(2.84)**	**(2.84)**	-	0.17	0.17
Closing Balance	**138.16**	**62.05**	**200.21**	139.72	77.33	217.05

(ii) Classification of current and non current liabilities of the lease liabilities

Particulars	March 31, 2026			March 31, 2025		
	Land	Buildings	Total	Land	Buildings	Total
Current liabilities	**-**	**23.66**	**23.66**	-	26.11	26.11
Non Current Liabilities	**-**	**44.21**	**44.21**	-	56.80	56.80
Total Lease liabilities	**-**	**67.87**	**67.87**	-	82.91	82.91

(iii) Movement in the carrying value of the Lease liabilities

Particulars	March 31, 2026			March 31, 2025		
	Land	Buildings	Total	Land	Buildings	Total
Opening Balance	**-**	**82.91**	**82.91**	-	37.47	37.47
Interest Expense	**-**	**6.12**	**6.12**	-	6.05	6.05
Lease Payments [Total Cash Outflow]	**-**	**(31.39)**	**(31.39)**	-	(29.81)	(29.81)
Additions during the year	**-**	**13.91**	**13.91**	-	69.01	69.01
Adjustments	**-**	**(3.68)**	**(3.68)**	-	0.19	0.19
Closing Balance	**-**	**67.87**	**67.87**	-	82.91	82.91

(iv) Contractual Maturities of Lease liabilities outstanding (undiscounted)

Particulars	March 31, 2026			March 31, 2025		
	Land	Buildings	Total	Land	Buildings	Total
Less than one year	**-**	**28.29**	**28.29**	-	31.35	31.35
One to five Years	**-**	**42.46**	**42.46**	-	56.94	56.94
More than Five years	**-**	**12.41**	**12.41**	-	13.67	13.67
Total	**-**	**83.16**	**83.16**	-	101.96	101.96

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Lease expenses relating to short term leases aggregated to ₹ 62.72 crores during the year ended March 31, 2026 (₹ 56.95 crores during the year ended March 31, 2025) and had total cash outflows for leases of ₹ 94.11 crores (₹ 86.76 crores during the year ended March 31, 2025)

Lease liabilities are recognised at weighted average incremental borrowing rate ranging from 8% to 9.5% per annum.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to the lease liabilities as and when they fall due.

The following are the amounts recognised in statement of profit or loss:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of right-of-use assets	**28.60**	26.32
Interest expense on lease liabilities	**6.12**	6.05
Expense relating to short-term leases (included in other expenses)	**62.72**	56.95

53. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of the Company at their meeting held on May 22, 2026, considered and proposed a final dividend post the balance sheet date, aggregating to ₹ 2,249.38 crores @ ₹ 82 per share (nominal value of ₹ 1 per share) for the financial year ended March 31, 2026 (final dividend paid for previous financial year ended March 31, 2025 was ₹ 1,919.95 crores @ ₹ 70 per share of nominal value of ₹ 1 per share), which is subject to approval by the shareholders at the ensuing annual general meeting.

54.

The Board of Directors and shareholders of Eicher Polaris Pvt. Ltd (a joint venture company) ('EPPL') at their respective meetings held on February 18, 2020 approved voluntary liquidation (solvent liquidation) of EPPL and appointed an insolvency professional as the liquidator. The liquidation process is under progress currently.

55. RATIO ANALYSIS AND ITS ELEMENTS

Ratio	March 31, 2026	March 31, 2025	% change	Reason for variance
Current ratio: Current Assets / Current Liabilities	**2.0**	1.7	17.6%	Not applicable
Debt- Equity Ratio: Total Debt / Shareholder's Equity	**0.0**	0.0	0.0%	Not applicable
Debt Service Coverage ratio: Earnings for debt service = Net profit after taxes + Non-cash operating expenses / Debt service = Interest & Lease Payments + Principal Repayments	**184.8**	166.7	10.9%	Not applicable
Return on Equity ratio: Net Profits after taxes – Preference Dividend / Average Shareholder's Equity	**25.0%**	25.0%	0.0%	Not applicable
Inventory Turnover ratio: Cost of goods sold / Average Inventory	**10.9**	9.6	13.5%	Not applicable
Trade Receivable Turnover Ratio: Net credit sales = Gross credit sales - sales return / Average Trade Receivable	**2.2**	2.6	(15.4%)	Not applicable

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Ratio	March 31, 2026	March 31, 2025	% change	Reason for variance
Trade Payable Turnover Ratio: Net credit purchases = Gross credit purchases - purchase return / Average Trade Payables	**5.0**	4.5	11.1%	Not applicable
Net Capital Turnover Ratio: Net sales = Total sales - sales return / Working capital = Current assets – Current liabilities	**4.8**	6.7	(28.4%)	Change due to increase in investments
Net Profit ratio: Net Profit / Net sales = Total sales - sales return	**22.2%**	23.2%	(4.3%)	Not applicable
Return on Capital Employed: Earnings before interest and taxes / Capital Employed Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	**29.5%**	28.5%	3.5%	Not applicable
Return on Investment: Interest (Finance Income) / Average Investments	**6.7%**	7.7%	(13%)	Not applicable

56. The Company has used accounting software (SAP and other accounting software) for maintaining its books of account which has a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the software, except for the audit trail at the SAP database level which was enabled during the audit period and Management is presently evaluating setting up the audit trail feature as necessary in other software (used to maintain records of certain service type warranties) in due course.

Wherever audit trail is enabled, there has not been any instance where audit trail feature has been tampered with.

Additionally, the audit trail in respect of prior year has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in respect of the financial years ended March 31, 2025 and March 31, 2024.

57. OTHER STATUTORY INFORMATION

(i) The Company has not defaulted on loans payable and has not been declared as wilful defaulter by any bank or financial institution or other lender.

(ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(iii) The Company has not revalued its Property, Plant & Equipments, Intangible Assets and Right to Use Assets during the year.

(iv) The Company does not have any balances with a company struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 - Refer note 22.

(v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

(viii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ix) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(x) The Company has not granted any loans and advances to promoters, directors, KMP's and other related parties (as defined under the Companies Act 2013) during the year.

(xi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

As per our report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Sonika Loganey
Partner
Membership No : 502220

Place: Gurugram
Date: May 22, 2026

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Siddhartha Lal
Executive Chairman
DIN: 00037645

B Govindarajan
Managing Director
DIN: 03093035

Vinod Aggarwal
Vice Chairman
DIN: 00038906

S Madhavan
Chairman - Audit Committee
DIN: 06451889

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary
Membership No. ACS 22763

Place: Gurugram
Date: May 22, 2026

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Eicher Motors Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Eicher Motors Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures comprising of the consolidated Balance sheet as at March 31, 2026, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at March 31, 2026, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act.

Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its joint ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Intangible assets under development (Refer to the accounting estimates and judgements in Note 3 and Note 7 to the Consolidated Financial Statements)	
The Group has various internally generated intangible projects under development. Initial recognition of the development expenditure under these projects are based on assessing each project in relation to specific recognition criteria that needs to be met for capitalization. In addition, the management also assess indication of impairment of the carrying value of assets which requires management judgment and assumptions as affected by future market or economic developments. Due to the materiality of the assets under development and the level of management judgement involved, initial recognition and measurement of internally generated intangible assets under development has been considered as a key audit matter.	Our audit procedures included, but were not limited to the following: • We assessed that the Group's internally generated intangible assets-research and development expenditure accounting policy is in compliance with requirements of Ind AS 38 "Intangible Assets". • We assessed the design, implementation and operating effectiveness over management's key internal controls over management process of identifying and capitalizing the development expenditure in accordance with the accounting principles of capitalization of expenditure on internally generated intangible assets as per Ind AS 38 such as technical feasibility of the project, intention and ability to complete the intangible asset, ability to use or sell the asset, generation of future economic benefits and the ability to measure costs reliably. • We performed test of details of development expenditure capitalized by reviewing the key assumptions including the authorization of the stage of the project in the development phase and the accuracy of costs included and assessing the useful economic life attributed to the asset. • We tested the disclosure relating to research and development expenditure in the Consolidated Financial Statements
Revenue Recognition (Refer to the accounting policies in Note 3 to the Consolidated Financial Statements)	
Revenue from the sale of goods is recognised upon the transfer of control of the goods to the customer, usually on upon dispatch from factory / depot. The Group uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition. There is a risk that revenue could be recognised in the incorrect period for sales transactions occurring on and around the year end and therefore revenue recognition has been considered as a key audit matter.	Our audit procedures included the following: • We assessed whether the Group's revenue recognition accounting policies are in compliance with Ind AS 115 "Revenue from contracts with customers". • We assessed the design, implementation and the operating effectiveness of internal financial controls of Company's process of recognizing the revenue from sales of goods with regard to the timing of the revenue recognition as per the sales terms with the customers. • We performed test of details of the sales transactions testing based on a representative sampling of the sales orders to ensure that the related revenues and trade receivables are recorded taking into consideration the terms and conditions of the sale orders, including the shipping terms. • We also performed audit procedures relating to revenue recognition by agreeing upon dispatch from factory / depot occurring around the year end to supporting documentation including dealers' confirmations, where necessary, to establish that revenue and corresponding trade receivables are properly recorded in the correct period.

OTHER INFORMATION

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and its joint ventures are also responsible for overseeing the financial reporting process of their respective companies.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

(a) We did not audit the financial statements and other financial information, in respect of two subsidiaries, whose financial statements include total assets of ₹ 1,047.61 crores as at March 31, 2026, and total revenues of ₹ 1,326.82 crores and net cash inflows of ₹ 7.95 crores for the year ended on that date. Those financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ 5.09 crores for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of one joint venture and four subsidiaries of a Joint Venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and subsidiaries of a joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and subsidiaries of a joint venture is based solely on the report(s) of such other auditors.

(b) Certain of these subsidiaries and subsidiaries of a joint venture are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and subsidiaries of a joint venture located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and subsidiaries of a joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with

respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the joint ventures incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph 2 (i) (vi) below on reporting under Rule 11(g);

   (c) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph 2(i) (vi) below on reporting under Rule 11(g);

   (d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (e) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its joint venture companies (including its subsidiaries companies) incorporated in India, none of the directors of the Holding Company, its joint ventures (including its subsidiary companies), incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its joint ventures (including its subsidiary companies) incorporated in India, and the operating effectiveness of such controls, based on our audit, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion and based on the consideration of reports of other statutory auditors of the joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company, and its joint ventures (including its subsidiary companies) incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of joint ventures (including its subsidiary companies) as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its joint ventures (including its subsidiary companies) in its consolidated financial statements – Refer Note 40 to the consolidated financial statements;

      ii. The Group, its joint ventures (including its subsidiary companies) did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2026;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its joint ventures (including its subsidiary companies) incorporated in India, where applicable, during the year ended March 31, 2026.

iv. a) The respective managements of the Holding Company and its joint ventures (including its subsidiary companies) which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such joint ventures respectively that, to the best of its knowledge and belief, as disclosed in the note 56 (vii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such joint ventures (including its subsidiary companies) to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such joint ventures (including its subsidiary companies) ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its joint ventures (including its subsidiary companies) incorporated in India which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such joint ventures respectively that, to the best of its knowledge and belief, as disclosed in the note 56 (viii) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such joint ventures (including its subsidiary companies) from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such joint ventures (including its subsidiary companies) shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the joint ventures (including its subsidiary companies) which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The final dividend paid by the Holding Company and its joint ventures companies incorporated in India, wherever applicable, during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 53 to the consolidated financial statements, the respective Board of Directors of the Holding Company and its joint venture companies, incorporated in India, wherever applicable, have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend

vi) Based on our examination which included test checks, as stated in Note 55 to the consolidated financial statements, and that performed by the respective auditors of the joint ventures (including its subsidiaries incorporated in India) which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and joint ventures (including its subsidiaries incorporated in India) used accounting software for maintaining its books of account which has

a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except for the instances discussed in note 55 to the consolidated financial statements,

i. In respect of Holding Company, audit trail feature at the SAP database level was enabled during the audit period and audit trail feature was not enabled for software used for service type warranties.

Further, during the course of our audit, wherever audit trail is enabled, we and respective auditors of the above referred joint ventures (including its subsidiaries incorporated in India) entity did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail in respect of prior year has been preserved by the Holding company and joint ventures (including its subsidiaries incorporated in India) as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in Note 55 to the consolidated financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sonika Loganey
Partner
Membership Number: 502220
UDIN: 26502220JZVPGI1633
Place of Signature: Gurugram
Date: May 22, 2026

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: Eicher Motors Limited ('the Holding Company')

In terms of the information and explanations sought by us and given by the Holding company and the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, and consideration of report of the other auditors on separate financial statements and the other financial information of the joint ventures incorporated in India, we state that:

xxi. There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sonika Loganey
Partner
Membership Number: 502220
UDIN: 26502220JZVPGI1633
Place of Signature: Gurugram
Date: May 22, 2026

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF EICHER MOTORS LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of Eicher Motors Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its joint ventures, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the companies included in the Holding Company and its joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures

of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company and its joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sonika Loganey
Partner
Membership Number: 502220
UDIN: 26502220JZVPGI1633
Place of Signature: Gurugram
Date: May 22, 2026

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	**2,357.88**	2,268.70
(b) Capital work-in-progress	5	**203.08**	110.30
(c) Intangible assets	6	**1,174.98**	887.73
(d) Right of use assets	51	**318.84**	317.04
(e) Intangible assets under development	7	**533.22**	381.17
(f) Investments in joint ventures	8	**3,723.49**	3,140.85
(g) Financial assets			
(i) Other investments	9	**10,940.48**	10,802.50
(ii) Other financial assets	11	**2,936.60**	2,070.40
(h) Non-current tax assets (net)	24	**84.52**	89.71
(i) Other non-current assets	16	**336.22**	151.85
Total non-current assets		**22,609.31**	20,220.25
Current assets			
(a) Inventories	12	**1,967.82**	1,563.75
(b) Financial assets			
(i) Investments	9	**2,831.97**	847.55
(ii) Trade receivables	13	**353.51**	549.64
(iii) Cash and cash equivalents	14	**234.29**	218.96
(iv) Bank balances other than (iii) above	15	**21.75**	44.05
(v) Loans / Bill discounting	10	**451.24**	445.96
(vi) Other financial assets	11	**3,025.96**	2,868.12
(c) Other current assets	16	**667.71**	416.13
Total current assets		**9,554.25**	6,954.16
Total assets		**32,163.56**	27,174.41
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	**27.43**	27.42
(b) Other equity	18	**25,072.72**	21,269.07
Total equity		**25,100.15**	21,296.49
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	**201.63**	184.36
(ii) Lease liabilities	51	**129.12**	123.81
(iii) Other financial liabilities	19	**16.00**	29.24
(b) Other non-current liabilities	27	**604.42**	463.67
(c) Provisions	22	**259.51**	194.91
(d) Government grants	25	**170.47**	123.20
(e) Deferred tax liabilities (net)	23	**658.28**	492.95
Total non-current liabilities		**2,039.43**	1,612.14
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	**117.38**	82.11
(ii) Lease liabilities	51	**65.82**	67.85
(iii) Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises	41	**100.34**	40.11
Total outstanding dues of creditors other than micro enterprises and small enterprises		**2,638.10**	2,489.64
(iv) Other financial liabilities	19	**539.55**	354.85
(b) Other current liabilities	27	**658.46**	558.58
(c) Provisions	22	**168.90**	122.80
(d) Government grants	25	**28.79**	40.48
(e) Contract liabilities	26	**400.94**	270.68
(f) Current tax liabilities (net)	24	**305.70**	238.68
Total current liabilities		**5,023.98**	4,265.78
Total liabilities		**7,063.41**	5,877.92
Total equity and liabilities		**32,163.56**	27,174.41

See accompanying notes forming part of the consolidated financial statements

As per our report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Sonika Loganey
Partner
Membership No : 502220

Place: Gurugram
Date: May 22, 2026

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Siddhartha Lal
Executive Chairman
DIN: 00037645

B Govindarajan
Managing Director
DIN: 03093035

Vinod Aggarwal
Vice Chairman
DIN: 00038906

S Madhavan
Chairman - Audit Committee
DIN: 06451889

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary
Membership No. ACS 22763

Place: Gurugram
Date: May 22, 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from contract with customers	28 (A)	**22,977.57**	18,538.21
Other operating income	28 (B)	**429.99**	332.14
Revenue from operations		**23,407.56**	18,870.35
Other income	29	**1,486.53**	1,304.90
Total Income		**24,894.09**	20,175.25
Expenses			
Cost of raw material and components consumed	30	**12,502.05**	9,953.16
Purchases of traded goods	31	**835.26**	507.43
Change in inventories of finished goods, work-in-progress and traded goods	32	**(269.63)**	(163.51)
Employee benefits expense	33	**1,637.57**	1,391.23
Finance costs	34	**71.53**	54.34
Depreciation and amortisation expense	35	**840.37**	729.33
Other expenses	36	**2,917.24**	2,470.01
Total expenses		**18,534.39**	14,941.99
Profit before share of profit of joint venture, exceptional items and tax		**6,359.70**	5,233.26
Share of profit of joint venture (VE Commercial Vehicles Limited)	8	**797.81**	699.81
Profit before exceptional item and tax		**7,157.51**	5,933.07
Exceptional item	33	**(55.45)**	-
Profit before tax		**7,102.06**	5,933.07
Tax expense			
Current tax	37	**1,456.05**	1,120.54
Deferred tax	37	**130.78**	78.09
Total tax expense		**1,586.83**	1,198.63
Profit for the year		**5,515.23**	4,734.44
Other comprehensive income/(expense) (including share of other comprehensive income/(expense) of joint venture)			
Items that will not be reclassified to profit or loss:-			
Re-measurement gains/(losses) on defined benefit plans		**5.93**	(9.72)
Income tax effect	37	**(1.49)**	2.45
Change in fair value of equity instruments through other comprehensive income (including foreign exchange gains/(losses) on reinstatement)		**31.60**	(301.73)
Income tax effect	37	**(4.52)**	43.15
Share of other comprehensive income / (expense) in joint venture (net of tax)		**0.78**	(1.59)
Net other comprehensive income / (expense) not to be reclassified to profit or loss in subsequent periods		**32.30**	(267.44)
Items that will be reclassified to profit or loss:-			
Exchange differences in translating the financial statements of foreign operations		**130.44**	22.66
Income tax effect	37	**(32.83)**	(5.70)
Debt instruments through other comprehensive income		**(17.25)**	26.74
Income tax effect	37	**4.34**	(6.73)
Share of other comprehensive income / (expense) in joint venture (net of tax)		**1.65**	0.15
Net other comprehensive income / (expense) to be reclassified to profit or loss in subsequent periods		**86.35**	37.12
Other comprehensive income / (expense) for the year, net of tax		**118.65**	(230.32)
Total comprehensive income for the year, net of tax		**5,633.88**	4,504.12
Profit for the year attributable to:			
-Owners of the Company		**5,515.23**	4,734.44
-Non-controlling interests		**-**	-
Other comprehensive income / (expense) for the year attributable to:			
-Owners of the Company		**118.65**	(230.32)
-Non-controlling interests		**-**	-
Total comprehensive income for the year attributable to:			
-Owners of the Company		**5,633.88**	4,504.12
-Non-controlling interests		**-**	-
Earnings per equity share of ₹ 1 each (March 31, 2025: ₹ 1) (in ₹)			
(a) Basic	43	**201.09**	172.76
(b) Diluted	43	**200.73**	172.37

See accompanying notes forming part of the consolidated financial statements

As per our report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Sonika Loganey
Partner
Membership No : 502220

Place: Gurugram
Date: May 22, 2026

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Siddhartha Lal
Executive Chairman
DIN: 00037645

B Govindarajan
Managing Director
DIN: 03093035

Vinod Aggarwal
Vice Chairman
DIN: 00038906

S Madhavan
Chairman - Audit Committee
DIN: 06451889

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary
Membership No. ACS 22763

Place: Gurugram
Date: May 22, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

A EQUITY SHARE CAPITAL

Particulars	Number of Shares	Amount
For the year ended March 31, 2026 (refer note 17)		
Equity shares of ₹ 1 each issued, subscribed and fully paid		
As at April 01, 2025	**27,41,64,080**	**27.42**
Issue of equity shares under employee stock option plan / restricted stock units plan (refer note 48)	**1,50,124**	**0.01**
As at March 31, 2026	**27,43,14,204**	**27.43**
For the year ended March 31, 2025 (refer note 17)		
Equity shares of ₹ 1 each issued, subscribed and fully paid		
As at April 01, 2024	27,38,05,630	27.38
Issue of equity shares under employee stock option plan / restricted stock units plan (refer note 48)	3,58,450	0.04
As at March 31, 2025	**27,41,64,080**	**27.42**

B OTHER EQUITY

Particulars	Reserves and surplus						Items of Other comprehensive income (OCI)				Total equity
	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Share based payments reserve	Retained earnings	Hedge reserve	Debt instruments through OCI	Fair value of equity instruments through OCI	Foreign currency translation reserve	
For the year ended March 31, 2026 (refer note 18)											
As at April 01, 2025	**0.25**	**1.41**	**434.67**	**339.89**	**106.32**	**20,542.08**	**0.04**	**22.98**	**(258.58)**	**80.01**	**21,269.07**
Profit for the year	-	-	-	-	-	5,515.23	-	-	-	-	5,515.23
Other comprehensive income / (expense) for the year, net of income tax (refer note 18)	-	-	-	-	-	5.22	-	(12.91)	27.08	99.26	118.65
Total comprehensive income / (expense) for the year	**-**	**-**	**-**	**-**	**-**	**5,520.45**	**-**	**(12.91)**	**27.08**	**99.26**	**5,633.88**
Share-based payments (refer note 48)	-	-	-	-	55.09	-	-	-	-	-	55.09
Payment of cash dividend	-	-	-	-	-	(1,919.95)	-	-	-	-	(1,919.95)
Proceeds from issue of equity shares under employee stock option plan / restricted stock units plan	-	-	12.29	-	-	-	-	-	-	-	12.29
Share based expense for employees of joint venture (refer note 48)	-	-	-	-	22.17	-	-	-	-	-	22.17
Other adjustments (foreign exchange (gains)/loss)	-	-	-	-	0.17	-	-	-	-	-	0.17
Transfer to securities premium on issue of equity shares upon exercise of employee stock option plan / restricted stock units plan	-	-	25.52	-	(25.52)	-	-	-	-	-	-
As at March 31, 2026	**0.25**	**1.41**	**472.48**	**339.89**	**158.23**	**24,142.58**	**0.04**	**10.07**	**(231.50)**	**179.27**	**25,072.72**
For the year ended March 31, 2025 (refer note 18)											
Balance as at April 01, 2024	**0.25**	**1.41**	**319.60**	**339.89**	**77.14**	**17,213.95**	**0.04**	**2.97**	**-**	**62.90**	**18,018.15**
Profit for the year	-	-	-	-	-	4,734.44	-	-	-	-	4,734.44
Other comprehensive income / (expense) for the year, net of income tax (refer note 18)	-	-	-	-	-	(8.86)	-	20.01	(258.58)	17.11	(230.32)
Total comprehensive income / (expense) for the year	**-**	**-**	**-**	**-**	**-**	**4,725.58**	**-**	**20.01**	**(258.58)**	**17.11**	**4,504.12**
Share-based payments (refer note 48)	-	-	-	-	47.52	-	-	-	-	-	47.52
Payment of cash dividend	-	-	-	-	-	(1,397.45)	-	-	-	-	(1,397.45)
Proceeds from issue of equity shares under employee stock option plan / restricted stock units plan	-	-	86.85	-	-	-	-	-	-	-	86.85
Share based expense for employees of joint venture (refer note 48)	-	-	-	-	9.80	-	-	-	-	-	9.80
Other adjustments (foreign exchange (gains)/loss)	-	-	-	-	0.08	-	-	-	-	-	0.08
Transfer to securities premium on issue of equity shares upon exercise of employee stock option plan / restricted stock units plan	-	-	28.22	-	(28.22)	-	-	-	-	-	-
As at March 31, 2025	**0.25**	**1.41**	**434.67**	**339.89**	**106.32**	**20,542.08**	**0.04**	**22.98**	**(258.58)**	**80.01**	**21,269.07**

See accompanying notes forming part of the consolidated financial statements

As per our report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Sonika Loganey
Partner
Membership No : 502220

Place: Gurugram
Date: May 22, 2026

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Siddhartha Lal
Executive Chairman
DIN: 00037645

B Govindarajan
Managing Director
DIN: 03093035

Vinod Aggarwal
Vice Chairman
DIN: 00038906

S Madhavan
Chairman - Audit Committee
DIN: 06451889

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary
Membership No. ACS 22763

Place: Gurugram
Date: May 22, 2026

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. OPERATING ACTIVITIES		
Profit before tax and after share of profit of joint venture	**7,102.06**	5,933.07
Adjustments for:		
Share of profit of joint venture	**(797.81)**	(699.81)
Depreciation and amortisation expense	**840.37**	729.33
Gain on sale of property, plant and equipment	**(2.67)**	(2.83)
Loss on sale of property, plant and equipment	**4.14**	10.54
Grant income on soft loan from State Industries Promotion Corporation of Tamil Nadu Ltd. (SIPCOT)	**(7.16)**	(10.13)
Net gain on financial instruments at fair value through profit or loss	**(745.55)**	(863.30)
Liabilities no longer required, written back	**(36.52)**	-
Interest income recognised	**(473.86)**	(317.32)
Expenses recognised in respect of equity-settled share-based payments	**55.09**	47.52
Exchange difference on reinstatement of property, plant and equipment, intangible assets including capital work-in progress and intangible assets under development	**(112.26)**	(32.43)
Unrealised foreign exchange difference	**(9.47)**	(0.79)
Gain on exercise of termination option of leases	**(2.54)**	(0.01)
Provision for credit impaired trade receivables and advances (including write off)	**0.09**	0.89
Finance costs recognised	**71.53**	54.34
Operating profit before changes in working capital	**5,885.44**	4,849.07
Changes in working capital:		
Adjustments for (increase) / decrease in non-current assets:		
Other financial assets	**(2.85)**	(4.81)
Other assets	**(109.01)**	6.51
Adjustments for (increase) / decrease in current assets:		
Inventories	**(404.07)**	(154.11)
Trade receivables	**190.10**	(175.96)
Other financial assets	**24.57**	(4.11)
Other assets	**(276.93)**	(103.79)
Adjustments for increase / (decrease) in non-current liabilities:		
Other financial liabilities	**(14.39)**	14.50
Provisions	**59.13**	15.28
Government grants	**51.42**	(8.18)
Other liabilities	**140.75**	35.57
Adjustments for increase / (decrease) in current liabilities:		
Trade payables	**260.62**	439.62
Other financial liabilities	**88.16**	9.85
Provisions	**52.03**	13.53
Government grants	**(11.78)**	14.79
Contract liabilities	**130.26**	8.10
Other liabilities	**99.88**	104.24
Cash generated from operating activities	**6,163.33**	5,060.10
Income tax paid (net of refunds)	**(1,358.49)**	(1,080.18)
Net cash flows from / (used in) operating activities (A)	**4,804.84**	3,979.92
B. INVESTING ACTIVITIES		
Purchase/Acquisition of Property, plant and equipment and Intangible assets including capital work-in progress, intangible assets under development, payment for capital advance and capital creditors	**(1,275.26)**	(1,039.33)
Proceeds from disposal of property, plant and equipment and intangible assets	**8.71**	10.86
Proceeds from sale of equity investments	**-**	5.04
Proceeds from sale of debt mutual funds and bonds	**8,312.09**	6,820.99

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
	Purchases of debt mutual funds and bonds	**(9,630.75)**	(6,939.29)
	Investments in fixed deposits (maturity more than three months)	**(3,197.40)**	(3,166.48)
	Maturity proceeds from fixed deposits (maturity more than three months)	**2,269.19**	1,470.00
	Bill discounting on behalf of a related party (net)	**(5.28)**	30.92
	Dividend from joint venture company	**217.60**	136.00
	Interest received on bank deposits and others	**337.12**	187.95
	Net cash flows from / (used in) investing activities (B)	**(2,963.98)**	(2,483.34)
C.	**FINANCING ACTIVITIES**		
	Working capital loan availed	**79.36**	21.97
	Re-payment of working capital loan	**(70.99)**	(43.16)
	Soft loan received from SIPCOT	**6.03**	16.21
	Interest paid	**(37.49)**	(24.45)
	Proceeds from issue of equity share capital under employee stock option plan and restricted stock units plan (including securities premium)	**12.30**	86.89
	Proceeds from grant of restricted stock units to employees of joint venture	**22.17**	9.80
	Interest on lease liabilities paid	**(12.08)**	(12.71)
	Payment of principal portion of lease liabilities	**(62.22)**	(55.77)
	Dividend paid	**(1,919.95)**	(1,397.45)
	Net cash flows from / (used in) financing activities (C)	**(1,982.87)**	(1,398.67)
	Change in foreign currency translation arising on consolidation (D)		
	Exchange difference on conversion of foreign branch and subsidiaries	**130.44**	22.66
	Net Increase/(decrease) in cash and cash equivalents (A)+(B)+(C)+(D)	**(11.57)**	120.57
	Cash and cash equivalents at the beginning of the year	**218.96**	98.39
	Cash and cash equivalents at the end of the year	**207.39**	218.96

Particulars	As at March 31, 2026	As at March 31, 2025
Components of cash and cash equivalents		
Cash on hand	**0.01**	0.01
Balances with banks:		
In current accounts	**234.28**	218.95
Cash and cash equivalents as per balance sheet (refer note 14)	**234.29**	218.96
Bank overdrafts (refer note 20)	**(26.90)**	-
Cash and cash equivalents for the purpose of statement of cash flows (refer note 14)	**207.39**	218.96

See accompanying notes forming part of the consolidated financial statements

As per our report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Sonika Loganey
Partner
Membership No : 502220

Place: Gurugram
Date: May 22, 2026

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Siddhartha Lal
Executive Chairman
DIN: 00037645

B Govindarajan
Managing Director
DIN: 03093035

Vinod Aggarwal
Vice Chairman
DIN: 00038906

S Madhavan
Chairman - Audit Committee
DIN: 06451889

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary
Membership No. ACS 22763

Place: Gurugram
Date: May 22, 2026

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

1. CORPORATE INFORMATION

Eicher Motors Limited ("EML" or "the Holding Company") CIN: L34102DL1982PLC129877, is a public limited Company domiciled and incorporated under the provisions of the Companies Act, 1956. The Holding Company, its subsidiaries and joint ventures (hereinafter referred to as "the Group") are engaged in the manufacturing, selling and distribution of motorcycles, commercial vehicles (in the case of a joint venture), trading of spare parts and related services. The Holding Company has its registered office at number 1111, 11th Floor, Ashoka Estate, Plot number 24, Barakhamba Road, New Delhi, India, corporate office at number 96, Sector – 32, Gurugram, Haryana, India and global headquarters (RE - Tech Centre), number 296, Rajiv Gandhi Salai (OMR), Sholinganallur, Chennai, Tamil Nadu, India. Its equity shares listed on the BSE Limited and National Stock Exchange of India Limited. The Group is a leading two wheeler manufacturer and has a dominant presence in domestic market. The consolidated financial statements for the year ended March 31, 2026, were approved for issue in accordance with a resolution of the Board of Directors on May 22, 2026.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

2.1 Statement of Compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and the presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

2.2 Accounting convention

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below (also refer note 46). The consolidated financial statements are presented in Indian Crore Rupees and all values are rounded to the nearest two decimals, except when otherwise indicated.

2.3 OPERATING CYCLE

Based on the nature of products/ activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

3.1Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Holding Company and entities jointly controlled by the Holding Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders.
- Potential voting rights held by the Group, other vote holders or other parties; rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

subsidiary. Specifically, income, expenses, assets and liabilities of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended March 31, 2026. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary.

Consolidated financial statements present assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries as those of a single economic entity. In preparing these consolidated financial statements, below key consolidation procedures are followed:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, assets, liabilities, equity, income, expenses and cash flows of subsidiaries are based on the amounts of the assets and liabilities determined as per the Business Combination policy and recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The following subsidiary companies are considered in the consolidated financial statements:

Name of the company	Country of Incorporation	Voting power held as at March 31, 2026	Voting power held as at March 31, 2025
Royal Enfield North America Limited (RENA) (Incorporated on March 23, 2015)	U.S.A.	100%	100%
Royal Enfield Brasil Comercio De Motocicletas LTDA (REB) (Incorporated on August 18, 2014)	Brazil	100%	100%
Royal Enfield Canada Limited (RECA) (100% subsidiary Company of RENA) (Incorporated on April 19, 2016)	Canada	100%	100%
Royal Enfield (Thailand) Limited (RET) (Incorporated on September 18, 2018)	Thailand	100%	100%
Royal Enfield (UK) Limited (REUK) (Incorporated on August 20, 2019)	United Kingdom	100%	100%
Royal Enfield Europe B.V. (RE EU) (Incorporated on March 21, 2024)	Netherlands	100%	100%

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

3.2 Investment in Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The results, assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture.

Distributions received from a joint venture reduce the carrying amount of the investment. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended March 31, 2026. When the end of the reporting period of the parent is different from that of a joint ventures, the joint ventures prepare, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the joint ventures.

The following joint venture companies are considered in the consolidated financial statements:

Name of the company	Country of Incorporation	Voting power held as at March 31, 2026	Voting power held as at March 31, 2025
VE Commercial Vehicles Limited	India	54.4%	54.4%
Eicher Polaris Private Limited	India	50.0%	50.0%

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

3.3 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.4 Fair Value Measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions, that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Group. Selection criteria include market knowledge,

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

reputation, independence and whether professional standards are maintained. The Group decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Group also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.5 Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Sale of manufactured and traded goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer;

- Domestic sales are recognised at the time of dispatch from the point of sale;
- Export sales are recognised on the date when shipped on board or delivery of goods at the destination agreed as per the respective terms of sale and are initially recorded at the relevant exchange rates prevailing on the date of the transaction;

The Group offers specific credit period to certain customers and payment for the sale is made as per the credit terms in the agreements with the customers.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, Road Side Assistance (RSA), Free Service Coupons (FSC), etc.). In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of traded goods provide customers with a right of return for which, the consideration is estimated based on goods expected to be returned. The rights of return give rise to variable consideration. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability.

Significant financing component

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

Warranty obligations

The Group typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions in section 3.17 Provisions.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

The Group provides a one to three years warranty beyond fixing defects that existed at the time of sale. These service-type warranties are sold either separately or bundled together with the sale of goods. Contracts for bundled sales of goods and a service-type warranty comprise two performance obligations because the promises to transfer the goods and to provide the service-type warranty are capable of being distinct. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as a contract liability. Revenue is recognised on the service-type warranty to the extent of actual cost incurred on rendering the warranty service.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 3.18 Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability (including deferred revenue) is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.6 Leases

The Group assesses at the contract inception, whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

- Buildings 2 to 20 years
- Lease-hold land 99 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 3.15 Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of buildings and others (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

3.7 Foreign currencies

The consolidated financial statements are presented in Indian Rupees, which is also the functional currency of the Group. In preparing the financial statements of the Group, transactions in currencies other than the group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Transactions in foreign currencies are initially recorded by the group entities at the functional currency spot rates at the date the transaction first qualifies for recognition. In respect of foreign operations, the monetary assets and liabilities are translated into ₹ at the rate of exchange prevailing at the reporting date and their statement of profit and loss at the rates prevailing on the date of the transactions. However, for practical reasons, the Group uses an average rate to translate the income and expense items, if the average approximates the actual rate at the date of the transaction.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in foreign operations are initially recognised in the financial statements of the Group in the other comprehensive income. These exchange differences are reclassified from equity (Foreign currency translation reserve) to profit or loss on disposal of the net investment.

- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in Other Comprehensive Income (OCI).

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time that the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.9 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grant of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset, i.e., by equal annual instalments.

In the case of Export Promotion Capital Goods ('EPCG') grant, the Group recognise the grant in the statement of profit and loss on a systematic basis over the useful life of the assets.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

3.10 Retirement and other employee benefits

Provident fund

i. The Group operates a scheme of provident fund for eligible employees, which is a defined benefit plan. Both the employee and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Group contributes a part of the contributions to the "Eicher Executive Provident Fund Trust". The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

ii. The cost of providing benefits under above mentioned defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

iii. The employees, who are not covered under the scheme stated in 3.10 (i) above, are covered in a defined contribution scheme wherein their portion of provident fund is contributed to the government administered provident fund. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

Gratuity

The Group operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund.

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss in subsequent periods. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs charged to profit or loss are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses or curtailments and settlements);
- net interest expense or income; and

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plans.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, in the period the related service is rendered at the un-discounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the un-discounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits such as annual leave and sick leave are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred.

3.11 Share-based payment arrangements

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note no. 48.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.12 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates and laws that have

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

been enacted or substantively enacted at the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity which intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Goods and Services Tax (GST) / value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current assets/ liabilities in the balance sheet.

3.13 Property, plant and equipment

Property, plant and equipment (including furniture, fixtures, vehicles, etc.) held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Freehold land is not depreciated.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Cost includes items directly attributable to the construction or acquisition of the item of property, plant and equipment, and, for qualifying assets, borrowing costs will be capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is charged on a pro-rata basis at the straight line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the Schedule II to the Act as provided below and except in respect of moulds and dies which are depreciated over their estimated useful life of 0 to 7 years, wherein, the life of the said assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage (including unit of production) of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. The useful lives for various property, plant and equipment are given below:

Particulars	Estimated useful life (in years)	Schedule II useful life (in years)
Buildings	10-60	30-60
Buildings (temporary structures)	2-3	3
Plant and equipment	5-15*	15
Furniture and fixtures	2-10	8-10
Office equipment	2-5	5
Vehicles	5	8-10

*except in respect of moulds and dies covered above.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

The Group believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. As part of transition from the previous GAAP, the Group had elected to continue with the carrying value for all of its property, plant and equipment recognised in the previous GAAP as deemed cost at the transition date. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.14 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale.
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in the statement of profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. As part of transition from the previous GAAP, the Group had elected to continue with the carrying value for all of its intangible assets recognised in the previous GAAP as deemed cost at the transition date. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the statement of profit or loss when the asset is de-recognised.

Useful lives of intangible assets

Intangible assets comprising of product design, prototypes, etc., either acquired or internally developed are amortised over the estimated minimum useful life of the related products. Cost of software is amortised over a period depending on the estimated useful life of asset. The useful lives for intangible assets are given below:

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	Estimated useful life (in years)
Product designs, prototypes, etc.	3 to 10
Computer software	3

3.15 Impairment of non-financial assets

At the end of each reporting period, the Group assesses, whether there is any indication that an asset may be impaired. If any such indication exists or annual impairment test for an asset is required, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs of disposal and value in use.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's cash generating unit (CGU).

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

3.16 Inventories

Inventories comprising Raw materials, work-in-progress, stores and spares, loose tools, traded goods and finished goods are stated at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to its present location and condition. Cost of inventories is determined on a moving average.

Finished goods and work-in-progress includes cost of direct materials, labour and an appropriate proportion of manufacturing overheads at normal capacity and where applicable, duty. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3.17 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Onerous contracts

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities). If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision.

Warranties

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise. The initial estimate of warranty-related costs is revised annually.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions, contingent liabilities are reviewed at each Balance Sheet date.

3.18 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss except Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.19 Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value through profit and loss or fair value through other comprehensive income, depending on the classification of the financial assets.

Classification and Measurement of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI") (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon de-recognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

All other financial assets are subsequently measured at fair value through profit or loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated at FVTPL.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increase significantly since initial recognition.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on historical credit loss experience and adjustments for forward looking information.

De-recognition of financial assets

The Group de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

3.20 Financial liabilities and equity instruments

Classification as financial liability or equity

Debt and equity instruments issued by Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognized in the other comprehensive income. These gains/ loss are not subsequently transferred to P₹L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of cost of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Reclassification of financial assets and liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations.

3.21 Derivative Instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

3.22 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

3.23 Dividend

The Group recognises recognises a liability to make dividend distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. However, Board of Directors of a Company may declare interim dividend during any financial year out of the surplus in statement of profit and loss and out of the profits of the financial year in which such interim dividend is sought to be declared. A corresponding amount is recognised directly in other equity.

3.24 Earnings per share

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

3.25 Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its consolidated financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

3.26 New and amended standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Amendments to Ind AS 21 – Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after April 1, 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments do not have a material impact on the Group's financial statements.

(ii) Amendments to Ind AS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after April 1, 2025 retrospectively in accordance with Ind AS 8.

(iii) Amendments to Ind AS 7 and Ind AS 107 – Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments do not have a material impact on the Group's financial statements since the Group has not entered into any supplier finance arrangements.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after April 1, 2025, but not for any interim periods ending on or before March 31, 2026.

The amendments had no impact on the Group's consolidated financial statements as the Group is not in scope of the Pillar Two model rules.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

4. PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Office equipments#	Vehicles	Total
Cost							
At April 01, 2024	**85.95**	**955.15**	**2,743.77**	**41.55**	**231.25**	**180.23**	**4,237.90**
Additions	-	260.50	476.46	3.13	43.21	60.73	844.03
Disposals	-	(0.53)	(88.87)	(1.02)	(2.76)	(20.82)	(114.00)
Written off	-	(0.03)	(79.64)	-	-	-	(79.67)
Adjustments (Exchange difference)	-	3.58	3.14	0.14	1.55	3.61	12.02
At March 31, 2025	**85.95**	**1,218.67**	**3,054.86**	**43.80**	**273.25**	**223.75**	**4,900.28**
Additions	-	49.93	500.08	4.17	69.84	46.13	670.15
Disposals	-	(14.40)	(73.70)	(3.08)	(9.27)	(19.36)	(119.81)
Written off	-	-	(82.07)	(3.75)	(12.18)	-	(98.00)
Adjustments (Exchange difference)	-	17.08	16.80	0.59	5.66	11.37	51.50
At March 31, 2026	**85.95**	**1,271.28**	**3,415.97**	**41.73**	**327.30**	**261.89**	**5,404.12**
Depreciation							
At April 01, 2024	**-**	**243.52**	**1,763.83**	**28.98**	**164.64**	**86.67**	**2,287.64**
Charge for the year	-	42.82	390.06	4.92	41.77	34.53	514.10
Disposals	-	(0.50)	(82.97)	(0.72)	(2.60)	(13.39)	(100.18)
Written off		(0.03)	(76.07)	-	-	-	(76.10)
Adjustments (Exchange difference)	-	0.81	2.08	0.08	1.29	1.86	6.12
At March 31, 2025	**-**	**286.62**	**1,996.93**	**33.26**	**205.10**	**109.67**	**2,631.58**
Charge for the year	-	51.22	452.72	5.09	47.43	42.59	599.05
Disposals	-	(12.78)	(72.07)	(2.88)	(9.25)	(13.16)	(110.14)
Written off	-	-	(82.07)	(3.75)	(12.18)	-	(98.00)
Adjustments (Exchange difference)	-	2.99	8.99	0.42	4.48	6.87	23.75
At March 31, 2026	**-**	**328.05**	**2,304.50**	**32.14**	**235.58**	**145.97**	**3,046.24**
Net carrying amount							
At March 31, 2026	**85.95**	**943.23**	**1,111.47**	**9.59**	**91.72**	**115.92**	**2,357.88**
At March 31, 2025	85.95	932.05	1,057.93	10.54	68.15	114.08	2,268.70

On transition to Ind AS (i.e., April 01, 2015), the Group has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

#Cost and net carrying amount of office equipments include computers and information systems of ₹ 138.78 crores as at March 31, 2026 (₹ 103.51 crores as at March 31, 2025) and ₹ 47.63 crores as at March 31, 2026 (₹ 32.00 crores as at March 31, 2025), respectively.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Immovable property not held in the name of the Company

Description of item of property	Property location	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Freehold land	Alwar, Rajasthan and Jhajjar, Haryana	0.74	Eicher Tractors Ltd.	No	August 2, 2004	The properties were acquired through Group restructuring and the Company is taking necessary steps to get the properties registered in its name.

Property, plant and equipment of the Company at Oragadam and Thiruvottiyur units upto the carrying value of ₹ 361.01 crores (March 31, 2025: ₹ 361.01 crores) are secured by first charge towards the Soft loan obtained from SIPCOT.

5. CAPITAL WORK-IN-PROGRESS*

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	**110.30**	211.65
Additions	**758.27**	742.50
Capitalised	**(670.15)**	(844.03)
Adjustments (Exchange difference)	**4.66**	0.18
Closing	**203.08**	110.30

As at March 31, 2026

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	**194.83**	**7.37**	**0.88**	**-**	**203.08**
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
Total	**194.83**	**7.37**	**0.88**	**-**	**203.08**

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2026

As at March 31, 2025

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	109.42	0.88	-	-	110.30
Projects temporarily suspended	-	-	-	-	-
Total	109.42	0.88	-	-	110.30

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025

* Capital work in progress comprises of expenditure for buildings, plant in the course of construction and machineries yet to be installed.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

6. INTANGIBLE ASSETS

Particulars	Product designs, prototypes*	Computer software	Total
Cost			
At April 01, 2024	**920.18**	**256.71**	**1,176.89**
Additions#	287.94	46.69	334.63
Written off	(18.34)	(17.40)	(35.74)
Adjustments (Exchange difference)	25.21	0.04	25.25
At March 31, 2025	**1,214.99**	**286.04**	**1,501.03**
Additions#	363.03	40.69	403.720
Disposals	(0.55)	(3.23)	(3.78)
Written off	(0.01)	-	(0.01)
Adjustments (Exchange difference)	89.68	2.23	91.91
At March 31, 2026	**1,667.14**	**325.73**	**1,992.87**
Amortisation			
At April 01, 2024	**294.23**	**190.53**	**484.76**
Charge for the year	110.61	43.82	154.43
Written off	(18.34)	(16.22)	(34.56)
Adjustments (Exchange difference)	8.38	0.29	8.67
At March 31, 2025	**394.88**	**218.42**	**613.30**
Charge for the year	130.92	44.22	175.14
Disposals	(0.04)	(3.23)	(3.27)
Written off	(0.01)	-	(0.01)
Adjustments (Exchange difference)	30.68	2.05	32.73
At March 31, 2026	**556.43**	**261.46**	**817.89**
Net carrying amount			
At March 31, 2026	**1,110.71**	**64.27**	**1,174.98**
At March 31, 2025	820.11	67.62	887.73

On transition to Ind AS (i.e. April 01, 2015), the Group has elected to continue with the carrying value of all Intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible assets.

*includes trademarks with finite useful life amortised on a straight-line basis over the estimated useful life of 3 years.

being internally developed or acquired (other than acquisition of a subsidiary)

There are neither restrictions over the title of the Group's intangible assets, nor are any intangible assets pledged as security for liabilities.

7. INTANGIBLE ASSETS UNDER DEVELOPMENT*

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	**381.17**	343.45
Additions	**535.10**	362.58
Capitalised	**(403.72)**	(334.63)
Adjustments (Exchange difference)	**20.67**	9.77
Closing	**533.22**	381.17

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

As at March 31, 2026

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	**313.59**	**135.99**	**52.18**	**31.46**	**533.22**
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
Total	**313.59**	**135.99**	**52.18**	**31.46**	**533.22**

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2026

As at March 31, 2025

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	237.77	87.89	43.62	11.89	381.17
Projects temporarily suspended	-	-	-	-	-
Total	237.77	87.89	43.62	11.89	381.17

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025

* Intangible assets under development mainly consists of cost of new products under development.

8. INVESTMENTS IN JOINT VENTURES

Particulars		As at March 31, 2026	As at March 31, 2025
VE Commercial Vehicles Limited : 54,40,000 (March 31, 2025: 54,40,000) Equity shares of ₹10 each fully paid up			
Cost of investment		**5.44**	5.44
Group's share of net assets		**3,718.05**	3,135.41
	Sub-total (A)	**3,723.49**	3,140.85
Eicher Polaris Private Limited : 32,54,89,000 (March 31, 2025: 32,54,89,000) Equity shares of ₹10 each fully paid up			
Cost of investment		**325.49**	**325.49**
Group's share of net assets		**(325.49)**	**(325.49)**
	Sub-total (B)	**-**	**-**
	Total (A+B)	**3,723.49**	**3,140.85**

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

i) In addition to the above investment, the Group has made an investment of ₹ 2,50,000 in a joint venture entity, Eicher Group Foundation (License under Section 8(1) of the Companies Act, 2013) which has been charged to the Statement of Profit and Loss in the financial year 2015-16.

ii) Pursuant to the decision of the Board of Directors of the joint venture company, Eicher Polaris Private Limited at their meeting held on March 9, 2018 to wind down the operations with immediate effect, the underlying consolidated financial statements include an amount of ₹ 220.05 crores of exceptional nature representing the Group's share of loss for the year ended March 31, 2018. This included an amount of ₹ 17.48 crores recorded by the Group towards its share of cost to wind down the operations.

During the FY 2018-19, the Group has recorded ₹17.52 crores of exceptional nature representing the Group's share of loss for the year ended March 31, 2019. This includes an amount of ₹ 4.01 crores towards its share of cost to wind down the operations (refer note 19).

The Board of Directors and shareholders of Eicher Polaris Pvt. Ltd (a joint venture company) ('EPPL') at their respective meetings held on February 18, 2020 approved voluntary liquidation (solvent liquidation) of EPPL and appointed an insolvency professional as the liquidator. The liquidation process is under progress currently.

Particulars	As at March 31, 2026	As at March 31, 2025
Aggregate carrying value of quoted investments	**-**	-
Aggregate market value of quoted investments	**-**	-
Aggregate carrying value of unquoted investments	**3,723.49**	3,140.85
Aggregate amount of impairment in value of investments	**325.49**	325.49

iii) Information relating to interest in joint ventures

a) Details of material joint ventures

Name of the company	Principal Activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the Group	
			As at March 31, 2026	As at March 31, 2025
VE Commercial Vehicles Limited	Manufacturing and sales of Commercial Vehicles	India	54.40%	54.40%
Eicher Polaris Private Limited	Manufacturing and sales of personal utility vehicles	India	50.00%	50.00%

The above joint ventures are accounted for using the equity method in these consolidated financial statements.

b) Summarised financial information in respect of the Group's material joint ventures

The summarised financial information below represents amounts shown in the joint venturer's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

VE Commercial Vehicles Limited	As at March 31, 2026	As at March 31, 2025
Non-current assets	**6,549.89**	5,353.12
Current assets	**10,412.15**	9,312.90
Non-current liabilities	**662.27**	633.84
Current liabilities	**9,454.95**	8,258.40

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

VE Commercial Vehicles Limited	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations	**27,076.61**	23,548.24
Profit for the year	**1,466.56**	1,286.41
Other comprehensive income / (expense) for the year	**4.48**	(2.66)
Total Comprehensive income for the year	**1,471.04**	1,283.75
Dividends received from the joint venture during the year	**217.60**	136.00

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements

VE Commercial Vehicles Limited	As at March 31, 2026	As at March 31, 2025
Net assets of the joint venture	**6,844.82**	5,773.78
Proportion of the Group's ownership interest in the joint venture	**3,723.49**	3,140.85
Carrying amount of the Group's interest in the joint venture	**3,723.49**	3,140.85

Eicher Polaris Private Limited	As at March 31, 2026	As at March 31, 2025
Non-Current assets	**-**	-
Current assets	**6.08**	7.54
Non-current liabilities	**-**	-
Current Liabilities	**0.40**	1.61

Eicher Polaris Private Limited	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations	**-**	-
Profit or loss from continuing operations	**-**	-
Profit/(loss) for the year	**(0.25)**	(0.08)
Other comprehensive income for the year	**-**	-
Total Comprehensive income for the year	**(0.25)**	(0.08)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements

Eicher Polaris Private Limited	As at March 31, 2026	As at March 31, 2025
Net assets of the joint venture	**5.68**	5.93
Proportion of the Group's ownership interest in the joint venture	**2.84**	2.97
Less:- Amount of interest in the joint venture not considered for consolidation	**(2.84)**	(2.97)
Carrying amount of the Group's interest in the joint venture	**-**	-

As at the year end, the joint venture is in the process of winding up and the net assets will be fully utilised towards such winding up. Accordingly, the Group's share of net assets of the joint venture has not been consolidated.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

9. OTHER INVESTMENTS

Particulars	As at March 31, 2026		As at March 31, 2025	
	Non-Current	Current	Non-Current	Current
Unquoted Investments				
(a) Investment in equity instruments of companies at FVTPL				
10,26,250 numbers (March 31, 2025 : 10,26,250 numbers) Equity shares of ₹ 10 per share fully paid up of Flamesun Solar Private Limited	**8.21**	**-**	8.21	-
(b) Investment in equity instruments of companies at FVTOCI				
55,363 numbers (March 31, 2025 : 55,363 numbers) Equity shares of EUR 0.01 per share fully paid up of Stark Future S.L., #	**172.90**	**-**	141.30	-
Sub-total (A) = (a) +(b)	**181.11**	**-**	149.51	-

#During the year ended March 31, 2023, the Company had made a strategic investment in the equity shares of a Spanish electric mobility Company, Stark Future SL (investee), for 50 million Euro which represents a 9.99% (undiluted basis) stake in the investee as on March 31, 2026 (March 31, 2025: 10.88% (undiluted basis)). The Company has determined that it cannot exercise any significant influence over the investee (Note 38). Carrying value of investment as at March 31, 2026 is ₹ 172.90 crores (March 31, 2025: ₹ 141.30 crores), net of Fair value movement gain / (loss) (including reinstatement gain) in instrument amounting to ₹ 31.60 crores for the year ended March 31, 2026 (for the year ended March 31, 2025: ₹ (301.73) crores)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Non-Current	Current	Non-Current	Current
Unquoted Investments				
(c) (i) Investments in mutual funds carried at FVTPL	**6,336.16**	**647.53**	6,649.51	-
(c) (ii) Investments in Target Maturity Index Funds at FVTOCI**	**1,952.31**	**978.50**	2,739.94	-
Quoted Investments				
(c) (iii) Investments in mutual funds carried at FVTPL	**846.14**	**644.86**	607.05	805.07
(c) (iv) Investments in Target Maturity Index Funds at FVTOCI**	**442.45**	**174.62**	439.92	-
Sub-total (B)	**9,577.06**	**2,445.51**	10,436.42	805.07
(d) Investment in bonds carried at amortized cost (including interest accrued) **Sub-total (C)**	**1,182.31**	**386.46**	216.57	42.48
Total (A+B+C)	**10,940.48**	**2,831.97**	10,802.50	847.55
Aggregate carrying value of quoted investments	**2,470.90**	**1,205.94**	1,263.54	847.55
Aggregate market value of quoted investments	**2,458.29**	**1,159.14**	1,266.43	847.78
Aggregate carrying value of unquoted investments	**6,011.29**	**466.89**	8,272.53	-
Aggregate amount of impairment in value of investments	**-**	**-**	-	-
Category-wise investments - as per Ind AS 109 Classifications				

**Exchanged trade funds/Target Maturity Index funds follows a passive buy and hold strategy to receive contractual cash flows except for meeting redemption and rebalance requirements. Investments in such funds are classified as FVTOCI considering the business model of the Group, to realize cash flows from these investments upon maturity or upon sale.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	As at March 31, 2026		As at March 31, 2025	
	Non-Current	Current	Non-Current	Current
Financial assets carried at FVTPL				
Unquoted				
Investment in equity instruments	**8.21**	**-**	8.21	-
Investment in mutual funds	**6,336.16**	**647.53**	6,649.51	-
Quoted				
Investment in mutual funds	**846.14**	**644.86**	607.05	805.07
Financial assets carried at FVTOCI				
Unquoted				
Investment in equity instruments	**172.90**	**-**	141.30	-
Investment in mutual funds	**1,952.31**	**978.50**	2,739.94	-
Quoted				
Investment in mutual funds	**442.45**	**174.62**	439.92	-
Financial assets carried at amortized cost				
Quoted				
Investment in bonds	**1,182.31**	**386.46**	216.57	42.48

Investments at fair value through OCI (fully paid) reflect investment in unquoted equity instruments, quoted and unquoted mutual funds (debt securities). These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business of the Company. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding. The Company has not transferred any gain or loss within equity in the current and the comparative year. Refer note 46 for determination of their fair values. The debt securities meet SPPI test and are held in a business model whose objective is met both by collecting contractual cash flows and selling the asset.

10. LOANS / BILL DISCOUNTING

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Unsecured, considered good, unless stated otherwise		
Loans to employees	**0.04**	0.04
Bill discounting on behalf of a related party# (refer note 45)	**451.20**	445.92
Total	**451.24**	445.96

Disclosure required under Sec 186(4) of the Companies Act, 2013

Represents bills discounted to vendors of VE Commercial Vehicles Limited (VECV, a joint venture of the Holding Company) at 8.3% to 9.2% per annum and the credit period up to 120 days. The balances at any point in time have remained within the overall sanction limit.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

11. OTHER FINANCIAL ASSETS (AT AMORTISED COST)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Unsecured, considered good, unless stated otherwise		
Security deposits (at amortised cost)	**27.61**	25.26
Bank deposits with remaining maturity greater than twelve months (including interest accrued)	**2,908.99**	2,045.14
Total	**2,936.60**	2,070.40
Current		
Unsecured, considered good, unless stated otherwise		
Bank deposits with remaining maturity less than twelve months (including interest accrued)	**3,011.97**	2,854.72
Facilitation income receivable	**12.47**	12.80
Others (including receivables from related party - refer note 45)	**1.52**	0.60
Total	**3,025.96**	2,868.12

12. INVENTORIES

(At the lower of cost and net realizable value)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials [includes in transit ₹ 35.59 crores (previous year ₹ 43.41 crores)]	**510.02**	384.99
Work in progress	**86.33**	44.32
Finished goods	**1,155.35**	980.53
Traded goods	**171.96**	119.16
Stores and spares	**29.46**	20.04
Loose tools	**14.70**	14.71
Total	**1,967.82**	1,563.75

Inventories are net of non-moving/slow-moving provisions. During the year ₹ 49.10 crores (March 31, 2025 : ₹ 5.12 crores) was recognised as an expense/(income) in the Statement of Profit and Loss.

The method of valuation of inventories has been stated in note 3.16

13. TRADE RECEIVABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Considered good - secured	**136.23**	331.43
Considered good - unsecured	**217.28**	218.21
Trade Receivables - credit impaired	**5.84**	6.39
	359.35	556.03
Less: Provision for credit impaired receivables	**(5.84)**	(6.39)
Total	**353.51**	549.64

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Trade receivables ageing **As at March 31, 2026**

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 6 months	6 months – 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	**326.30**	**25.90**	**1.31**	**-**	**-**	**-**	**353.51**
Undisputed trade receivables - which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Undisputed trade receivables - credit impaired	**-**	**-**	**1.52**	**0.66**	**0.97**	**2.69**	**5.84**
Disputed trade receivables - considered good	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disputed trade receivables - which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disputed trade receivables - credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**326.30**	**25.90**	**2.83**	**0.66**	**0.97**	**2.69**	**359.35**

Trade receivables ageing **As at March 31, 2025**

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 6 months	6 months – 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	505.23	43.02	0.77	0.59	0.03	-	549.64
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-		1.12	2.55	2.17	0.55	6.39
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	505.23	43.02	1.89	3.14	2.20	0.55	556.03

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

Trade receivables are non-interest bearing. No trade receivables, loans and advances or other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

All domestic sales are on advance payment basis, except for sale to distributors, certain institutional sales and Canteen stores Department which carries credit period of maximum to 60 days.

Export sales carry credit period of 0 to 120 days, depending on the contractual terms with respective customers.

For terms and conditions pertaining to related party receivables, refer note 45.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

14. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	**0.01**	0.01
Balances with banks:		
In current accounts	**234.28**	218.95
Total	**234.29**	218.96

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars		As at March 31, 2026	As at March 31, 2025
Cash on hand		**0.01**	0.01
Balances with banks:			
In current accounts		**234.28**	218.95
		234.29	218.96
Bank overdrafts (refer note 20)		**(26.90)**	-
Cash and cash equivalents for the purpose of statement of cash flows	**Total**	**207.39**	218.96

At March 31 2026, the Company had ₹ 78.58 crores (March 31, 2025: ₹ 105.48 crores) of undrawn borrowing facilities. The Company has pledged a part of its debt mutual funds of ₹ 134.08 crores (March 31, 2025: ₹ 125.10 crores) to fulfil collateral requirements for bank overdrafts.

Changes in liabilities arising from financing activities, non-cash financing and investing activities

Particulars	April 1, 2025	Net cash flows	Others*	March 31, 2026
Short term borrowings (refer note 20)	82.11	8.37	-	**90.48**
Interest accrued but not due (refer note 19)	0.09	(37.49)	37.74	**0.34**
Obligation under lease (refer note 51)	191.66	(74.30)	77.58	**194.94**
Soft loan received from SIPCOT (refer note 20)	184.36	6.03	11.24	**201.63**
Total liabilities from financing activities	458.22	(97.39)	126.56	**487.39**

Particulars	April 1, 2024	Net cash flows	Others*	March 31, 2025
Short term borrowings (refer note 20)	103.30	(21.19)	-	82.11
Interest accrued but not due (refer note 19)	0.10	(24.45)	24.44	0.09
Obligation under lease (refer note 51)	143.86	(68.48)	116.28	191.66
Soft loan received from SIPCOT (refer note 20)	163.46	15.84	5.06	184.36
Total liabilities from financing activities	410.72	(98.28)	145.78	458.22

*Others comprise of lease additions, grant income, interest cost, movement in government grant (deferred revenue on SIPCOT soft loan) and other adjustments in finance lease.

Non-cash financing and investing activities

Particulars	As at March 31, 2026	As at March 31, 2025
Acquisition of Right-of-use assets (refer note 51)	**74.18**	104.80

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

15. OTHER BANK BALANCES

Particulars	As at March 31, 2026	As at March 31, 2025
In unpaid dividend accounts#	**19.71**	16.85
Unspent CSR accounts#	**2.04**	27.20
Total	**21.75**	44.05

#There are restrictions in the balances in Unpaid Dividend accounts and Unspent CSR accounts.

16. OTHER ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Unsecured, considered good, unless stated otherwise		
Capital advances	**147.21**	71.85
Prepaid expenses	**76.04**	57.90
Balance with government authorities	**96.33**	10.52
Government incentives receivable	**16.64**	11.58
Total	**336.22**	151.85
Current		
Unsecured, considered good, unless stated otherwise		
Advance to suppliers		
- Considered good	**391.54**	171.04
- Considered doubtful	**19.48**	19.48
	411.02	190.52
Less: Provision for doubtful advance	**(19.48)**	(19.48)
	391.54	171.04
Advance to employees	**7.99**	17.49
Prepaid expenses	**124.49**	90.66
Balance with government authorities	**119.68**	117.81
Government incentives receivable	**24.01**	19.13
Total	**667.71**	416.13

17. SHARE CAPITAL

(a) Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorized Equity share capital		
30,00,00,000 numbers - Equity shares of ₹ 1 each (March 31, 2025 : 30,00,00,000 numbers - Equity shares of ₹ 1 each)	**30.00**	30.00
Total	**30.00**	30.00
Issued, subscribed and fully paid up		
27,43,14,204 numbers - Equity shares of ₹ 1 each (March 31, 2025 : 27,41,64,080 numbers - Equity shares of ₹ 1 each)	**27.43**	27.42
Total	**27.43**	27.42

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Nos.	₹ in crores	Nos.	₹ in crores
At the beginning of the year	**27,41,64,080**	**27.42**	27,38,05,630	27.38
Issued during the year (refer note 48)	**1,50,124**	**0.01**	3,58,450	0.04
Outstanding at the end of the year	**27,43,14,204**	**27.43**	27,41,64,080	27.42

(ii) Details of shareholders holding more than 5% equity shares in the Company:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Nos.	% holding in the class	Nos.	% holding in the class
The Simran Siddhartha Tara Benefit Trust				
Outstanding at the end of the year	**12,03,06,480**	**43.86%**	12,03,06,480	43.88%

(iii) Share options granted under the Group's employee share option plan and restricted stock unit plan carry no rights to dividend and no voting rights (refer note 48).

(b) Preference share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorized Preference share capital		
1,01,000 numbers (March 31, 2025 : 1,01,000 numbers) Redeemable preference shares of ₹100 each	**1.01**	1.01
Total	**1.01**	1.01

The Group has not issued any preference shares.

(c) Details of equity shares held by promoters

As at March 31, 2026

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year*
Equity shares of ₹ 1 each fully paid					
Ms. Simran Lal	**31,52,410**	**-**	**31,52,410**	**1.15%**	**0.00%**
Ms. Tara Lal	**31,49,940**	**-**	**31,49,940**	**1.15%**	**0.00%**
Mr. Siddhartha Lal	**28,85,470**	**-**	**28,85,470**	**1.05%**	**0.00%**
The Simran Siddhartha Tara Benefit Trust (Trustee- Vikram Lal)	**12,03,06,480**	**-**	**12,03,06,480**	**43.86%**	**(0.02%)**
The Brinda Lal Trust, Trustee- Vikram Lal	**48,57,070**	**-**	**48,57,070**	**1.77%**	**0.00%**
Karvansarai Investments Private Limited	**1,51,430**	**-**	**1,51,430**	**0.06%**	**0.00%**
Tara Lal Trust, Trustee- Vikram Lal	**324**	**-**	**324**	**0.00%**	**0.00%**
Raul Rai	**350**	**-**	**350**	**0.00%**	**0.00%**
Siddhartha Lal Trust	**61,470**	**-**	**61,470**	**0.02%**	**0.00%**
Total	**13,45,64,944**	**-**	**13,45,64,944**	**49.06%**	

*Change in shareholding of Promoter & Promoter Group is on account of allotment of equity shares by the Company to its employees (other than Promoter & Promoter Group) under its Employee Stock Option Plan 2006 and Restricted Stock Unit Plan 2019, during the financial year 2025-26.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year*
Equity shares of ₹ 1 each fully paid					
Ms. Simran Lal	31,52,410	-	31,52,410	1.15%	0.00%
Ms. Tara Lal	31,49,940	-	31,49,940	1.15%	0.00%
Mr. Siddhartha Lal	28,85,470	-	28,85,470	1.05%	0.00%
The Simran Siddhartha Tara Benefit Trust (Trustee- Vikram Lal)	12,03,06,480	-	12,03,06,480	43.88%	(0.06%)
The Brinda Lal Trust, Trustee- Vikram Lal	48,57,070	-	48,57,070	1.77%	0.00%
Karvansarai Investments Private Limited	1,51,430	-	1,51,430	0.06%	0.00%
Tara Lal Trust, Trustee- Vikram Lal	324	-	324	0.00%	0.00%
Raul Rai	493	(143)	350	0.00%	0.00%
Siddhartha Lal Trust	61,470	-	61,470	0.02%	0.00%
Total	13,45,65,087	(143)	13,45,64,944	49.08%	

*Change in shareholding of Promoter & Promoter Group is on account of allotment of equity shares by the Company to its employees (other than Promoter & Promoter Group) under its Employee Stock Option Plan 2006 and Restricted Stock Unit Plan 2019, during the financial year 2024-25.

18. OTHER EQUITY

Particulars	As at March 31, 2026	As at March 31, 2025
Capital reserves	**0.25**	0.25
Capital redemption reserve	**1.41**	1.41
Securities premium	**472.48**	434.67
General reserves	**339.89**	339.89
Share based payments reserve	**158.23**	106.32
Foreign currency translation reserve	**179.27**	80.01
Hedge reserve	**0.04**	0.04
Debt instruments through other comprehensive income	**10.07**	22.98
Fair value of equity instruments through Other comprehensive income (FVTOCI) (refer note 9 and 46)	**(231.50)**	(258.58)
Retained earnings	**24,142.58**	20,542.08
Total	**25,072.72**	21,269.07

	Particulars	As at March 31, 2026	As at March 31, 2025
A	**Capital reserve**		
	Opening balance	**0.25**	0.25
	Add / Less: Movement during the year	**-**	-
	Closing balance	**0.25**	0.25

Capital Reserve represents a non-distributable reserve and is not available for distribution to shareholders.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

	Particulars	As at March 31, 2026	As at March 31, 2025
B	**Capital redemption reserve**		
	Opening balance	**1.41**	1.41
	Add / Less: Movement during the year	**-**	-
	Closing balance	**1.41**	1.41

The Capital redemption reserve was created at the time of buy back of shares. The Group can utilize the same for the purpose of issue of fully paid-up bonus shares to its members.

	Particulars	As at March 31, 2026	As at March 31, 2025
C	**Securities premium**		
	Opening balance	**434.67**	319.60
	Add : Proceeds from issue of equity shares	**12.29**	86.85
	Add : Transferred from share options outstanding account	**25.52**	28.22
	Closing balance	**472.48**	434.67

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

	Particulars	As at March 31, 2026	As at March 31, 2025
D	**General reserves**		
	Opening balance	**339.89**	339.89
	Add: Amount transferred from retained earnings	**-**	-
	Closing balance	**339.89**	339.89

General reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations under the erstwhile Companies Act 1956. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Group for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

	Particulars	As at March 31, 2026	As at March 31, 2025
E	**Share based payments reserve**		
	Opening balance	**106.32**	77.14
	Add : Share based expense during the year	**55.09**	47.52
	Add : Share based expense for employees of joint venture company (refer note 45 and 48)	**22.17**	9.80
	Add : Other adjustments (foreign exchange (gains)/loss)	**0.17**	0.08
	Less : Transferred to securities premium on issue of shares	**(25.52)**	(28.22)
	Closing balance	**158.23**	106.32

The above reserve relates to share options granted by the Company to certain employees under its employee share option plan/restricted stock units plan. Further information about share-based payments to employees is set out in note 48.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

	Particulars	As at March 31, 2026	As at March 31, 2025
F	**Foreign currency translation reserve**		
	Opening balance	**80.01**	62.90
	Add : exchange differences in translating the financial statements of foreign operations	**99.26**	17.11
	Closing balance	**179.27**	80.01

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

	Particulars	As at March 31, 2026	As at March 31, 2025
G	**Hedge reserve**		
	Opening balance	**0.04**	0.04
	Add: Gain/(loss) recognised on cash flow hedges	**-**	-
	Closing balance	**0.04**	0.04

The Group uses hedging instruments as part of its management of foreign currency risk associated with trade receivables. For hedging foreign currency risk, the Group uses foreign currency forward contracts. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the effective portion of cash flow hedges. Amounts recognised in the effective portion of cash flow hedges are reclassified to the statement of profit and loss when the hedged item affects profit or loss.

	Particulars	As at March 31, 2026	As at March 31, 2025
H	**Debt instruments through other comprehensive income**		
	Opening balance	**22.98**	2.97
	Add: Other comprehensive income for the year	**(12.91)**	20.01
	Closing balance	**10.07**	22.98

This reserve represents cumulative gains (net of losses) arising on revaluation of Debt instruments measured through Other Comprehensive Income, net of amounts reclassified, if any to the profit/loss account, if such instruments are disposed off.

	Particulars	As at March 31, 2026	As at March 31, 2025
I	**Fair value of equity instruments through Other comprehensive income (FVTOCI)**		
	Opening balance	**(258.58)**	-
	Add : Equity instruments fair valued through Other comprehensive income	**27.08**	(258.58)
	Closing balance	**(231.50)**	(258.58)

The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in the FVTOCI reserve within equity.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

	Particulars	As at March 31, 2026	As at March 31, 2025
J	**Retained earnings**		
	Opening balance	**20,542.08**	17,213.95
	Add: Profit for the year	**5,515.23**	4,734.44
	Add: Other Comprehensive income/(expense): from Remeasurement of defined benefit obligation net of income tax	**5.22**	(8.86)
	Less: Final dividend for FY 2023-24 paid in FY 2024-25 (amount per share ₹ 51)	**-**	(1,397.45)
	Less: Final dividend for FY 2024-25 paid in FY 2025-26 (amount per share ₹ 70)	**(1,919.95)**	-
	Total appropriations	**(1,919.95)**	(1,397.45)
	Balance at end of year	**24,142.58**	20,542.08

Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders and is available for use in accordance with the provisions of the Companies Act, 2013. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Financial Liabilities:

19. OTHER FINANCIAL LIABILITIES (AT AMORTISED COST)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Security deposits received from customers and dealers (interest bearing)	**16.00**	29.24
Total	**16.00**	29.24
Current		
Employee dues	**285.83**	205.55
Capital creditors	**205.80**	112.38
Unpaid dividend *	**19.71**	16.84
Interest accrued but not due	**0.34**	0.09
Provision for constructive obligation towards the discontinued operations of a joint venture (refer note 8)	**4.01**	4.01
Others (insurance reimbursements to dealers)	**23.86**	15.98
Total	**539.55**	354.85

*Does not include any amounts outstanding which are required to be credited to Investor Education and Protection Fund.

20. BORROWINGS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Secured		
- From Others		
Soft loan - State Industries Promotion Corporation of Tamilnadu Ltd. (SIPCOT) (including interest payable)*	**201.63**	184.36
Total	**201.63**	184.36
Current		
Secured		
- From bank		
Overdraft facility**	**26.90**	-
Unsecured		
Working capital loan#	**90.48**	82.11
Total	**117.38**	82.11

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

*Soft loan from SIPCOT is at a subsidised interest rate of 0.1% per annum. The principal amount of the loan is repayable after 10 years, commencing from June 2032 to March 2036 and interest is payable quarterly. The loan is secured by first charge on the Property, plant and equipment of the Company at Oragadam and Thiruvottiyur units with a carrying value of ₹ 361.01 crores (March 31, 2025: ₹ 361.01 crores)

**Secured overdraft facility carries interest @ 6.58% to 7.69% per annum (March 31, 2025: interest @ 7.69% to 8.30% per annum), secured by the Company's debt mutual funds and repayable on demand.

#Unsecured working capital loan of subsidiary company viz., Royal Enfield North America Ltd as at March 31, 2026 of ₹ 80.45 crores (March 31, 2025 : ₹ 79.59 crores), average repayment period being 3 months, carrying interest @ 5.50% to 6.17% p.a., and Royal Enfield Thailand Ltd. as at March 31, 2026 of ₹ 10.03 crores (March 31, 2025: ₹ 2.52 crores), average repayable on demand, carrying policy interest rate @ 1% to 1.75% plus 0.6%. These loans are against corporate guarantees given by the Holding Company, Eicher Motors Limited.

The Group has not defaulted on any loans and interest payable.

21. TRADE PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises		
Dues to micro and small enterprises (refer note 41)	**100.34**	40.11
Sub-total (A)	**100.34**	40.11
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Other trade payables	**2,582.03**	2,432.22
Trade payables to related parties (refer note 45)	**56.07**	57.42
Sub-total (B)	**2,638.10**	2,489.64
Total (A+B)	**2,738.44**	2,529.75

Trade payables ageing

As at March 31, 2026

Particulars	Unbilled and Not dues*	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	**100.34**	-	-	-	-	**100.34**
Undisputed dues of creditors other than micro enterprises and small enterprises	**2,462.09**	**163.96**	**9.80**	**2.25**	-	**2,638.10**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**2,562.43**	**163.96**	**9.80**	**2.25**	-	**2,738.44**

*includes not due value of trade payables of:

₹ 95.22 crores with respect to micro enterprises and small enterprises and

₹ 1,820.93 crores with respect to other than micro enterprises and small enterprises

The Company does not has any balances with a company struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

As at March 31, 2025

Particulars	Unbilled and Not dues*	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	40.11	-	-	-	-	40.11
Undisputed dues of creditors other than micro enterprises and small enterprises	2,265.68	216.80	2.25	4.91	-	2,489.64
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	2,305.79	216.80	2.25	4.91	-	2,529.75

*includes not due value of trade payables of:
₹ 39.14 crores with respect to micro enterprises and small enterprises and
₹1,845.82 crores with respect to other than micro enterprises and small enterprises

The Company has balance with the below-mentioned company struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956:

Name of the company	Nature of transactions with struck-off company	Relationship with the struck off company	As at March 31, 2025	As at March 31, 2024
Vikas Scientific Instruments Private Limited	Trade payables	External Vendor	-	0.01
Hindustan Magnesium Products Private Limited	Trade payables	External Vendor	-	-

Terms and conditions of the above financial liabilities:
Trade payables are non-interest bearing and are generally on terms of 0 to 90 days, for terms and conditions pertaining to dues to related parties, refer note 45

22. PROVISIONS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Employee benefits - refer note (i) below		
Compensated absences	**60.71**	50.82
Other employee benefits	**20.46**	7.30
Warranties - refer note (ii) below	**172.19**	136.79
Onerous contract - refer note (ii) below	**6.15**	-
Total	**259.51**	194.91
Current		
Employee benefits - refer note (i) below		
Compensated absences	**4.06**	2.50
Gratuity payable	**15.82**	14.19
Other employee benefits	**7.27**	1.32
Sub-total (A)	**27.15**	18.01
Warranties - refer note (ii) below	**134.50**	91.76
Onerous contract - refer note (ii) below	**7.25**	13.03
Sub-total (B)	**141.75**	104.79
Total (A+B)	**168.90**	122.80

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

(i) The provision for employee benefits includes earned leave, sick leave, gratuity, providend fund and vested long service reward.

(ii) Movement in warranties and onerous contract provisions

Particulars	March 31, 2026	
	Warranties	Onerous Contract
Opening balance	**228.55**	**13.03**
Additions during the year	**151.55**	**11.44**
Amount utilized during the year	**(78.88)**	**(11.07)**
Unwinding of discount	**5.47**	**-**
Closing balance	**306.69**	**13.40**

Particulars	March 31, 2025	
	Warranties	Onerous Contract
Opening balance	227.85	2.68
Additions during the year	80.97	13.22
Amount utilized during the year	(84.88)	(2.87)
Unwinding of discount	4.61	-
Closing balance	228.55	13.03

Provision for warranty claims represents the present value of the management's best estimate of the future economic costs that will be required under the Group's obligations for warranties. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.

Provision for onerous contract represents management's best estimate of the costs that will be required under the Group's obligations towards coupon based service contracts. This provision represents unavoidable costs under coupon based service contracts reflect the net cost of fulfilling the contract, which is the higher than the compensation arising from its fulfilment. The estimate has been made on the basis of expected costs required to be incurred for fulfilment of a contract.

23. DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities on		
Property, plant and equipment and intangible assets	**363.81**	288.97
Investments measured at FVTPL	**384.06**	281.37
Loan from SIPCOT	**22.11**	37.51
Right of use assets	**15.32**	19.46
Debt instruments through other comprehensive income	**2.10**	6.44
Others	**28.14**	20.15
Sub-total (A)	**815.54**	653.90
Less: Deferred tax assets on		
Accrued expenses deductible on payment	**10.71**	4.26
Deferred revenue	**25.04**	34.47
Provision for compensated absences and other employee benefits	**14.89**	12.44
Provision for doubtful debts and advances	**6.75**	6.72
Lease liabilities	**17.08**	20.86
Change in fair value of equity instruments through other comprehensive income (including foreign exchange gains/(losses) on reinstatement)	**38.63**	43.15
Others	**44.16**	39.05
Sub-total (B)	**157.26**	160.95
Total (A-B)	**658.28**	492.95

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Movement of deferred tax liabilities/assets

For the year ended March 31, 2026

Particulars	Opening balance	Recognized in profit or loss	Recognized in Other comprehensive income	Closing balance
Deferred tax liabilities on				
Property, plant and equipment and intangible assets	**288.97**	**74.84**	**-**	**363.81**
Investments measured at FVTPL	**281.37**	**102.69**	**-**	**384.06**
Loan from State Industries Promotion Corporation of Tamilnadu Ltd.	**37.51**	**(15.40)**	**-**	**22.11**
Right of use assets	**19.46**	**(4.14)**	**-**	**15.32**
Debt instruments through other comprehensive income	**6.44**	**-**	**(4.34)**	**2.10**
Others	**20.15**	**7.99**	**-**	**28.14**
Sub-total (A)	**653.90**	**165.98**	**(4.34)**	**815.54**
Less: Deferred tax assets on				
Accrued expenses deductible on payment	**4.26**	**6.45**	**-**	**10.71**
Deferred revenue	**34.47**	**(9.43)**	**-**	**25.04**
Provision for compensated absences and other employee benefits	**12.44**	**2.45**	**-**	**14.89**
Exchange differences in translating the financial statements of foreign operations	**-**	**32.83**	**(32.83)**	**-**
Remeasurement of defined benefit obligation	**-**	**1.49**	**(1.49)**	**-**
Provision for doubtful debts and advances	**6.72**	**0.03**	**-**	**6.75**
Lease liabilities	**20.86**	**(3.78)**	**-**	**17.08**
Change in fair value of equity instruments through other comprehensive income (including foreign exchange gains/(losses) on reinstatement)	**43.15**	**-**	**(4.52)**	**38.63**
Others	**39.05**	**5.11**	**-**	**44.16**
Sub-total (B)	**160.95**	**35.15**	**(38.84)**	**157.26**
Total (A-B)	**492.95**	**130.83**	**34.50**	**658.28**

For the year ended March 31, 2025

Particulars	Opening balance	Recognized in profit or loss	Recognized in Other comprehensive income	Closing balance
Deferred tax liabilities on				
Property, plant and equipment and intangible assets	241.80	47.17	-	288.97
Investments measured at FVTPL	251.93	29.44	-	281.37
Loan from State Industries Promotion Corporation of Tamilnadu Ltd.	38.69	(1.18)	-	37.51
Right of use assets	7.00	12.46	-	19.46
Debt instruments through other comprehensive income	(0.29)	-	6.73	6.44
Others	16.94	3.21	-	20.15
Sub-total (A)	556.07	91.10	6.73	653.90
Less: Deferred tax assets on				
Accrued expenses deductible on payment	9.27	(5.01)	-	4.26
Deferred revenue	33.01	1.46	-	34.47
Provision for compensated absences and other employee benefits	9.22	3.22	-	12.44

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	Opening balance	Recognized in profit or loss	Recognized in Other comprehensive income	Closing balance
Exchange differences in translating the financial statements of foreign operations	-	5.70	(5.70)	-
Remeasurement of defined benefit obligation	-	(2.45)	2.45	-
Provision for doubtful debts and advances	7.13	(0.41)	-	6.72
Lease liabilities	9.43	11.43	-	20.86
Change in fair value of equity instruments through other comprehensive income (including foreign exchange gains/(losses) on reinstatement)	-	-	43.15	43.15
Others	26.93	12.12	-	39.05
Sub-total (B)	94.99	26.06	39.90	160.95
Total (A-B)	461.08	65.04	(33.17)	492.95

Brought forward losses for which no deferred tax assets have been recognized are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Tax losses@:		
Expiry in 5 years	**23.90**	8.25
No expiry	**295.52**	184.41
Total	**319.42**	192.66

@The brought forward losses considered above represents information from tax returns filed by the entities of the Group, as applicable.

At March 31, 2026, there was no recognised deferred tax liability (March 31, 2025: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's joint venture. The Group has determined that undistributed profits of its joint ventures will not be distributed in the foreseeable future. The Group's joint ventures will not distribute its profits until it obtains the consent from all venture partners.

Deferred tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets on		
Business loss carried forward	**-**	2.36
Sub-total (A)	**-**	2.36
Less: Deferred tax liabilities on		
Property, plant and equipment and intangible assets	**-**	2.01
Others	**-**	0.35
Sub-total (B)	**-**	2.36
Total (A-B)	**-**	-

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

For the year ended March 31, 2026

Particulars	Opening balance	Recognized in profit or loss	Recognized in Other comprehensive income	Closing balance
Deferred tax assets on				
Business loss carried forward	**2.36**	**(2.36)**	**-**	**-**
Sub-total (A)	**2.36**	**(2.36)**	**-**	**-**
Less: Deferred tax liabilities on				
Property, plant and equipment and intangible assets	**2.01**	**(2.01)**	**-**	**-**
Others	**0.35**	**(0.35)**	**-**	**-**
Sub-total (B)	**2.36**	**(2.36)**	**-**	**-**
Total (A-B)	**-**	**-**	**-**	**-**

For the year ended March 31, 2025

	Opening balance	Recognized in profit or loss	Recognized in Other comprehensive income	Closing balance
Deferred tax assets on				
Business loss carried forward	15.16	(12.80)	-	2.36
Sub-total (A)	15.16	(12.80)	-	2.36
Less: Deferred tax liabilities on				
Property, plant and equipment and intangible assets	2.01	-	-	2.01
Others	0.35	-	-	0.35
Sub-total (B)	2.36	-	-	2.36
Total (A-B)	12.80	(12.80)	-	-

24. CURRENT TAX LIABILITIES / NON-CURRENT TAX ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Tax liabilities		
Provision for current tax (net)	**305.70**	238.68
Total	**305.70**	238.68
Tax assets		
Advance income tax (net)	**84.52**	89.71
Total	**84.52**	89.71

25. GOVERNMENT GRANTS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Deferred revenue arising from Government grants (refer note (i) and (ii) below)	**170.47**	123.20
Total	**170.47**	123.20
Current		
Deferred revenue arising from Government grants (refer note (i) and (ii) below)	**28.79**	40.48
Total	**28.79**	40.48

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

(i) The deferred revenue arises as a result of:

a) The benefit (Research and Development Expenditure Credit, supports entities that work on innovative projects in science and technology) received/receivable towards intangible assets by the United Kingdom (UK) Branch of the Company from the Government of UK - Department for Business Innovation & Skills and Department for His Majesty's Revenue & Customs (HMRC) of ₹ 111.28 crores as at March 31, 2026 (March 31, 2025: ₹ 71.03 crores)

b) Represents Government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipments of ₹ 38.04 crores as at March 31, 2026 (March 31, 2025: ₹ 38.65 crores) and the benefit of below-market rate of interest (at 0.1% per annum) arising on account of soft-loan from SIPCOT accounted for as Government grant of ₹ 49.94 crores as at March 31, 2026 (March 31, 2025: ₹ 54.00 crores)

These grants will be recognized in statement of profit and loss on a systematic basis over the useful life of the related property, plant and equipment / intangible assets.

(ii) Movement in Government grants

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	**163.68**	158.97
Additions during the year	**72.24**	39.56
Amount recognised as income during the year	**(36.66)**	(34.85)
Closing balance	**199.26**	163.68

26. CONTRACT LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Advance received from customers and dealers	**400.94**	270.68
Total	**400.94**	270.68

27. OTHER LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Deferred revenue	**604.42**	463.67
Total	**604.42**	463.67
Current		
Deferred revenue	**380.85**	296.34
Statutory remittances (contributions to PF and ESIC, withholding taxes, GST, etc.)	**193.29**	175.97
Unspent CSR liabilities (refer note 49)	**38.63**	43.88
Others (includes discounts/incentives)	**45.69**	42.39
Total	**658.46**	558.58

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

28. REVENUE FROM OPERATIONS

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(A)	**Revenue from contract with customers**		
	Revenue from contract with customers (Goods transferred at a point in time)		
	Manufactured goods	**21,488.55**	17,341.64
	Traded goods	**1,368.70**	1,095.88
	Revenue from contract with customers (Services transferred over time)		
	Service type warranties	**120.32**	100.69
	Sub-total (A)	**22,977.57**	18,538.21
(B)	**Other operating revenue**		
	Government grant (Export incentives)	**109.13**	93.92
	Scrap sale	**20.28**	43.12
	Income from after sales services and others	**300.58**	195.10
	Sub-total (B)	**429.99**	332.14
	Total (A+B)	**23,407.56**	18,870.35

Also refer accounting policy 3.5 on Revenue from contract with customers

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Details of products sold		
Manufactured goods		
Two wheelers	**19,947.29**	16,025.80
Spare parts and other components	**1,541.26**	1,315.84
Total	**21,488.55**	17,341.64
Traded goods		
Accessories and other allied products	**1,368.70**	1,095.88
Total	**1368.70**	1095.88
Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price	**23,426.86**	18,873.93
Adjustments:		
- Trade Discount	**223.04**	150.95
- Incentives	**88.83**	79.84
- Deferral of revenue (FSC, RSA) and others	**137.42**	104.93
Total	**22,977.57**	18,538.21

Contract Balances

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables (refer note 13)	**353.51**	549.64
Non-current liabilities		
- Deferred revenue (refer note 27)	**604.42**	463.67
Contract liabilities (refer note 26)	**400.94**	270.68
Current liabilities		
- Deferred revenue (refer note 27)	**380.85**	296.34

Trade receivables mainly decreased on account of better realisations during the year.

The overall outstanding balances in respect of current and non-current liabilities towards two wheelers and service type warranties increased due to the continuous increase in the Group's customer base.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Amount of Revenue recognised from:		
Amounts included in other liabilities (deferred revenue) and contract liabilities at the beginning of the year	**388.52**	350.86

Revenue from sale of goods

The performance obligation for the sale of goods is satisfied at the point in time when control of the goods is transferred to the customer.

- Domestic sales are recognised at the time of dispatch from the point of sale;
- Export sales are recognised on the date when shipped on board or delivery of goods at the destination agreed as per the respective terms of sale and are initially recorded at the relevant exchange rates prevailing on the date of the transaction.

The Group offers specific credit period to certain customers and payment for the sale is made as per the credit terms in the agreements with the customers.

Pursuant to application of practical expedient under IND AS 115, no additional disclosure is provided in respect of remaining unsatisfied performance obligations.

Revenue from sale of service type warranties

The performance obligation for the service type warranty is satisfied over the warranty contract based on time elapsed and payment is fully on advance basis.

Persuant to application of practical expendient under INDAS 115, no additional disclosure is provided in respect of remaining unsatisfied performance obligations.

29. OTHER INCOME

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income on financial assets carried at amortized cost		
Bank deposits and bonds	**437.90**	280.16
Discount on bills (refer note 45)	**34.14**	36.01
Others	**1.82**	1.15
	473.86	317.32
Other non-operating income		
Grant income on soft loan from SIPCOT	**7.16**	10.13
Gain on financial instruments at fair value through profit or loss (mutual funds)	**745.55**	863.30
Facilitation income	**69.45**	60.11
Liabilities no longer required, written back	**36.52**	-
Other non-operating income	**8.73**	21.92
Profit on sale of property, plant and equipment	**2.67**	2.83
Gain on exercise of termination option of leases	**2.54**	0.01
Exchange gain (net)	**140.05**	29.28
	1,012.67	987.58
Total	**1,486.53**	1,304.90

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

30. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year	**384.99**	394.82
Add: Purchases	**12,827.70**	10,175.98
	13,212.69	10,570.80
Less: Inventories at the end of the year	**510.02**	384.99
Less: Material cost of vehicles capitalized*	**3.85**	9.50
	12,698.82	10,176.31
Less: Sale of raw materials to suppliers on cost to cost basis	**196.77**	223.15
Total	**12,502.05**	9,953.16

*includes ₹ Nil under capital work-in-progress (Previous year: ₹ 0.36 crores)

31. PURCHASES OF TRADED GOODS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Accessories and other allied products	**835.26**	507.43
Total	**835.26**	507.43

32. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year			
Finished goods		**980.53**	718.75
Work-in-progress		**44.32**	52.65
Traded goods		**119.16**	209.10
	A	**1,144.01**	980.50
Inventories at the end of the year			
Finished goods		**1,155.35**	980.53
Work-in-progress		**86.33**	44.32
Traded goods		**171.96**	119.16
	B	**1,413.64**	1,144.01
(Increase)/Decrease in inventories			
Finished goods		**(174.82)**	(261.78)
Work-in-progress		**(42.01)**	8.33
Traded goods		**(52.80)**	89.94
Net change (A-B)		**(269.63)**	(163.51)

33. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus (refer note 42 for Gratuity expense)	**1,441.85**	1,224.49
Contribution to provident and other funds (refer note 42)	**60.11**	51.67
Share-based payments (refer note 48)	**55.09**	47.52
Staff welfare expenses	**80.52**	67.55
Total	**1,637.57**	1,391.23

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

On November 21, 2025, the Government of India notified four Labour Codes, consolidating 29 existing labour laws. Subsequently, the Ministry of Labour & Employment issued draft Rules and FAQs to facilitate assessment of the financial implications arising from changes in the regulatory framework. Based on an assessment of the impact of these Codes, the Company has provided for an amount of ₹ 55.45 crores, as an exceptional item of a non recurring nature for the year ended March 31, 2026. This assessment and the above provision in the accounts are based on information currently available & the FAQs on key accounting implications arising from the Labour Codes issued by the Institute of Chartered Accountants of India.

Subsequent to the year-end, the Central Government has notified the Code on Wages (Central) Rules, 2026, however, the corresponding State Rules and certain other operational clarifications under the New Labour Codes are yet to be notified. The Company continues to monitor the notification of the remaining State Rules and clarifications, the impact, if any, of these will be accounted in accordance with applicable accounting standards.

34. FINANCE COSTS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense		
On bills discounting	**11.37**	8.82
On borrowings	**42.61**	28.20
Unwinding of discount on provisions	**5.47**	4.61
Interest on lease liabilities (refer note 51)	**12.08**	12.71
Total	**71.53**	54.34

35. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on property, plant and equipment (refer note 4)	**599.05**	514.10
Amortisation of intangible assets (refer note 6)	**175.14**	154.43
Depreciation of right-of-use assets (refer note 51)	**66.18**	60.80
Total	**840.37**	729.33

36. OTHER EXPENSES

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and machinery spares (including loose tools and packing material)	**347.99**	286.56
Loss on sale of property, plant and equipment and intangible assets	**4.14**	10.54
Power and fuel	**101.43**	89.53
Insurance	**55.99**	51.50
Repairs and maintenance		
Buildings	**9.61**	6.43
Plant and equipment	**71.43**	50.63
Others	**131.30**	110.15
Rates and taxes	**34.10**	17.22
Advertisement	**46.08**	108.35
Freight and handling charges	**385.05**	330.64
Provision for warranty (refer note 22)	**151.56**	81.06
Provision for onerous contract (refer note 22)	**11.44**	7.07
Other selling and distribution expenses	**967.84**	760.88
Expense related to short term leases	**89.84**	76.64
Legal and professional charges*	**111.85**	122.61
Travelling expenses	**159.98**	163.13
Development expenses	**33.66**	37.08
Corporate social responsibility expenditure (refer note 49)	**83.18**	66.68
Provision for credit impaired trade receivables and advances (including write off)	**0.09**	0.89
Miscellaneous expenses	**120.68**	92.42
Total	**2,917.24**	2,470.01

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

***Including payment to auditors as below (excluding GST):**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
As auditors:		
a) For audit	**0.62**	0.67
b) For limited reviews of unaudited financial results	**0.41**	0.36
Total	**1.03**	1.03
In other capacity:		
a) For other services - certifications and special purpose audits	**0.61**	0.46
b) For reimbursement of expenses	**0.09**	0.09
Total	**0.70**	0.55

37. INCOME TAX RECOGNIZED IN STATEMENT OF PROFIT AND LOSS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax		
In respect of the current year	**1,456.05**	1,120.54
Sub-total (A)	**1,456.05**	1,120.54
Deferred tax		
Relating to origination and reversal of temporary differences	**130.78**	78.09
Sub-total (B)	**130.78**	78.09
Total income tax expense recognized in the statement of profit and loss Total (A+B)	**1,586.83**	1,198.63

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax and after share of profit of Joint venture	**7,157.51**	5,933.07
Income tax expense calculated at 25.168% (previous year @ 25.168%)	**1,801.40**	1,493.24
Effect on long-term capital gain from investment in mutual funds	**(171.42)**	(217.45)
Effect of ESOP/RSU expenses not deductible in determining taxable profits	**12.87**	10.65
Effect due to change in fair valuation on mutual funds	**98.36**	35.87
Deferred tax asset created on carried forward business loss of subsidiary companies	**-**	2.36
Impact of share of profit of joint venture included in profit before tax	**(200.79)**	(176.13)
Effect of CSR Expenses	**20.93**	16.78
Effect of tax restriction on Research and Development Expenditure Credit and others	**25.48**	33.31
	1,586.83	1,198.63
Income tax expense recognized in statement of profit and loss	**1,586.83**	1,198.63
Income tax rate :		
Basic rate	**22.000%**	22.000%
Surcharge - 10% (applied on basic rate)	**2.200%**	2.200%
Cess - 4% (applied on basic plus surcharge)	**0.968%**	0.968%
	25.168%	25.168%

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Income tax recognized in other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Deferred tax charge/(benefit)		
Arising on income and expenses recognized in other comprehensive income:		
Exchange differences in translating the financial statements of foreign operations	**32.83**	5.70
Debt instruments through other comprehensive income	**(4.34)**	6.73
Remeasurement of defined benefit obligation	**1.49**	(2.45)
Change in fair value of equity instruments through other comprehensive income (including foreign exchange gains/(losses) on reinstatement)	**4.52**	(43.15)
Total income tax recognized in other comprehensive income **Total**	**34.50**	(33.17)
Bifurcation of the income tax recognized in other comprehensive income into:-		
Items that will be reclassified to profit or loss	**28.49**	12.43
Items that will not be reclassified to profit or loss	**6.01**	(45.60)
Total	**34.50**	(33.17)

38. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group accounting policies, which are described in note 3, the management of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements:-

Control over VE Commercial Vehicles Limited

VE Commercial Vehicles Limited (VECVL) is a joint venture Company of Eicher Motors Limited (EML) and Aktiebolaget Volvo (PUBL), Volvo (AB Volvo). EML holds 54.4% in VECVL, however, the composition of the Board of Directors for the management of VECVL is jointly controlled by both the investors i.e. EML and AB Volvo. Further, EML is also not meeting the criteria of control as given in Ind-AS 110, for e.g. EML exposure/ right to variable returns from its involvement in VECVL, ability to use its power over VECV to affect the amount of returns, etc. and therefore, VECVL is considered as joint venture instead of a subsidiary company for EML.

The arrangement shall be treated as a joint arrangement under Ind AS 111 "Joint Arrangements".

Ind AS 111 classifies joint arrangements into:

- Joint operations whereby the parties have joint control over the rights and obligations of the arrangement. It also includes an arrangement which is not structured through a separate vehicle.
- Joint venture whereby the parties have joint control over the net assets of the arrangement.

Joint Control has been described to be existing only when decisions about relevant activities require the unanimous consent of the parties that collectively control the arrangement. The contractual arrangement requires a minimum proportion of the voting rights to make relevant decisions.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

As per the above description, the arrangement between EML and AB Volvo shall be classified as a Joint Venture as it has been structured through a separate vehicle (i.e. VECVL) and also the parties do not have control over specific rights and obligations rather they have joint control over the net assets. (Refer note 3.2 and 8)

Recoverability of intangible assets and intangible assets under development

The Group has various internally generated intangible assets either capitalised or under development. Initial recognition of the expenditure under these assets are based on assessing each asset in relation to the specific recognition criteria to be met for capitalisation, for e.g. technological and economic feasibility and the ability of the asset to generate economic benefits in the future. In addition, the management also assesses any indicators of impairment of the carrying value of the assets. This requires the management's judgement and assumptions, which are affected by future market or economic developments. The management has analysed the recognition criteria and future market conditions and is confident that these assets do not require any adjustments to their carrying value at the year end. (Refer note 3.14 and 7)

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date. As at March 31, 2026 management assessed that the useful lives represent the expected utility of the assets to the Group. Further, there is no significant change in the useful lives as compared to previous year. (Refer note 3.13, 3.14, 4 and 6)

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 3.11 and 48.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. (Refer note 3.15)

Equity investments designated at FVTOCI

Equity instruments designated at fair value through OCI include investments in equity shares of Stark Future S.L.,. for a non-controlling interests of 9.99% (undiluted basis) as at March 31, 2026 (March 31, 2025: 10.88% (undiluted basis)). This investment was irrevocably designated at initial recognition as fair value through OCI considering it to be strategic in nature. (Refer note 3.19 and 9)

During the year ended March 31, 2026, the Company has recognized changes in fair value, including foreign exchange gains / (losses) on reinstatement, in respect of its investment in equity instruments carried at Fair value through Other comprehensive income.

39. RESEARCH AND DEVELOPMENT COSTS:

Research and development costs incurred during the year ended March 31, 2026 that are capitalized, aggregates to ₹ 567.95 crores (March 31, 2025: ₹ 463.08 crores). Research and development costs that are not eligible for capitalization have been expensed during the year ended March 31, 2026 of ₹ 186.74 crores (March 31, 2025: ₹ 149.64 crores), and they are recognized in other expenses.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

40. CONTINGENT LIABILITIES NOT PROVIDED FOR :

Particulars		As at March 31, 2026	As at March 31, 2025
a)	In respect of following:		
	- Excise duty matters	**18.69**	18.69
	- Sales tax matters	**6.96**	8.07
	- Service tax matters	**0.39**	0.39
	- Customs duty matters	**3.48**	3.48
	- Goods and Services tax	**14.77**	19.46
	- Direct tax matters	**15.99**	12.46
b)	Claims against the Group not acknowledged as debts*	**17.03**	19.38
c)	Guarantees given to bank/others	**6.49**	9.26
d)	Contingent liabilities arising from its interests in a joint venture	**301.58**	161.11

All the above matters are subject to legal proceedings in the ordinary course of business. The legal proceeding when ultimately concluded will not, in the opinion of management, have a material effect on the result of operations or the financial position of the Group.

*These are consumer related cases, based on management's evaluation and advised by the Group's legal counsels that those are only possible, but not probable, that the action will succeed. Accordingly, no provision for any liability has been made in these financial statements.

41. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	**100.34**	40.11
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	**-**	-
(iii)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	**-**	-
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	**0.01**	0.01
(v)	The amount of interest accrued and remaining unpaid at the end of each accounting year	**0.12**	0.11
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	**-**	-

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

42. EMPLOYEE BENEFIT PLANS

The details of various employee benefits provided to employees are as under:

A. Defined Contribution Plans

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Details of amount recognized as expense for defined contribution plans is given below:-		
a) Provident fund* (Government administered fund)	**13.59**	11.76
b) National Pension Scheme	**3.78**	2.52
c) Superannuation fund	**0.32**	0.32
d) Employee State Insurance Corporation	**0.03**	0.24
e) Other funds (National Insurance and Pension funds, to HMRC UK, as per UK laws, social security funds)	**46.27**	36.95
Total	**63.99**	51.79

B. Defined Benefit Plan

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Details of amount recognized as expense for defined benefit plans is given below:-		
Provident fund* (Eicher Executive Provident Fund Trust)	**13.12**	11.40

*Provident fund (Government administered and Trust managed) includes ₹ 3.10 crores (March 31, 2025: ₹ 2.35 crores) capitalized during the year and ₹ 13.90 crores (March 31, 2025: ₹ 9.17 crores) considered in intangible assets under development (pending capitalisation).

The Defined benefit plan of the Group includes entitlement of gratuity and provident fund scheme.

This plan typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest Risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2026 by Mr. K.K.Dharni (FIAI M.No. 00051), Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

Gratuity :

The gratuity plan is governed by the Payment of Gratuity Act, 1972 or the Code of Social Security, 2020. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. Generally, it aims to have a portfolio mix of equity instruments, and debt instruments. Generally, equity instruments should not exceed 15% of total portfolio. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

As the plan assets include significant investments in quoted equity shares of entities, the Company is also exposed to equity market risk to the extent of the proportionate investment made.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

The principal assumptions used for the purposes of the actuarial valuations were as follows :-

Principal assumptions:	Gratuity - Funded		Gratuity - Unfunded	
	As at March 31, 2026	As at March 31, 2025	**As at March 31, 2026**	As at March 31, 2025
Discount rate	**6.99%**	6.79%	**6.79%**	6.79%
Future salary increase	**12.00%**	12.00%	**12.00%**	12.00%
Retirement age	**58 years**	58 years	**58 years**	58 years
Rate of withdrawal	**8.75%**	8.75%	**8.75%**	8.75%
Mortality rates inclusive of provision for disability	**IALM (2012 - 14)**	IALM (2012 - 14)	**IALM (2012 - 14)**	IALM (2012 - 14)

Amounts recognized in statement of profit and loss in respect of these defined benefit plans are as follows :-

Particulars	Gratuity - Funded		Gratuity - Unfunded	
	For the year ended March 31, 2026	For the year ended March 31, 2025	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Service cost:				
Current service cost	**20.85**	13.59	**2.91**	2.98
Past service cost and (gain)/loss from settlements	**52.50**	-	**0.48**	10.56
Net Interest expense	**-**	-	**0.96**	0.37
Components of defined benefit costs recognized in profit or loss	**73.35**	13.59	**4.35**	13.91
Remeasurement on the net defined benefit liability:				
Return on plan assets (excluding amounts included in net interest expense)	**(2.42)**	1.10	**-**	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	**(2.92)**	4.20	**(0.36)**	0.88
Actuarial (gains)/ losses arising from experience adjustments	**0.26**	4.13	**(2.36)**	(0.60)
Components of defined benefit costs recognized in other comprehensive income	**(5.08)**	9.43	**(2.72)**	0.28
Total	**68.27**	23.02	**1.63**	14.19

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows :

Particulars	Gratuity - Funded		Gratuity - Unfunded	
	As at March 31, 2026	As at March 31, 2025	**As at March 31, 2026**	As at March 31, 2025
Present Value of funded defined benefit obligation	**192.73**	116.06	**15.82**	14.19
Fair value of plan assets	**192.73**	116.06	**-**	-
Net liability arising from defined benefit obligation	**-**	-	**15.82**	14.19

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Movements in the present value of the defined benefit obligation are as follows :-

Particulars	Gratuity - Funded		Gratuity - Unfunded	
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening defined obligation	**116.06**	90.57	**14.19**	-
Current service cost	**20.85**	13.59	**2.91**	2.98
Interest cost	**7.88**	6.48	**0.96**	0.37
Past service cost and (gain)/loss from settlements	**52.50**	-	**0.48**	10.56
Actuarial (gains)/ losses	**(2.66)**	8.33	**(2.72)**	0.28
Benefits paid	**(1.90)**	(2.91)	**-**	-
Closing defined benefit obligation	**192.73**	116.06	**15.82**	14.19

Movements in the fair value of the plan assets are as follows :-

Particulars	Gratuity - Funded	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening fair value of plan assets®	**116.06**	90.57
Interest income	**7.88**	6.48
Actuarial gains/ (losses)	**2.42**	(1.10)
Contribution	**68.27**	23.02
Benefit paid	**(1.90)**	(2.91)
Closing fair value of plan assets®	**192.73**	116.06

®Funds managed by EML Employees Company Gratuity Scheme (Trust).

The major categories of plan assets maintained with the approved insurance companies for EML Trust are as follows:
The Fair value of the plan assets at the end of reporting period for each category are as follows.

Particulars	As at March 31, 2026	As at March 31, 2025
Debt instruments categorized by issuers' credit rating:		
AAA/A1+/Government securities/Cash/Fixed yield instruments	**128.03**	102.79
AA+/AA	**7.57**	7.13
Deposits, Equity	**57.13**	6.14
Total	**192.73**	116.06

The fair values of the above instruments are determined based on quoted market prices in active market. The actual return on plan assets was ₹ 10.30 crores for the year ended March 31, 2026.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Gratuity funded

- If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by ₹ 8.17 crores (increase by ₹ 8.79 crores) [as at March 31, 2025: Decrease by ₹ 5.80 crores (increase by ₹ 6.31 crores)].
- If the expected salary growth increases (decreases) by 50 basis points, the defined benefit obligation would increase by ₹ 4.69 crores (decrease by ₹ 4.73 crores) [as at March 31, 2025: Increase by ₹ 5.97 crores (decrease by ₹ 5.57 crores)].

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Sensitivities due to change in mortality rate and change in withdrawal rate are not material and hence impact of such change is not calculated.

Gratuity unfunded

- If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by ₹ 0.88 crores (increase by ₹ 0.96 crores) [as at March 31, 2025: decrease by ₹ 0.82 crores (increase by ₹ 0.90 crores)].
- If the expected salary growth increases (decreases) by 50 basis points, the defined benefit obligation would increase by ₹ 0.78 crores (decrease by ₹ 0.75 crores) [as at March 31, 2025: increase by ₹ 0.74 crores (decrease by ₹ 0.71 crores)].

Sensitivity Analysis

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

The changes to principal assumptions on future salary increase and rate of withdrawal have been made to reflect the Company's trend of actual average salary increase and average attrition rates over the past years.

Other disclosures

Maturity profile of defined benefit obligation

Particulars	Gratuity - Funded		Gratuity - Unfunded	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Average duration of the defined benefit obligation (in years)	**9.30**	9.41	**9.71**	9.76

The estimated contribution during next year is ₹ 24.13 crores (March 31, 2025 : ₹ 14.64 crores) and ₹ 4.83 crores (March 31, 2025: ₹ 4.57 crores) to the funded and unfunded defined benefit plans respectively.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	Gratuity - Funded		Gratuity - Unfunded	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
0 to 1 year	**14.72**	6.81	**0.70**	0.62
1 to 2 year	**16.57**	10.83	**1.18**	1.03
2 to 3 year	**15.01**	9.22	**1.14**	1.03
3 to 4 year	**14.90**	8.39	**1.10**	0.98
4 to 5 year	**12.73**	8.28	**1.04**	0.92
5 to 6 year	**13.78**	7.13	**0.95**	0.85
6th year onwards	**105.02**	65.40	**9.71**	8.76
	192.73	116.06	**15.82**	14.19

Provident fund :

The Group operates a scheme of provident fund for eligible employees, which is a defined benefit plan. Both the employee and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Group contributes a part of the contributions to the "Eicher Executive Provident Fund Trust". The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

The principal assumptions used for the purposes of the actuarial valuations were as follows :-

Principal assumptions:	For the year ended March 31, 2026
Discount rate	7.60%
Expected statutory interest rate on the ledger balance	8.25%
Expected short fall in interest earnings on the fund	0.50%
Retirement age	58 years
Mortality rates inclusive of provision for disability	IALM (2012 - 14)

Amounts recognized in statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	For the year ended March 31, 2026
Service cost:	
Current service cost	11.54
Past service cost and (gain)/loss from settlements	-
Net Interest expense	-
Components of defined benefit costs recognized in profit or loss	11.54
Remeasurement on the net defined benefit liability:	
Return on plan assets (excluding amounts included in net interest expense)	1.60
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(0.03)
Actuarial (gains)/ losses arising from experience adjustments	0.31
Components of defined benefit costs recognized in other comprehensive income	1.88
	13.42

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31, 2026
Present Value of funded defined benefit obligation	262.02
Fair value of plan assets	258.56
Net liability arising from defined benefit obligation	3.46

Movements in the present value of the defined benefit obligation are as follows:

Particulars	For the year ended March 31, 2026
Opening defined obligation	229.42
Current service cost	11.54
Contributions by plan participants / employees	16.06
Interest cost	18.89
Past Service Cost including curtailment Gains/Losses	-
Actuarial (gains)/ losses	0.28
Benefits paid	(18.53)
Settlements/Transfer In	4.36
Closing defined benefit obligation	262.02

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Movements in the fair value of the plan assets are as follows :-

Particulars	For the year ended March 31, 2026
Opening fair value of plan assets®	**227.84**
Actual return on plan assets	**17.29**
Employer contribution	**11.54**
Plan Participants / Employee Contribution	**16.06**
Benefits paid	**(18.53)**
Settlements / Transfer In	**4.36**
Closing fair value of plan assets®	**258.56**

®Funds managed by Eicher Executive Provident Fund (Trust).

The Fair value of the plan assets at the end of reporting period for each category are as follows.

Particulars	As at March 31, 2026
Government securities	**141.12**
High quality Corporate Bonds - Public sector	**76.66**
High quality Corporate Bonds - Private sector	**15.98**
Others	**24.78**
Total	**258.54**

The fair values of the above instruments are determined based on quoted market prices in active market. The actual return on plan assets was ₹ 17.29 crores for the year ended March 31, 2026.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by ₹ 0.05 crores (increase by ₹ 0.05 crores)

Sensitivities due to change in mortality rate and change in withdrawal rate are not material and hence impact of such change is not calculated.

Other disclosures

Maturity profile of defined benefit obligation

The following are expected payments to the defined benefit plan in future years:

Particulars	As at March 31, 2026
Within the next 12 months (next annual reporting period)	**45.52**
Between 2 and 5 years	**10.91**
Between 5 and 10 years	**32.06**
Beyond 10 years	**173.53**
	262.02

The Company expects to fund ₹ 11.83 crores toward its trust-managed providend fund plan during the year 2026-27.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

43. EARNINGS PER SHARE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share (in ₹)	**201.09**	172.76
Diluted earnings per share (in ₹)	**200.73**	172.37
Basic earnings per share		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.		
Net Profit for the year	**5,515.23**	4,734.44
Weighted average number of equity shares for the purposes of basic earnings per share	**27,42,68,798**	27,40,50,145
Diluted earnings per share		
The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows.		
Net Profit for the year	**5,515.23**	4,734.44
Weighted average number of equity shares for the purposes of basic earnings per share	**27,42,68,798**	27,40,50,145
Shares deemed to be issued for no consideration in respect of :		
- employee stock option plan / restricted stock units plan	**4,94,518**	6,12,118
Weighted average number of equity shares for the purposes of diluted earnings per share	**27,47,63,316**	27,46,62,263

44. SEGMENT REPORTING DISCLOSURE

The Group primarily operates in the automotive segment. The automotive segment includes all activities related to development, design, manufacture, assembly and sale of two-wheelers as well as sale of related parts and accessories.

As defined in Ind AS 108, the chief operating decision maker (CODM), evaluates the Group's performance, allocate resources based on the analysis of the various performance indicator of the Group as a single unit. Therefore, there is no reportable segment for the Group as per the requirement of Ind AS 108 "Operating Segments".

Geographical information

The "Geographical Segments" comprises of domestic segment which includes sales to customers located in India and the overseas segment includes sales to customers located outside India.

Particulars	Domestic	Overseas	Total
Revenue from operations			
For the year ended March 31, 2026	**19,916.28**	**3,491.28**	**23,407.56**
For the year ended March 31, 2025	16,142.49	2,727.86	18,870.35
Non-current segment assets			
As at March 31, 2026	**3,634.36**	**1,289.86**	**4,924.22**
As at March 31, 2025	3,124.86	991.93	4,116.79

a) Domestic segment includes sales and services to customers located in India.

b) Overseas segment includes sales and services rendered to customers located outside India.

c) Non-current segment assets represents total non current assets excluding non current financial assets.

d) The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue have been identified to segments on the basis of their relationship to the operating activities of the segment.

Information about major customers

No customer individually accounted for more than 10% of the revenue.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

45. RELATED PARTY DISCLOSURES UNDER IND AS 24

a. Related party disclosures

Name of related parties and their relationship:

Name of related party		Nature of Relationship	Principal place of business
VE Commercial Vehicles Limited	(VECVL)	54.40% Joint venture company (March 31, 2025: 54.40%)	New Delhi, India
VECV Lanka (Private) Limited	(VECV Lanka)	100% Subsidiary company of VECVL (March 31, 2025: 100%)	Colombo, Srilanka
VECV South Africa (PTY) Ltd.	(VECV Africa)	100% Subsidiary company of VECVL (March 31, 2025: 100%)	Centurion, South Africa
VE Electro-Mobility Limited	(VEEM)	100% Subsidiary company of VECVL (March 31, 2025: 100%)	New Delhi, India
VE Connected Solutions Limited	(VECS)	51% Subsidiary company of VECVL (March 31, 2025: 51%)	New Delhi, India
PT VECV Automotive Indonesia	(PT VECV)	99.99% Subsidiary company of VECVL (March 31, 2025: 99.99%)	North Jakarta, Indonesia
Eicher Polaris Private Limited	(EPPL)	50% Joint venture company (March 31, 2025: 50%)	New Delhi, India
Eicher Group Foundation	(EGF)	50% Joint venture company (March 31, 2025: 50%)	New Delhi, India
Eicher Goodearth Private Limited	(EGPL)	Entity under the control of the key management personnel	New Delhi, India
Eicher Goodearth India Private Limited	(EGIPL)	Entity under the control of the key management personnel	New Delhi, India
Nicobar Design Private Limited	(NDPL)	Entity under the control of the key management personnel	New Delhi, India
Eicher Executive Provident Fund Trust	(EEPF)	Post employment benefit plan	Haryana, India
Eicher Tractors Executive Staff Superannuation Fund	(ETESSF)	Post employment benefit plan	Haryana, India
Eicher Motors Limited Employees Gratuity Trust	(EMLEGT)	Post employment benefit plan	New Delhi, India
The Simran Siddhartha Tara Benefit Trust	(SSTBT)	Executive Chairman is a trustee	New Delhi, India
Sunshine Automobiles		Directors' relative is a partner	New Delhi, India
Shardul Amarchand Mangaldas & Co.		Director is a partner	New Delhi, India
Mr. Vikram Lal		Relative of KMP	

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

b. Key management personnel:

Mr. Siddhartha Lal	Managing Director (upto February 12, 2025) Executive Chairman (w.e.f. February 13, 2025)
Mr. B Govindarajan	Whole-time Director & Chief Executive Officer of Royal Enfield (upto February 12, 2025) Managing Director (w.e.f. February 13, 2025)
Mr. S. Sandilya	Chairman (upto February 12, 2025)
Ms. Manvi Sinha	Independent Director (upto February 12, 2025)
Mr. Inder Mohan Singh	Independent Director
Mr. S. Madhavan	Independent Director
Mr. Tejpreet Chopra	Independent Director
Ms. Ira Gupta	Independent Director (w.e.f. February 10, 2025)
Mr. Arun Vasu	Independent Director (w.e.f. February 13, 2025)
Mr. Vinod Aggarwal	Non-executive Director (upto February 12, 2025) Vice Chairman (Non-executive w.e.f. February 13, 2025) Vice-Chairman (Executive w.e.f May 21, 2026)
Ms. Vidhya Srinivasan	Chief Financial Officer
Mr. Atul Sharma	Company Secretary

c. Transactions with the key management personnel during the year:

Particulars	Nature of transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
Reumuneration to key management personnel	Short-term benefits	**26.60**	31.54*
	Post-employment benefits	**0.40**	0.23
	Other long-term benefits	**0.25**	0.18
	Share-based payments	**2.25**	10.97
	Sitting fees	**0.51**	0.28
	Commission	**10.50**	16.16
		40.51	59.36

*Remuneration includes National Insurance payable on fixed salary and commission and pension payable on fixed salary, to HMRC UK, as per UK laws

Post-employment benefits and other long-term benefits mentioned above were accrued and not paid as on March 31, 2026

d. Transactions with the related parties

Name of related party	Nature of transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
VE Commercial Vehicles Limited	Purchase of raw materials and components / services	**296.81**	250.37
	Corporate service charges	**3.34**	2.69
	Discount on bills	**34.14**	36.01
	Recovery of Share based payments	**22.17**	9.80
Eicher Polaris Private Limited	Expenses reimbursed/reimbursable by the Company	**0.01**	0.03
Eicher Goodearth Private Limited	Corporate service charges	**1.07**	1.15
	Rent	**4.69**	4.36
	Expenses reimbursed/reimbursable to the Company	**0.76**	0.18
Eicher Goodearth India Private Limited	Brand fees	**5.00**	5.00
Eicher Group Foundation	Contributions made towards Corporate social responsibility	**79.64**	74.66
	Surplus income on Corporate social responsibility expenditure	**0.07**	0.11
Eicher Executive Provident Fund Trust	Contribution to provident fund (Employer's share only)	**13.12**	11.40

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Name of related party	Nature of transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
Eicher Tractors Executive Staff Superannuation Fund	Contribution to superannuation fund	**0.26**	0.26
Eicher Motors Limited Employees Gratuity Trust	Contribution to gratuity fund (including one-time impact of ₹ 55.45 crores, refer note 33)	**68.27**	23.02
	Benefits paid by the Trust on behalf of the Company	**(1.90)**	(2.91)
Sunshine Automobiles	Sale of products	**54.13**	46.25
	Payment for Free service coupon and warranty claims	**1.62**	1.42
	Expenses reimbursed/reimbursable to the Company	**0.76**	0.09
Shardul Amarchand Mangaldas & Co.	Legal and professional charges	**0.47**	0.35
Mr. Vikram Lal	Expenses reimbursed/reimbursable to the Company	**0.02**	-

e. Balance outstanding at the year end

Name of related party	Nature	As at March 31, 2026	As at March 31, 2025
VE Commercial Vehicles Limited	Trade payables	**51.07**	52.42
	Bills discounted*	**451.20**	445.92
* The balance at any point of time during the year was within the overall sanction limit of ₹ 550 crores			
Eicher Polaris Private Limited	Trade payables	**0.31**	0.04
Eicher Group Foundation	Receivable of unspent CSR fund (including surplus)	**1.48**	0.59
Eicher Goodearth Private Limited	Security deposits receivable	**1.09**	1.09
	Corporate service charges	**0.25**	0.25
	Expenses reimbursable to the Company	**0.06**	0.06
Eicher Goodearth India Private Limited	Trade payables	**5.00**	5.00
Key management personnel	Commission payable	**8.00**	13.84
	Variable pay	**5.72**	3.88
	Post-employment benefits	**5.48**	5.19
Independent Directors	Sitting fee	**-**	0.01
	Commission payable	**2.50**	2.33
Sunshine Automobiles	Security deposit payable	**0.02**	0.02
	Advances received towards vehicles, spares, apparel and accessories sales	**0.52**	0.29
Eicher Executive Provident Fund Trust	Contribution to provident fund (Employer's share only)	**1.08**	0.95
Eicher Tractors Executive Staff Superannuation Fund	Contribution to superannuation fund	**0.02**	0.02

Terms and conditions of transactions with related parties

All transactions from related parties are in the normal course of business and in terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2026, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025 : ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The Group has a credit period of 45 days with respect to payables to VE Commercial Vehicles Limited.
Brand fees payable to Eicher Goodearth India Private Limited upon approval by Shareholders at its Annual General Meeting.
Rent payable to Eicher Goodearth India Private Limited on due basis.
The Group has a credit period of 0 to 90 days with respect to payables to related parties.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

46. FINANCIAL INSTRUMENTS

46.1 Capital Management

The Group manages its capital to ensure that the Group will be able to continue as going concern while maximizing the return to stakeholders through efficient allocation of capital towards expansion of business, optimization of working capital requirements and deployment of surplus funds into various investment options. The Group uses the operational cash flows and equity to meet its capital requirements.

The Group is not subject to any externally imposed capital requirements.

The management of the Group reviews the capital structure of the Group on regular basis. As part of this review, the management of the Group considers risks associated with the movement in the working capital.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2026 and March 31, 2025.

There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings (refer note 20)	**319.01**	266.47
Less: cash and cash equivalents (refer note 14)	**(234.29)**	(218.96)
Net debt	**84.72**	47.51
Share capital	**27.43**	27.42
Other equity	**25,072.72**	21,269.07
Total Equity	**25,100.15**	21,296.49
Gearing ratio	**0.34%**	0.22%

46.2 Categories of financial instruments (fair value disclosures)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets at fair value through profit or loss		
Non-current		
Investments in equity	**8.21**	8.21
Investments in mutual funds	**7,182.30**	7,256.56
Current		
Investments in mutual funds	**1,292.39**	805.07
Financial assets at fair value through other comprehensive income		
Non-current		
Investments in mutual funds	**2,394.76**	3,179.86
Investments in equity	**172.90**	141.30
Current		
Investments in mutual funds	**1,153.12**	-
Financial assets at amortized cost		
Non-current		
Investments in bonds	**1,182.31**	216.57
Other financial assets	**2,936.60**	2,070.40
Current		
Investments in bonds	**386.46**	42.48
Trade receivables	**353.51**	549.64

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents	**234.29**	218.96
Bank balances other than cash and cash equivalents	**21.75**	44.05
Loans / Bill discounting	**451.24**	445.96
Other financial assets	**3,025.96**	2,868.12
Financial liabilities at amortized cost		
Non-current		
Borrowings	**201.63**	184.36
Lease liabilities	**129.12**	123.81
Other financial liabilities	**16.00**	29.24
Current		
Borrowings	**117.38**	82.11
Lease liabilities	**65.82**	67.85
Trade payables	**2,738.44**	2,529.75
Other financial liabilities	**539.55**	354.85

Fair values of above financial instruments are not disclosed separately, as the carrying values of the current financial instruments disclosed above are reasonable approximations of the fair value and non-current financial instruments are carried at fair value.

46.3 Fair value measurements

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorizing the financial instruments measured at fair value into Level 1 to Level 3 :-

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Quantitative disclosures fair value measurement hierarchy for assets:

There are certain Group's financial assets which are measured at fair value at the end of each reporting period. Following table gives information about how the fair values of these financial assets are determined:-

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	Fair value as at March 31, 2026		
	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss			
Non-current			
Investments in equity*	**-**	**-**	**8.21**
Investments in mutual funds	**7,182.30**	**-**	**-**
Current			
Investments in mutual funds	**1,292.39**	**-**	**-**
Financial assets at fair value through other comprehensive income			
Non-current			
Investments in mutual funds	**2,394.76**	**-**	**-**
Investments in equity#	**-**	**-**	**172.90**
Current			
Investments in mutual funds	**1,153.12**	**-**	**-**

Particulars	Fair value as at March 31, 2025		
	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss			
Non-current			
Investments in equity*	-	-	8.21
Investments in mutual funds	7,256.56	-	-
Current			
Investments in mutual funds	805.07	-	-
Financial assets at fair value through other comprehensive income			
Non-current			
Investments in mutual funds	3,179.86	-	-
Investments in equity#	-	-	141.30

*represents the investments in equity of Flamesun Solar Private Limited. As per the share purchase agreement between the Company and these parties, in case of termination or as the case may be, the Company shall transfer the equity shares to the person nominated by each party (Nominated person) as may be prescribed and consideration to receive in this regard shall be the same amount as paid by the Company towards purchase of these equity investments (cost of purchase).

#Valuation inputs

Particulars	March 31, 2026	March 31, 2025
Valuation method	**Comparable Transactions Multiple**	Comparable Transactions Multiple
Target multiple (Enterprise value / Sales)	**1.7x**	3.0x

Sensitivity Analysis

Particulars	Change in multiple	March 31, 2026	March 31, 2025
Significant Unobservable Input:			
Revenue multiple - 1.7x (Previous year - 3.0x)	+0.1x	**11.99**	7.39
	-0.1x	**(11.99)**	(7.39)

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed out in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

Particulars	March 31, 2026		March 31, 2025	
	Carrying amount	Fair value (Level 1)	Carrying amount	Fair value (Level 1)
Financial assets at amortized cost				
Non-current				
Investments in bonds	**1,182.31**	**1,169.70**	216.57	219.46
Current				
Investments in bonds	**386.46**	**339.66**	42.48	42.71

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

- Investments traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house.
- The fair value of bonds is based on quoted prices and market observable inputs.
- Trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, current borrowings, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Group could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.
- There were no transfers between Level 1, Level 2 and Level 3 during the year and the previous year.

47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's management monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.
The management reviews cash resources, implements strategies for foreign currency exposures and ensuring market risk limit and policies.

The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates risk/ liquidity risk which impact returns on investments. Market risk exposures are measured using sensitivity analysis.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(Amount in foreign currency in crores)

Foreign currency exposure	As at March 31, 2026		As at March 31, 2025	
	Foreign currency monetary assets	Foreign currency monetary liabilities	Foreign currency monetary assets	Foreign currency monetary liabilities
USD	**5.17**	**0.47**	8.12	4.73
EURO	**1.98**	**0.15**	2.63	0.26
GBP	**0.67**	**0.19**	0.82	0.20
JPY	**-**	**9.21**	-	9.84
THB	**8.65**	**0.98**	9.32	1.95
BRL	**27.70**	**-**	-	-
IDR	**-**	**-**	-	2.10
AUD	**-**	**0.04**	-	-
RUB	**-**	**0.67**	-	-
MAD	**-**	**0.01**	-	-
RMB/CNY	**-**	**0.23**	-	-
CAD	**0.03**	**-**	-	-

The Group is mainly exposed to USD, EURO, GBP and BRL.

Foreign currency sensitivity

The Group uses the sensitivity rate of 5% when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. In the opinion of the management, the sensitivity of increase or decrease of ₹ 61.88 crores (March 31, 2025: ₹ 30.13 crores) against the relevant foreign currencies is not material to the financial statements.

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Change in rate	Effect on profit before tax	Change in rate	Effect on profit before tax
USD	**5%**	**22.24**	5%	14.51
	(5%)	**(22.24)**	(5%)	(14.51)
EURO	**5%**	**9.97**	5%	10.90
	(5%)	**(9.97)**	(5%)	(10.90)
GBP	**5%**	**2.98**	5%	3.44
	(5%)	**(2.48)**	(5%)	(3.44)
JPY	**5%**	**0.27**	5%	0.28
	(5%)	**(0.27)**	(5%)	(0.28)
THB	**5%**	**1.10**	5%	0.93
	(5%)	**(1.10)**	(5%)	(0.93)
BRL	**5%**	**24.87**	5%	-
	(5%)	**(24.87)**	(5%)	-
IDR	**5%**	**-**	5%	0.00
	(5%)	**-**	(5%)	(0.00)

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Change in rate	Effect on profit before tax	Change in rate	Effect on profit before tax
AUD	**5%**	**0.13**	5%	-
	(5%)	**(0.13)**	(5%)	-
RUB	**5%**	**0.04**	5%	-
	(5%)	**(0.04)**	(5%)	-
MAD	**5%**	**0.01**	5%	-
	(5%)	**(0.01)**	(5%)	-
RMB/CNY	**5%**	**0.16**	5%	-
	(5%)	**(0.16)**	(5%)	-
CAD	**5%**	**0.11**	5%	-
	(5%)	**(0.11)**	(5%)	-

Equity price risk

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/ bonds, trade receivables, loans and advances. None of the financial instruments of the Group result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

The Group has used a practical expedient by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information.

Movement in impairment allowance – Trade receivable

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at beginning of the year	**6.39**	5.88
Add: Provided during the year	**0.09**	0.89
Less: Reversals of provision / amounts written off	**(0.64)**	(0.38)
Balance at end of the year	**5.84**	6.39

Other price risks

The Group has deployed its surplus funds into various financial instruments including units of mutual funds, bonds, etc. The Group is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in interest rates, liquidity and credit quality of underlying securities.

NAV price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to NAV price risks at the end of the reporting period. If NAV prices had been 1% higher/lower, the profit for the year ended March 31, 2026 would increase/decrease by ₹ 120.23 crores (for the year ended March 31, 2025: increase/decrease by ₹ 112.41 crores).

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. Since the Group's borrowings which are affected by interest rate fluctuation is very insignificant to the size and operations of the Group, therefore, a change in interest rate risk does not have a material impact on the Group's financial statements in relation to fair value of financial instruments.

Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Maturity profile of financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

Particulars	As at March 31, 2026			
	Less than 1 year	1 to 5 years	More than 5 Years	Total
Non-current				
(i) Borrowings (undiscounted)	**-**	**-**	**339.42**	**339.42**
(ii) Lease liabilities (undiscounted)	**-**	**116.87**	**36.77**	**153.64**
(iii) Other financial liabilities	**-**	**-**	**16.00**	**16.00**
Current				
(i) Borrowings	**117.38**	**-**	**-**	**117.38**
(ii) Lease liabilities (undiscounted)	**73.63**	**-**	**-**	**73.63**
(iii) Trade payables	**2,738.44**	**-**	**-**	**2,738.44**
(iv) Other financial liabilities	**539.55**	**-**	**-**	**539.55**

Particulars	As at March 31, 2025			
	Less than 1 year	1 to 5 years	More than 5 Years	Total
Non-current				
(i) Borrowings (undiscounted)	-	-	333.39	333.39
(ii) Lease liabilities (undiscounted)	-	133.37	13.67	147.04
(iii) Other financial liabilities	-	-	29.24	29.24
Current				
(i) Borrowings	82.11	-	-	82.11
(ii) Lease liabilities (undiscounted)	73.54	-	-	73.54
(iii) Trade payables	2,529.75	-	-	2,529.75
(iv) Other financial liabilities	354.85	-	-	354.85

The surplus funds with the Group and operational cash flows will be sufficient to dispose the financial liabilities with in the maturity period.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

48. SHARE-BASED PAYMENTS

Employee Stock Option Plan, 2006 of the Company

Pursuant to the approval accorded by shareholders at their Annual General Meeting held on July 5th 2006, the Nomination and Remuneration Committee of the Company formulated Employee Stock Option Plan 2006' ("ESOP, 2006") of the Company.

ESOP, 2006 is applicable to all permanent and full-time employees (as defined in the Plan), excluding employee who is a Promoter or belonging to Promoter Group of the Company and other exclusions as per SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time ("SEBI Regulations"). The eligibility of employees to receive grants under the Plan is decided by the Nomination and Remuneration Committee, from time to time at its sole discretion.

Vesting of the options shall take place in the manner as may be determined by the Nomination and Remuneration Committee at the time of grant, provided, the vesting period shall not be less than 1 year from the date of grant or such other period as may be prescribed, from time to time, under the aforesaid SEBI Regulations.

Vesting of options shall be subject to the conditions that the Grantee shall be in continuous employment with the Company (or its subsidiary company, as the case may be) and subject to such other conditions and exceptions as provided under Company's ESOP, 2006.

The Exercise Price of each grant is determined by the Nomination and Remuneration Committee at the time of grant, provided that the Exercise Price shall not be less than the closing market price of the shares of the Company on NSE/BSE on the day preceding the date of grant of Options.

The options vested can be exercised at any time until completion of seven years from the date of vesting. Any options remaining not exercised at the end of the exercise period shall lapse. At the time of exercise, the participant may pay the exercise price in the form as approved by the Nomination and Remuneration Committee in accordance with the terms of the ESOP, 2006.

Each stock option, when exercised, is convertible into one equity share of the Company. No amount is payable by the option grantee on grant of option. The options carry neither rights to dividends nor voting rights until they are exercised & converted into shares.

Details of the Employee Stock Option Plan, 2006 of the Company

The following share-based payment arrangements were in existence during the current year and previous year :

Option series	Number	Grant date	Vesting period	Expiry date	Exercise Price ₹	Fair value of options at grant date ₹
(viii)	1,60,000	11-Aug-14	3-5 Years	10-Aug-24	847.75	433.63
(x)	20,000	12-Jan-15	1 Year	11-Jan-25	1,473.90	762.66
(x)	2,03,000	12-Jan-15	3-5 Years	11-Jan-25	1,473.90	739.39
(xii)	5,30,000	8-May-15	3-5 Years	7-May-25	1,480.70	774.20
(xiii)	65,900	21-Jul-15	3-5 Years	20-Jul-25	2,124.80	1,111.25
(xiv)	78,000	6-Nov-15	3-5 Years	5-Nov-25	1,767.80	901.05
(xv)	42,000	5-Feb-16	3-5 Years	4-Feb-26	1,689.40	856.59
(xvi)	24,000	27-Apr-16	3-5 Years	26-Apr-26	2,014.80	1,005.58
(xvii)	21,000	28-Jul-16	3-5 Years	27-Jul-26	2,034.00	1,043.71
(xviii)	30,000	28-Oct-16	3-5 Years	27-Oct-26	2,449.20	1,175.40
(xxi)	13,500	9-Aug-17	3-5 Years	8-Aug-27	3,212.10	1,497.35
(xxii)	15,000	14-Nov-17	3-5 Years	13-Nov-27	3,058.50	1,452.09
(xxx)	36,000	1-Aug-19	3-5 Years	31-Jul-31	1,634.90	745.52
(xxxi)	82,500	6-May-20	3-5 Years	5-May-32	1,381.10	446.24
(xxxii)	4,27,500	6-May-20	3 Years	5-May-30	1,381.10	386.16

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Option series	Number	Grant date	Vesting period	Expiry date	Exercise Price ₹	Fair value of options at grant date ₹
(xxxiv)	10,000	10-Feb-21	3 Years	9-Feb-31	2,948.00	875.95
(xxxv)	3,28,500	27-May-21	3 Years	26-May-31	2,634.00	782.21
(xxxvi)	2,00,000	27-May-21	3-4 Years	26-May-31	2,634.00	829.69
(xxxvii)	50,000	3-Nov-21	3 Years	2-Nov-31	2,543.00	744.18
(xxxviii)	50,000	10-Feb-25	5 Years	9-Feb-35	5,373.00	1,993.51
(xxxviii)	50,000	10-Feb-25	6 Years	9-Feb-36	5,373.00	2,239.95
(xxxviii)	50,000	10-Feb-25	7 Years	9-Feb-37	5,373.00	2,435.84

Fair value of share options granted in the year

The weighted average fair value of the share options granted during the financial year is ₹ Nil (March 31, 2025 : ₹ 2,223.10). Options were priced using Black Scholes options pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting market conditions attached to the option), and behavioural considerations. Expected Volatility was determined by taking the daily volatility of the share price on NSE, over a period prior to the date of grant, corresponding to the expected life of the options for each vesting.

Inputs into the Black Scholes options pricing model

	Option series		
Particulars	(xxxv)	(xxxvi)	(xxxvii)
Grant date share price (₹)	5,373.00	5,373.00	5,373.00
Exercise price (₹)	5,373.00	5,373.00	5,373.00
Expected volatility	32.07%	31.90%	30.66%
Option life	7 Years	6 Years	5 Years
Dividend yield	0.72%	0.72%	0.72%
Risk-free interest rate	6.83%	6.75%	6.74%

Movements in share options during the year

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Number of options	Weighted average exercise price ₹	Number of options	Weighted average exercise price ₹
Balance at beginning of the year	**3,77,680**	**1,949.49**	5,90,130	2,369.40
Granted during the year	**-**	**-**	1,50,000	5,372.55
Forfeited during the year	**-**	**-**	(4,000)	2,764.54
Exercised during the year	**(65,224)**	**1,885.42**	(3,58,450)	2,423.94
Balance at end of the year	**3,12,456**	**1,267.61**	3,77,680	1,949.49
Exercisable at the end of the year	**1,62,456**	**2,438.02**	1,77,680	2,180.02

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Effect of share-based payment transactions on the entity's Profit or Loss:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Share-based payments	**5.68**	3.99

Share options exercised during the year

The following share options were exercised during the year and previous year:

Option series		Number exercised	Exercise date	Exercise Price ₹
For the year ended March 31, 2026				
(viii)	Granted on Aug 11, 2014	**5,000**	**14-May-25**	**847.75**
(xii)	Granted on May 8, 2015	**4,750**	**14-May-25**	**1,480.70**
(xv)	Granted on February 5, 2016	**500**	**14-May-25**	**1,689.40**
(xxi)	Granted on August 9, 2017	**4,000**	**14-May-25**	**3,212.10**
(xxxv)	Granted on May 27, 2021	**6,810**	**14-May-25**	**2,634.00**
(xii)	Granted on May 8, 2015	**5,400**	**31-Jul-25**	**1,480.70**
(xxxii)	Granted on May 6, 2020	**9,950**	**31-Jul-25**	**1,381.10**
(xxxv)	Granted on May 27, 2021	**5,500**	**31-Jul-25**	**2,634.00**
(xii)	Granted on May 8, 2015	**5,380**	**13-Nov-25**	**1,480.70**
(xxi)	Granted on August 9, 2017	**1,667**	**13-Nov-25**	**3,212.10**
(xxxii)	Granted on May 6, 2020	**5,000**	**13-Nov-25**	**1,381.10**
(xxxv)	Granted on May 27, 2021	**1,900**	**13-Nov-25**	**2,634.00**
(xxxi)	Granted on May 6, 2020	**5,000**	**10-Feb-26**	**1,381.10**
(xxxv)	Granted on May 27, 2021	**1,900**	**10-Feb-26**	**2,634.00**
(xv)	Granted on February 5, 2016	**800**	**10-Feb-26**	**1,689.40**
(xxi)	Granted on August 9, 2017	**1,667**	**10-Feb-26**	**3,212.10**
		65,224		
Weighted average exercise price (₹)		**1,885.42**		

Option series		Number exercised	Exercise date	Exercise Price ₹
For the year ended March 31, 2025				
(xii)	Granted on May 8, 2015	7,120	11-May-24	1,480.70
(xv)	Granted on February 5, 2016	500	11-May-24	1,689.40
(xvii)	Granted on July 28, 2016	3,200	11-May-24	2,034.00
(xxi)	Granted on August 9, 2017	4,500	11-May-24	3,212.10
(xii)	Granted on November 14, 2017	15,000	11-May-24	3,058.50
(xxxii)	Granted on May 6, 2020	9,600	11-May-24	1,381.10
(xxxv)	Granted on May 27, 2021	1,14,965	11-May-24	2,634.00
(xxxvi)	Granted on May 27, 2021	50,000	11-May-24	2,634.00

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Option series		Number exercised	Exercise date	Exercise Price ₹
(xvii)	Granted on July 28, 2016	1,800	7-Aug-24	2,034.00
(xxx)	Granted on August 1, 2019	12,000	7-Aug-24	1,634.90
(xxxii)	Granted on May 6, 2020	5,770	7-Aug-24	1,381.10
(xxxv)	Granted on May 27, 2021	30,625	7-Aug-24	2,634.00
(xii)	Granted on May 8, 2015	4,600	10-Nov-24	1,480.70
(xxxii)	Granted on May 6, 2020	4,000	10-Nov-24	1,381.10
(xxxv)	Granted on May 27, 2021	13,150	10-Nov-24	2,634.00
(xxxvii)	Granted on November 3, 2021	50,000	10-Nov-24	2,543.00
(viii)	Granted on August 11, 2014	5,000	5-Feb-25	847.75
(xv)	Granted on February 5, 2016	600	5-Feb-25	1,689.40
(xxxii)	Granted on May 6, 2020	4,000	5-Feb-25	1,381.10
(xxxv)	Granted on May 27, 2021	8,300	5-Feb-25	2,634.00
(xxxv)	Granted on May 27, 2021	3,350	20-Mar-25	2,634.00
(xii)	Granted on May 8, 2015	10,370	20-Mar-25	1,480.70
		3,58,450		
Weighted average exercise price (₹)		2,423.94		

Share options outstanding at end of the year

Options series		Options outstanding		Remaining contractual life in years		Exercise Price ₹
		As at March 31, 2026	As at March 31, 2025	**As at March 31, 2026**	As at March 31, 2025	
(viii)	11-Aug-14	**-**	5,000	**-**	-	847.75
(xii)	8-May-15	**2,510**	18,040	**-**	0.10	1,480.70
(xv)	5-Feb-16	**3,700**	5,000	**-**	0.84	1,689.40
(xxi)	9-Aug-17	**1,666**	9,000	**1.35**	2.35	3,212.10
(xxxii)	6-May-20	**21,080**	41,030	**4.10**	5.10	1,381.10
(xxxv)	27-May-21	**83,500**	99,610	**5.15**	6.15	2,634.00
(xxxvi)	27-May-21	**50,000**	50,000	**5.15**	6.15	2,634.00
(xxxviii)	10-Feb-25	**1,50,000**	1,50,000	**8.87**	9.87	5,373.00
		3,12,456	3,77,680			

Restricted Stock Units Plan, 2019 ("RSU 2019")

Pursuant to approval accorded by shareholders at their Annual General Meeting held on August 1, 2019, the Nomination and Remuneration Committee of the Company formulated 'Eicher Motors Limited - Restricted Stock Units Plan 2019' ("RSU Plan 2019") for grant of Restricted Stock Units ("RSU"), in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time ("SEBI Regulations").

RSU Plan 2019 is applicable to (i) a permanent employee of the Company working in India or outside India; or (ii) a Director of the Company, whether whole-time or not; and (iii) an employee, as defined in (i) or (ii) of this Para, of a Subsidiary Company (including joint venture), in India or outside India, excluding such category of persons as defined under RSU Plan 2019 of the Company and/or SEBI Regulations. The eligibility of employees or eligibility criteria to receive grants under RSU Plan 2019 is decided by Nomination and Remuneration Committee, from time to time.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

The Nomination and Remuneration Committee shall specify the vesting criteria based on continued employment with the Company (or its subsidiary / joint venture, as the case may be) and/or certain performance criteria to be fulfilled for vesting of RSU and/or any other criteria as it may deems fit and subject to such other conditions and exceptions as provided under RSU Plan, 2019.

Vesting of RSU shall take place in the manner as may be determined by the Nomination and Remuneration Committee at the time of grant, provided that the vesting shall not take place earlier than minimum vesting period of one year but not later than maximum vesting period of seven years from the date of grant of such RSU.

Exercise Price of each grant shall be the face value of the share as on date of exercise of RSU. The exercise period of a vested RSU shall be a maximum of seven years from the date of vesting of RSU, or such other shorter period as may be prescribed by the Nomination and Remuneration Committee at time of Grant and as set out in the letter of Grant, subject to such other conditions and exceptions as provided under Company's RSU Plan, 2019. Any RSU remaining not exercised at the end of the exercise period shall lapse. At the time of exercise, the participant may pay the exercise price in a form as approved by the Nomination and Remuneration Committee in accordance with the terms of the RSU Plan, 2019.

Each RSU, when exercised, is convertible into one equity share of the Company. No amount is payable by the RSU grantee on grant of RSU. RSU carry neither rights to dividends nor voting rights until they are exercised & converted into shares.

Detail of Restricted Stock Units Plan, 2019 ("RSU 2019")

The following share-based payment arrangements were in existence during the current year and previous year:

Options series	Number	Grant date	Vesting period	Expiry date	Exercise Price ₹	Fair value of options at grant date ₹
(iv)	1,30,430	12-May-22	3 years	11-May-32	1.00	2,342.87
(v)	10,750	10-Nov-22	3 years	9-Nov-32	1.00	3,665.42
(vi)	3,300	18-Nov-22	3 years	17-Nov-32	1.00	3,379.52
(vii)	1,31,900	10-May-23	3 years	9-May-33	1.00	3,320.64
(viii)	5,000	03-Aug-23	3 years	2-Aug-33	1.00	3,267.77
(ix)	12,350	10-Nov-23	3 years	9-Nov-33	1.00	3,472.95
(x)	2,05,003	11-May-24	3 years	10-May-34	1.00	4,479.35
(xi)	1,725	07-Aug-24	3 years	6-Aug-34	1.00	4,554.29
(xii)	1,450	05-Feb-25	3 years	4-Feb-35	1.00	5,333.59
(xiii)	18,000	10-Feb-25	3 years	9-Feb-35	1.00	5,257.68
(xiv)	1,63,933	13-May-25	3 years	12-May-35	1.00	5,401.99
(xv)	1,300	12-Nov-25	3 years	11-Nov-35	1.00	6,705.91
(xvi)	826	12-Nov-25	2.5 years	12-May-35	1.00	6,733.31

Fair value of stock units granted in the year

The weighted average fair value of the stock units granted during the financial year is ₹ 5,418.82 (March 31, 2025 : ₹ 4,547.34). Options were priced using Black Scholes options pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting market conditions attached to the option), and behavioral considerations. Expected Volatility was determined by taking the daily volatility of the share price on NSE, over a period prior to the date of grant, corresponding to the expected life of the options for each vesting.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Inputs into the Black Scholes options pricing model

	Option series			
Particulars	**(x)**	**(xi)**	**(xii)**	**(xiii)**
Grant date share price (₹)	4,568.05	4,653.90	5,450.10	5,373.00
Exercise price (₹)	1.00	1.00	1.00	1.00
Expected volatility	26.57%	26.67%	26.38%	26.48%
Option life	3 years	3 years	3 years	3 years
Dividend yield	0.65%	0.72%	0.72%	0.72%
Risk-free interest rate	7.24%	6.90%	6.79%	6.75%

Inputs into the Black Scholes options pricing model

	Option series		
Particulars	**(xiv)**	**(xv)**	**(xvi)**
Grant date share price (₹)	5,520.00	6,873.00	6,873.00
Exercise price (₹)	1.00	1.00	1.00
Expected volatility	26.29%	23.94%	23.85%
Option life	3 years	3 years	2.5 years
Dividend yield	0.72%	0.82%	0.82%
Risk-free interest rate	6.08%	5.95%	5.95%

Movements in share options during the year

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Number of options	**Weighted average exercise price ₹**	Number of options	Weighted average exercise price ₹
Balance at beginning of the year	**4,91,725**	**1.00**	2,75,730	1.00
Granted during the year	**1,66,059**	**1.00**	2,26,178	1.00
Forfeited during the year	**(19,538)**	**1.00**	(10,183)	1.00
Exercised during the year	**(84,900)**	**1.00**	-	-
Balance at end of the year	**5,53,346**	**1.00**	4,91,725	1.00
Exercisable at the end of the year	**41,356**	**1.00**	-	-

Effect of share-based payment transactions on the entity's Profit or Loss:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Share-based payments*	**49.41**	43.53
*excludes share based expense of ₹ 22.17 crores recharged from a joint venture company		

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Stock units exercised during the year

The following share options were exercised during the year and previous year:

Option series	Number exercised	Exercise date	Exercise Price ₹
For the year ended March 31, 2026			
(iv) Granted on May 12, 2022	**67,100**	**14-May-25**	**1.00**
(iv) Granted on May 12, 2022	**4,900**	**31-Jul-25**	**1.00**
(iv) Granted on May 12, 2022	**3,100**	**13-Nov-25**	**1.00**
(iv) Granted on Nov 10, 2022	**4,200**	**13-Nov-25**	**1.00**
(v) Granted on Nov 10, 2022	**500**	**10-Feb-26**	**1.00**
(iv) Granted on May 12, 2022	**1,800**	**10-Feb-26**	**1.00**
(vi) Granted on Nov 18, 2022	**3,300**	**10-Feb-26**	**1.00**
	84,900		
Weighted average exercise price (₹)	**1.00**		

Option series	Number exercised	Exercise date	Exercise Price ₹
For the year ended March 31, 2025			
Nil	Nil	Nil	Nil

Share options outstanding at end of the year

Options series		Options outstanding		Remaining contractual life in years		Exercise Price ₹
		As at March 31, 2026	As at March 31, 2025	**As at March 31, 2026**	As at March 31, 2025	
(iv)	12-May-22	**37,630**	1,14,730	**6.11**	7.11	1.00
(v)	10-Nov-22	**2,350**	8,950	**6.61**	7.61	1.00
(vi)	18-Nov-22	**-**	3,300	**6.63**	7.63	1.00
(vii)	10-May-23	**1,22,500**	1,26,300	**7.11**	8.11	1.00
(viii)	3-Aug-23	**2,000**	5,000	**7.34**	8.34	1.00
(ix)	10-Nov-23	**10,550**	10,550	**7.61**	8.61	1.00
(x)	10-May-24	**1,95,520**	2,01,720	**8.11**	9.11	1.00
(xi)	7-Aug-24	**1,725**	1,725	**8.35**	9.35	1.00
(xii)	5-Feb-25	**1,000**	1,450	**8.85**	9.85	1.00
(xiii)	10-Feb-25	**18,000**	18,000	**8.87**	9.87	1.00
(xiv)	13-May-25	**1,59,945**	-	**9.12**	-	1.00
(xv)	12-Nov-25	**1,300**	-	**9.62**	-	1.00
(xvi)	12-Nov-25	**826**	-	**9.12**	-	1.00
		5,53,346	4,91,725			

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

49. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

Particulars			For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Gross amount required to be spent and approved by the board to be spent#		**83.18**	66.68
(b)	Amount spent:			
	During the year ending on March 31, 2026:			
	(i)	Construction/acquisition of any asset	**-**	-
	(ii)	On purpose other than (i) above*	**46.61**	-
	During the year ending on March 31, 2025:			
	(i)	Construction/acquisition of any asset	**-**	-
	(ii)	On purpose other than (i) above*	**-**	50.25
(c)	Unspent amount in relation to:			
	(i)	Ongoing project	**36.57**	16.43
	(ii)	Other than ongoing project	**-**	-
# Includes surplus generated on unspent CSR balances amounting to ₹ 0.07 crores (March 31, 2025: 0.11 crores)				
*Includes administrative and impact assessment expenses			**3.58**	3.09

Details of ongoing projects and other than ongoing projects — **For the year ended March 31, 2026**

In case of S. 135(6) (Ongoing Project)						
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company*	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company**	In Separate CSR Unspent A/c
16.43	**27.20**	**83.18**	**46.61**	**41.59**	**36.57**	**2.04**

* The amount of ₹ 16.43 crores was transferred to separate CSR unspent account during April, 2025 as per MCA circular no. 14/2021 dated 25th August 2021.

** The unspent amount pertaining to the FY 2025-26 was transferred to the separate CSR unspent account in April, 2026 as per the CSR Rules.

In case of S. 135(5) (Other than ongoing project)				
Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	**-**	**-**	**-**	**-**

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Details of ongoing projects and other than ongoing projects — For the year ended March 31, 2025

In case of S. 135(6) (Ongoing Project)						
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company*	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company**	In Separate CSR Unspent A/c
33.79	25.37	66.68	50.25	31.96	16.43	27.20

* The amount of ₹ 33.79 Crores was transferred to separate CSR unspent account during April, 2024 as per MCA circular no. 14/2021 dated 25th August 2021.

** The unspent amount pertaining to the FY 2024-25 was transferred to the separate CSR unspent account in April, 2025 as per the CSR Rules.

In case of S. 135(5) (Other than ongoing project)				
Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	-	-	-

CSR activities undertaken directly or through Eicher Group Foundation (EGF), Licence under Section 8(1) of the Companies Act 2013 (refer note 45). About 75 years ago, the Himalayas became Royal Enfield's spiritual home. Royal Enfield Social Mission is catalysing an ecosystem of collective action to meet its long term vision of partnering 100 Himalayan communities by 2030 towards building climate resilience.

At the intersection of Culture, Conservation & Materiality, the Royal Enfield Social Mission projects and initiatives include 'The Himalayan Knot' - a textile conservation project, bringing together pastoral communities, artisans and designers for wider market access; 'The Himalayan Hub' - a collective learning center for Climate Resilience; a network of community-run 'Green Pit Stops', embodying responsible travel; 'The Great Himalayan Exploration' in partnership with UNESCO to document Intangible Cultural Heritage (ICH); the Royal Enfield 'Ice Hockey League' promoting rural sports and winter tourism; conserving biodiversity and wildlife through the Keystone Species project; and 'Helmets for India' - a road safety initiative.

Through the Social Mission, Royal Enfield is also encouraging and inspiring one million riders to explore sustainably and 'Leave every place better'.

In addition to the Social Mission, Royal Enfield also works with local communities near its manufacturing plants in Tamil Nadu, focusing on areas such as education, livelihood, sanitation, healthcare etc. Two multi-decade partnerships with Bodh Shiksha Samiti in Rajasthan and Dr. Shroff Charity Eye Hospital in Delhi continue to be supported as legacy projects.

The Group's projects are long term and money is spent depending upon the requirement of the projects. During the financial year 2025-26, ₹ 46.61 crores (March 31, 2025: 50.25 crores) was spent as per the requirements of CSR projects (including administrative expenses) and the unspent amount of ₹ 36.57 crores (March 31, 2025: 16.43 crores) is transferred to unspent CSR account pursuant to the CSR Rules subsequent to the year-end.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

50. ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013

Particulars	Share of net assets As at March 31, 2026		Share of profit or loss For the year ended March 31, 2026	
	As % of consolidated net assets	₹ in crores	As % of consolidated profit or loss	₹ in crores
Parent				
Eicher Motors Limited	**86.90%**	**21,807.86**	**91.40%**	**5,040.82**
Subsidiaries - Foreign				
1. Royal Enfield North America Limited	**(0.42%)**	**(105.22)**	**(1.37%)**	**(75.33)**
2. Royal Enfield Canada Limited	**0.01%**	**3.14**	**0.01%**	**0.70**
3. Royal Enfield Brasil Comercio de Motocicletas Ltda	**0.65%**	**162.96**	**0.26%**	**14.45**
4. Royal Enfield (Thailand) Limited	**0.05%**	**12.54**	**(0.01%)**	**(0.72)**
5. Royal Enfield UK Limited	**0.00%**	**0.14**	**(0.41%)**	**(22.44)**
6. Royal Enfield Europe B.V.	**0.14%**	**36.18**	**0.10%**	**5.34**
Joint Ventures (investment as per the equity method) - Indian				
1. VE Commercial Vehicles Limited	**14.83%**	**3,723.49**	**14.47%**	**797.81**
2. Eicher Polaris Private Limited	**0.00%**	**-**	**0.00%**	**-**
Adjustments arising out of consolidation	**(2.16%)**	**(540.94)**	**(4.45%)**	**(245.40)**

Particulars	Share of other comprehensive income For the year ended March 31, 2026		Share of total comprehensive income For the year ended March 31, 2026	
	As % of consolidated Other Comprehensive Income	₹ in crores	As % of consolidated Total Comprehensive Income	₹ in crores
Parent				
Eicher Motors Limited	**82.10%**	**97.42**	**91.20%**	**5,138.24**
Subsidiaries - Foreign				
1. Royal Enfield North America Limited	**0.00%**	**-**	**(1.34%)**	**(75.33)**
2. Royal Enfield Canada Limited	**0.00%**	**-**	**0.01%**	**0.70**
3. Royal Enfield Brasil Comercio de Motocicletas Ltda	**0.00%**	**-**	**0.26%**	**14.45**
4. Royal Enfield (Thailand) Limited	**0.00%**	**-**	**(0.01%)**	**(0.72)**
5. Royal Enfield UK Limited	**0.00%**	**-**	**(0.40%)**	**(22.44)**
6. Royal Enfield Europe B.V.	**0.00%**	**-**	**0.09%**	**5.34**
Joint Ventures (investment as per the equity method) - Indian				
1. VE Commercial Vehicles Limited	**2.06%**	**2.44**	**14.20%**	**800.25**
2. Eicher Polaris Private Limited	**0.00%**	**-**	**0.00%**	**-**
Adjustments arising out of consolidation	**15.84%**	**18.79**	**(4.01%)**	**(226.61)**

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Particulars	Share of net assets As at March 31, 2025		Share of profit or loss For the year ended March 31, 2025	
	As % of consolidated net assets	₹ in crores	As % of consolidated profit or loss	₹ in crores
Parent				
Eicher Motors Limited	86.87%	18,499.84	90.40%	4,279.26
Subsidiaries – Foreign				
1. Royal Enfield North America Limited	(0.10%)	(22.13)	(1.17%)	(55.22)
2. Royal Enfield Canada Limited	0.01%	2.12	0.01%	0.59
3. Royal Enfield Brasil Comercio de Motocicletas Ltda	0.57%	121.81	0.09%	4.38
4. Royal Enfield (Thailand) Limited	0.05%	11.68	(0.33%)	(15.60)
5. Royal Enfield UK Limited	(0.06%)	(12.12)	(0.45%)	(21.07)
6. Royal Enfield Europe B.V.	0.06%	11.97	(0.13%)	(6.38)
Joint Ventures (investment as per the equity method) – Indian				
1. VE Commercial Vehicles Limited	14.75%	3,140.85	14.78%	699.81
2. Eicher Polaris Private Limited	0.00%	-	0.00%	-
Adjustments arising out of consolidation	(2.15%)	(457.53)	(3.20)%	(151.33)

Particulars	Share of other comprehensive income For the year ended March 31, 2025		Share of total comprehensive income For the year ended March 31, 2025	
	As % of consolidated Other Comprehensive Income	₹ in crores	As % of consolidated Total Comprehensive Income	₹ in crores
Parent				
Eicher Motors Limited	95.45%	(219.84)	90.13%	4,059.42
Subsidiaries – Foreign				
1. Royal Enfield North America Limited	0.00%	-	(1.23%)	(55.22)
2. Royal Enfield Canada Limited	0.00%	-	0.01%	0.59
3. Royal Enfield Brasil Comercio de Motocicletas Ltda	0.00%	-	0.10%	4.38
4. Royal Enfield (Thailand) Limited	0.00%	-	(0.35%)	(15.60)
5. Royal Enfield UK Limited	0.00%	-	(0.47%)	(21.07)
6. Royal Enfield Europe B.V.	0.00%	-	(0.14%)	(6.38)
Joint Ventures (investment as per the equity method) – Indian				
1. VE Commercial Vehicles Limited	0.63%	(1.45)	15.50%	698.36
2. Eicher Polaris Private Limited	0.00%	-	0.00%	-
Adjustments arising out of consolidation	3.92%	(9.03)	(3.55%)	(160.36)

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

51. IND AS 116 LEASES

As a lessee

The Group has lease contracts for various buildings used in its operations. Leases of buildings generally have lease terms between 2 and 20 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options which are further disclosed below.

The Group also has certain leases of buildings with lease terms of 12 months or less and leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases respectively.

(i) Movement in the carrying value of the Right to Use Asset

Particulars	March 31, 2026			March 31, 2025		
	Land	Buildings	Total	Land	Buildings	Total
Opening Balance	**139.72**	**177.32**	**317.04**	141.37	130.62	271.99
Depreciation charge for the period	**(1.56)**	**(64.62)**	**(66.18)**	(1.65)	(59.15)	(60.80)
Additions during the period	**-**	**74.18**	**74.18**	-	104.80	104.80
Adjustment/Deletion	**-**	**(6.20)**	**(6.20)**	-	1.05	1.05
Closing Balance	**138.16**	**180.68**	**318.84**	139.72	177.32	317.04

(ii) Classification of current and non current liabilities of the lease liabilities

Particulars	March 31, 2026			March 31, 2025		
	Land	Buildings	Total	Land	Buildings	Total
Current liabilities	**-**	**65.82**	**65.82**	-	67.85	67.85
Non Current Liabilities	**-**	**129.12**	**129.12**	-	123.81	123.81
Total Lease liabilities	**-**	**194.94**	**194.94**	-	191.66	191.66

(iii) Movement in the carrying value of the Lease liabilities

Particulars	March 31, 2026			March 31, 2025		
	Land	Buildings	Total	Land	Buildings	Total
Opening Balance	**-**	**191.66**	**191.66**	-	143.86	143.86
Interest Expense	**-**	**12.08**	**12.08**	-	12.71	12.71
Lease Payments [Total Cash Outflow]	**-**	**(74.30)**	**(74.30)**	-	(68.47)	(68.47)
Additions during the year	**-**	**73.16**	**73.16**	-	102.76	102.76
Adjustment/Deletion	**-**	**(7.66)**	**(7.66)**	-	0.80	0.80
Closing Balance	**-**	**194.94**	**194.94**	-	191.66	191.66

(iv) Contractual Maturities of Lease liabilities outstanding (undiscounted)

Particulars	March 31, 2026			March 31, 2025		
	Land	Buildings	Total	Land	Buildings	Total
Less than one year	**-**	**73.63**	**73.63**	-	73.54	73.54
One to five Years	**-**	**116.87**	**116.87**	-	133.37	133.37
More than Five years	**-**	**36.77**	**36.77**	-	13.67	13.67
Total	**-**	**227.27**	**227.27**	-	220.58	220.58

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Lease expenses relating to short term leases aggregated to ₹ 89.84 crores during the year ended March 31, 2026 (₹ 76.64 crores during the year ended March 31, 2025) and had total cash outflows for leases of ₹ 164.14 crores (₹ 145.11 crores during the year ended March 31, 2025)

Lease liabilities are recognised at weighted average incremental borrowing rate ranging from 8% to 9.5% per annum.

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to the lease liabilities as and when they fall due.

The following are the amounts recognised in statement of profit or loss:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of right-of-use assets	**66.18**	60.80
Interest expense on lease liabilities	**12.08**	12.71
Expense relating to short-term leases (included in other expenses)	**89.84**	76.64

52. CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances) ₹ 569.43 crores (March 31, 2025 : ₹ 295.75 crores).

The Group has other commitments, for purchase/sales orders which are issued after considering requirements per operating cycle for purchase /sale of goods and services, employee's benefits including union agreement in normal course of business. The Group does not have any long term commitments or material non-cancellable contractual commitments/contracts, which might have material impact on the financial statements.

53. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of the Company at their meeting held on May 22, 2026, considered and proposed a final dividend post the balance sheet date, aggregating to ₹ 2,249.38 crores @ ₹ 82 per share (nominal value of ₹ 1 per share) for the financial year ended March 31, 2026 (final dividend paid for previous financial year ended March 31, 2025 was ₹ 1,919.95 crores @ ₹ 70 per share of nominal value of ₹ 1 per share), which is subject to approval by the shareholders at the ensuing annual general meeting.

54. RATIO ANALYSIS AND ITS ELEMENTS

Ratio	March 31, 2026	March 31, 2025	% change	Reason for variance
Current ratio: Current Assets / Current Liabilities	**1.9**	1.6	18.8%	Not applicable
Debt- Equity Ratio: Total Debt / Shareholder's Equity	**0.0**	0.0	0.0%	Not applicable
Debt Service Coverage ratio: Earnings for debt service = Net profit after taxes + Non-cash operating expenses / Debt service = Interest & Lease Payments + Principal Repayments	**35.3**	41.0	(13.9%)	Not applicable
Return on Equity ratio: Net Profits after taxes – Preference Dividend / Average Shareholder's Equity	**23.8%**	24.1%	(1.2%)	Not applicable
Inventory Turnover ratio: Cost of goods sold / Average Inventory	**7.6**	7.1	7.0%	Not applicable

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

Ratio	March 31, 2026	March 31, 2025	% change	Reason for variance
Trade Receivable Turnover Ratio: Net credit sales = Gross credit sales - sales return / Average Trade Receivable	**3.8**	3.5	6.6%	Not applicable
Trade Payable Turnover Ratio: Net credit purchases = Gross credit purchases - purchase return / Average Trade Payables	**4.9**	4.4	11.4%	Not applicable
Net Capital Turnover Ratio: Net sales = Total sales - sales return / Working capital = Current assets – Current liabilities	**5.2**	7.0	(25.7%)	Change due to increase in investments
Net Profit ratio: Net Profit / Net sales = Total sales - sales return	**23.6%**	25.1%	(6.0%)	Change due to increase in sales
Return on Capital Employed: Earnings before interest and taxes / Capital Employed Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	**24.5%**	23.8%	2.9%	Not applicable
Return on Investment: Interest (Finance Income) / Average Investments	**6.7%**	7.7%	(13.0%)	Not applicable

55. The Holding Company has used accounting software (SAP and other accounting software) maintaining its books of account which has a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the software, except for the audit trail at the SAP database level which was enabled during the audit period and Management is presently evaluating setting up the audit trail feature as necessary in other software (used to maintain records of certain service type warranties) in due course.

Wherever audit trail is enabled, there has not been any instance where audit trail feature has been tampered with.

One of the joint venture entities, VE Commercial Vehicles Limited (including its subsidiaries incorporated in India) has used accounting software for maintaining its books of account which has a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the software. Also, there has not been any instance where audit trail feature has been tampered with in respect of accounting software for the period audit trail was enabled.

One of the joint venture entities, Eicher Polaris Private Limited has used an accounting software (SAP) for maintaining its books of account which has a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the software. Also there has not been any instance where audit trail feature has been tampered with in respect of accounting software.

Additionally, the audit trail in respect of prior year has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in respect of the financial years ended March 31, 2025 and March 31, 2024.

56. OTHER STATUTORY INFORMATION

(i) The Group has not defaulted on loans payable and has not been declared as wilful defaulter by any bank or financial institution or other lender.

(ii) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(iii) The Group has not revalued its Property, Plant & Equipments, Intangible Assets and Right to Use Assets during the year.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

ALL AMOUNTS ARE IN ₹ CRORES UNLESS OTHERWISE STATED

(iv) The Group does not have any balances with a company struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 - Refer note 21.

(v) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vi) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(viii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ix) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(x) The Group has not granted any loans and advances to promoters, directors, KMP's and other related parties (as defined under the Companies Act 2013) during the year.

(xi) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

As per our report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Sonika Loganey
Partner
Membership No : 502220

Place: Gurugram
Date: May 22, 2026

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Siddhartha Lal
Executive Chairman
DIN: 00037645

B Govindarajan
Managing Director
DIN: 03093035

Vinod Aggarwal
Vice Chairman
DIN: 00038906

S Madhavan
Chairman - Audit Committee
DIN: 06451889

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary
Membership No. ACS 22763

Place: Gurugram
Date: May 22, 2026

VECV PERFORMANCE

476 Performance Highlights
480 VE Commercial Vehicles Limited Financials

484 AGM Notice
510 GRI Content Index

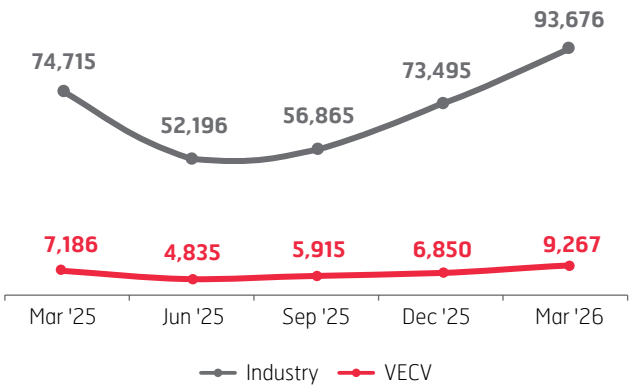
PERFORMANCE HIGHLIGHTS

OF VE COMMERCIAL VEHICLES LIMITED

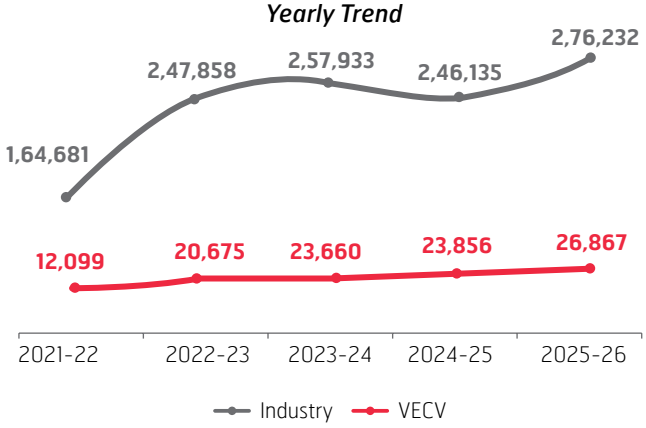
SALES VOLUME TREND INDUSTRY VS VECV

Heavy Duty Trucks ≥ 18.5 Tonnes (Eicher + Volvo)

Quarterly Trend

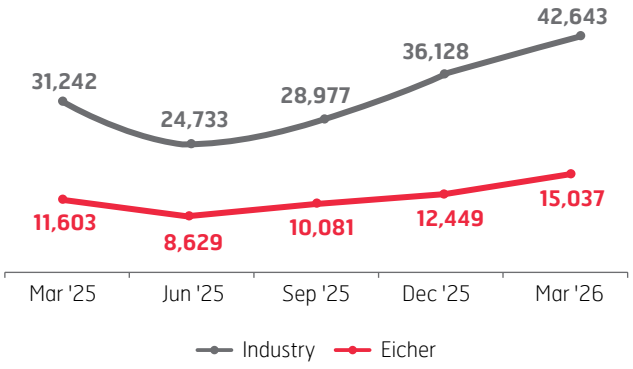


Yearly Trend

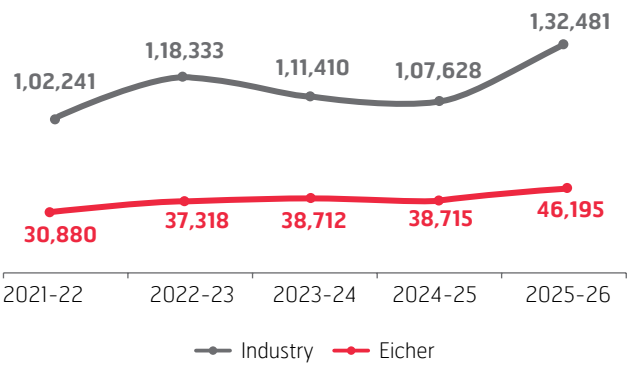


Light & Medium Duty Trucks (5-18.5 Tonnes)

Quarterly Trend



Yearly Trend

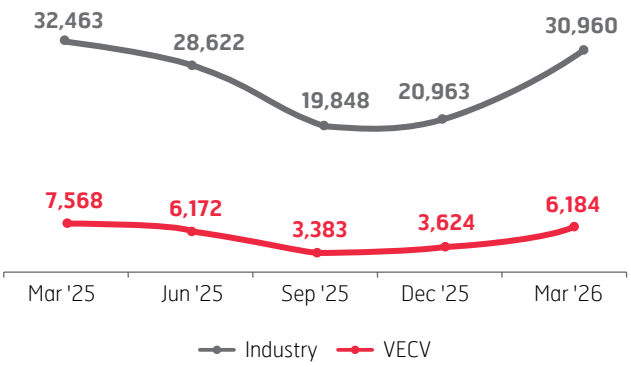


PERFORMANCE HIGHLIGHTS
OF VE COMMERCIAL VEHICLES LIMITED

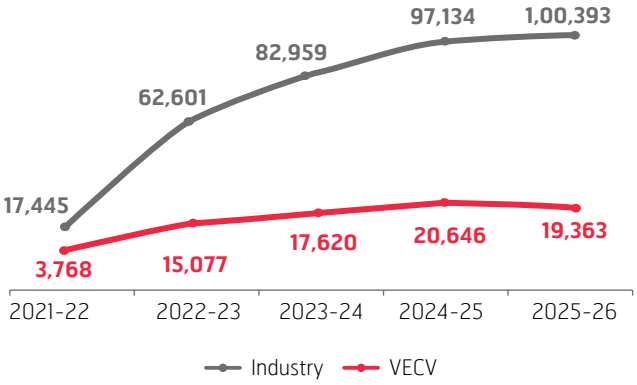
SALES VOLUME TREND INDUSTRY VS VECV

Buses (incl. Volvo Bus)

Quarterly Trend

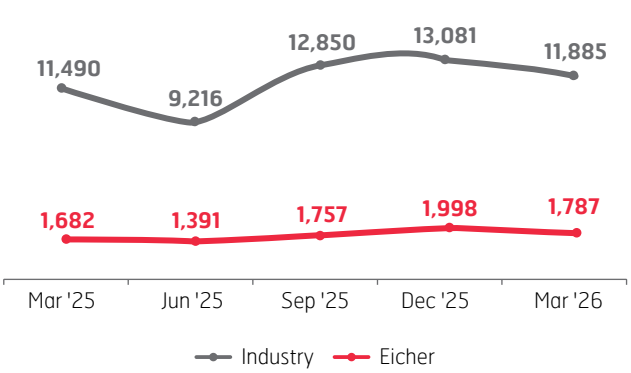


Yearly Trend

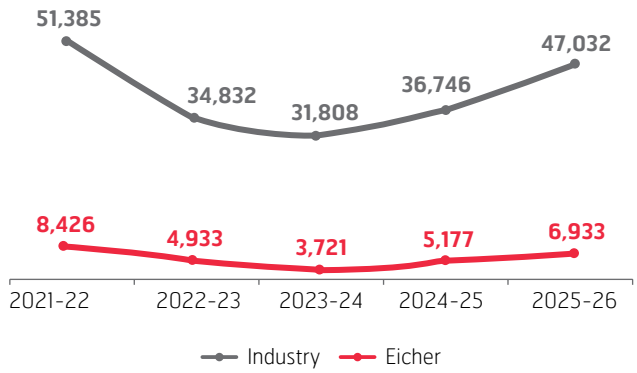


Exports

Quarterly Trend



Yearly Trend

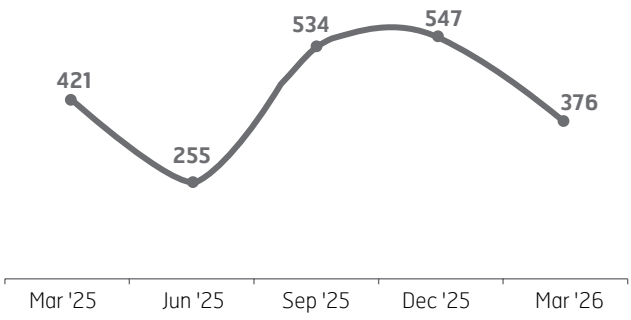


PERFORMANCE HIGHLIGHTS

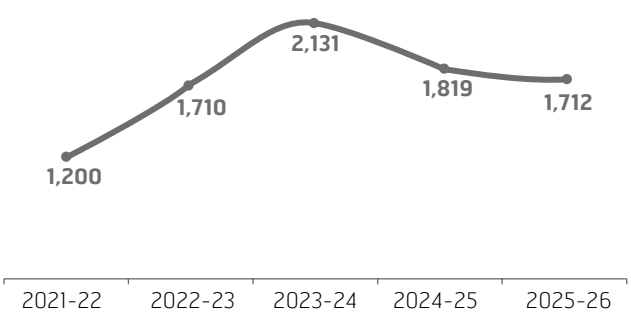
OF VE COMMERCIAL VEHICLES LIMITED

SALES VOLUME TREND VOLVO TRUCKS

Quarterly Trend



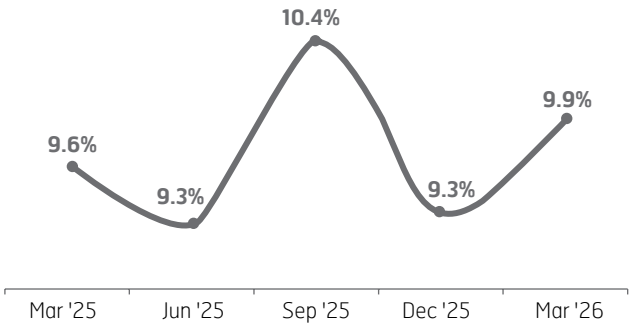
Yearly Trend



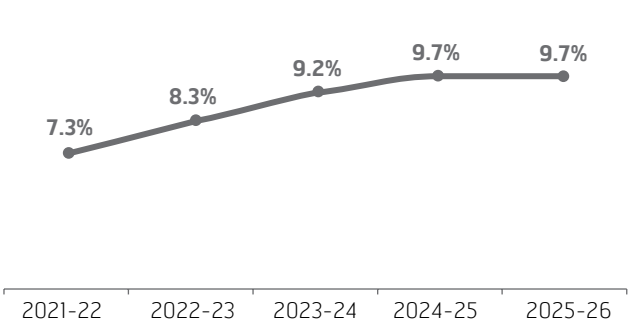
VECV MARKET SHARE TREND

Heavy Duty Trucks (Eicher+Volvo)

Quarterly Trend

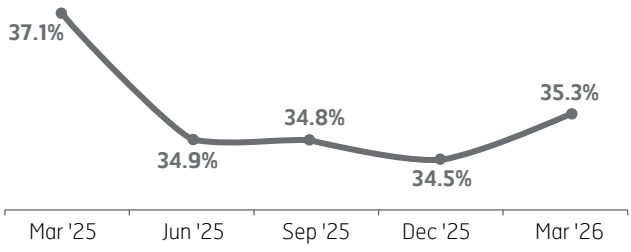


Yearly Trend

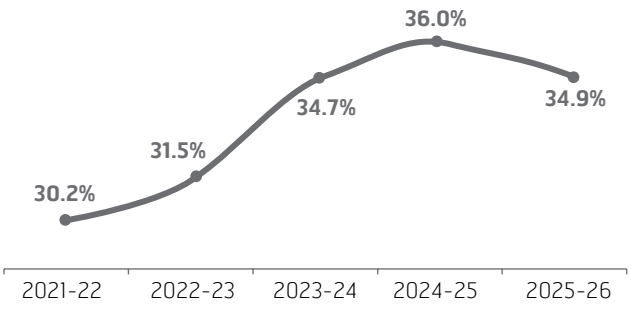


Light & Medium Duty Trucks (5-18.5 Tonnes)

Quarterly Trend



Yearly Trend



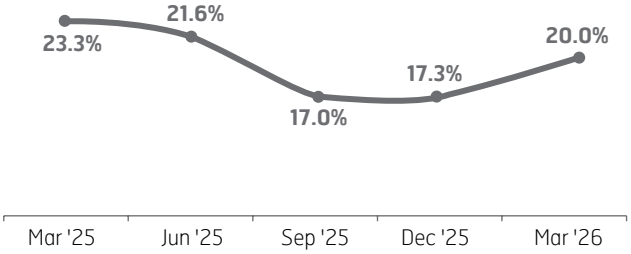
PERFORMANCE HIGHLIGHTS

OF VE COMMERCIAL VEHICLES LIMITED

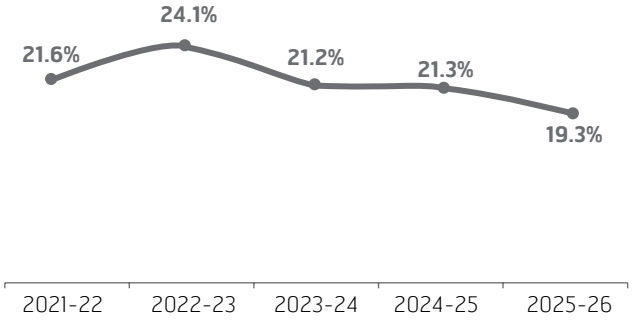
VECV MARKET SHARE TREND

Buses (incl. Volvo Bus)

Quarterly Trend

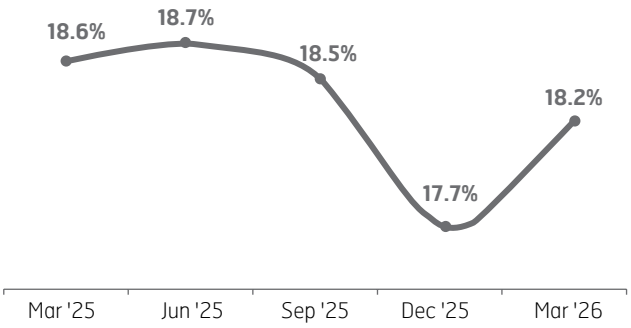


Yearly Trend

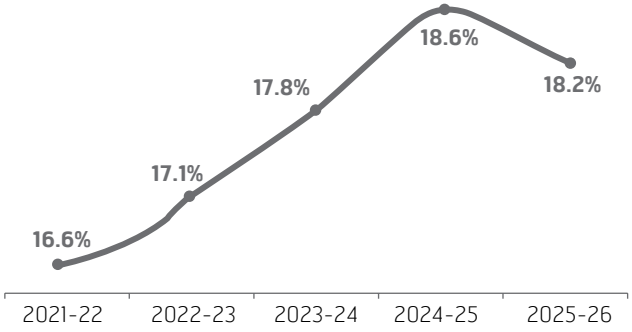


VECV Domestic (3.5 Tonnes+)

Quarterly Trend



Yearly Trend



VE COMMERCIAL VEHICLES LIMITED

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2026

₹ in million

Particulars	Note	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	**31,100.2**	27,815.7
(b) Capital work-in-progress	6	**1,757.3**	2,302.8
(c) Other Intangible assets	7	**7,814.2**	6,787.2
(d) Right-of-use assets	7A	**3,928.4**	3,064.6
(e) Intangible assets under development	8	**3,464.6**	3,678.8
(f) Financial assets			
(i) Investments in subsidiaries & joint ventures	9	**-**	-
(ii) Investments	10	**1.4**	1.4
(iii) Loans	12	**34.2**	37.1
(iv) Other financial assets	13	**16,172.0**	8,175.5
(g) Other non-current assets	14	**1,226.6**	1,668.1
Total non-current assets		**65,498.9**	53,531.2
Current assets			
(a) Inventories	15	**30,845.2**	30,341.3
(b) Financial assets			
(i) Trade receivables	11	**38,564.2**	30,817.4
(ii) Cash and cash equivalents	16	**1,413.7**	1,272.3
(iii) Bank balances other than (ii) above	17	**127.7**	-
(iv) Loans	12	**29.5**	32.7
(v) Other financial assets	13	**30,327.4**	27,935.3
(c) Other current assets	14	**2,813.8**	2,730.0
Total current assets		**1,04,121.5**	93,129.0
Total assets		**1,69,620.4**	1,46,660.2
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	18	**100.0**	100.0
(b) Other equity	19	**68,325.9**	57,631.6
Equity attributable to holders of the parent/holding		**68,425.9**	57,731.6
Non-controlling Interests		**22.3**	6.2
		68,448.2	57,737.8
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	20	**2,232.7**	1,644.5
(ii) Other financial liabilities	21	**208.6**	174.7
(b) Provisions	22	**1,167.5**	1,502.5
(c) Deferred tax liabilities (net)	23	**3,012.3**	3,014.9
(d) Other non-current liabilities	24	**1.6**	1.8
Total non-current liabilities		**6,622.7**	6,338.4
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	**1,599.1**	-
(ii) Lease liabilities	20	**497.4**	462.9
(iii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	26	**1,182.0**	743.2
- Total outstanding dues of creditors other than micro enterprises and small enterprises	26	**74,164.1**	65,720.4
(iv) Other financial liabilities	21	**3,687.7**	2,734.2
(b) Other current liabilities	24	**9,203.0**	9,645.0
(c) Provisions	22	**3,214.2**	2,509.5
(d) Liabilities for current tax (net)	27	**1,002.0**	768.8
Total current liabilities		**94,549.5**	82,584.0
Total liabilities		**1,01,172.2**	88,922.4
Total equity and liabilities		**1,69,620.4**	1,46,660.2
See accompanying notes forming part of the consolidated financial statements	1 to 56		

As per our report of even date
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

Per Sonika Loganey
Partner
Membership no.: 502220

Place: Gurugram
Date: May 18, 2026

Praveen Kumar Jain
Company Secretary
M No. 3524

Ken Trolle
Chief financial Officer

For and on behalf of the Board of Directors of VE Commercial Vehicles Limited

Srinivas Balantrapu
Managing Director and
Chief Executive Officer
DIN: 11597236

Jan Hjelmgren
Director
DIN: 10499711

Vinod Aggarwal
Chairman
DIN: 00038906

VE COMMERCIAL VEHICLES LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

₹ in million

Particulars	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	28	**2,70,766.1**	2,35,482.4
Other income	29	**2,980.8**	2,134.7
Total Income		**2,73,746.9**	2,37,617.1
Expenses			
Cost of raw materials and components consumed	30	**1,75,580.5**	1,50,975.5
Purchases of traded goods	31	**27,328.0**	35,471.7
Change in inventories of finished goods, work-in-progress and stock-in-trade	32	**1,026.8**	(7,309.8)
Employee benefits expenses	33	**16,823.7**	14,625.7
Depreciation and amortisation expenses	34	**7,239.6**	6,432.7
Finance costs	35	**490.1**	285.8
Other expenses	36	**24,994.9**	21,491.1
Total expenses		**2,53,483.6**	2,21,972.7
Profit before tax and exceptional items		**20,263.3**	15,644.4
Exceptional items	50	**588.0**	-
Profit before tax		**19,675.3**	15,644.4
Tax expense			
Current tax	37	**5,025.6**	3,963.6
Deferred tax charge/(benefit)	37	**(15.9)**	(1,183.3)
Total tax expense		**5,009.7**	2,780.3
Profit for the year		**14,665.6**	12,864.1
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss:-			
Re-measurement losses on defined benefit plans		**19.2**	(39.2)
Income tax effect	37	**(4.8)**	9.9
Net other comprehensive income/ (expense) not to be reclassified to profit or loss, net of tax		**14.4**	(29.3)
Items that may be reclassified to profit or loss:-			
Exchange differences in translating the financial statements of foreign operations		**38.9**	5.2
Income tax effect	37	**(8.5)**	(2.5)
		30.4	2.7
Net other comprehensive income/(expense) not to be reclassified to profit or loss, net of tax		**44.8**	(26.6)
Total Comprehensive income for the year, net of tax		**14,710.4**	12,837.5
Profit for the year attributable to:			
Equity holders of the parent/holding		**14,649.5**	12,860.1
Non-controlling interests		**16.1**	4.0
Other comprehensive income/(expense), net of tax attributable to:			
Equity holders of the parent/holding		**44.8**	(26.6)
Non-controlling interests		**-**	-
Total Comprehensive income for the year, net of tax attributable to:			
Equity holders of the parent/holding		**14,694.3**	12,833.5
Non-controlling interests		**16.1**	4.0
Earnings per share (of ₹10 each) in ₹			
Basic/ diluted	42	**1,466.56**	1,286.41
See accompanying notes forming part of the consolidated financial statements	1 to 56		

As per our report of even date
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

Per Sonika Loganey
Partner
Membership no.: 502220

Place: Gurugram
Date: May 18, 2026

Praveen Kumar Jain
Company Secretary
M No. 3524

Ken Trolle
Chief financial Officer

For and on behalf of the Board of Directors of VE Commercial Vehicles Limited

Srinivas Balantrapu
Managing Director and
Chief Executive Officer
DIN: 11597236

Jan Hjelmgren
Director
DIN: 10499711

Vinod Aggarwal
Chairman
DIN: 00038906

VE COMMERCIAL VEHICLES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2026

₹ in million

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES		
Profit before tax	**19,675.3**	15,644.4
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	**7,239.6**	6,432.7
Gain on sale of property, plant and equipment	**(3.3)**	(25.0)
Exchange differences in translating the financial statements of foreign operations	**38.9**	5.2
Interest income	**(2,367.1)**	(2,060.4)
Foreign exchange gains	**(559.0)**	(4.7)
Impairment allowance on doubtful debts and advances	**152.2**	100.2
Finance costs	**490.1**	285.8
Operating profit before changes in working capital	**24,666.7**	20,378.2
Working capital adjustments:		
Adjustments for (increase) / decrease assets:		
Non-current		
Loans	**2.9**	(0.5)
Other financial assets	**(136.3)**	1,378.0
Other assets	**(112.5)**	(30.7)
Current		
Inventories	**(503.9)**	(7,641.5)
Trade receivables	**(7,340.0)**	(4,452.2)
Loans	**3.2**	(3.6)
Other financial assets	**776.1**	(490.7)
Other assets	**(83.8)**	(567.1)
Adjustments for increase / (decrease) in liabilities:		
Non-current		
Other financial liabilities	**27.4**	6.7
Provisions	**(397.1)**	(894.6)
Other liabilities	**(0.2)**	0.9
Current		
Trade payables	**8,882.5**	10,122.9
Provisions	**704.7**	763.4
Other financial liabilities	**369.0**	297.9
Other liabilities	**(442.0)**	969.9
Cash generated from operating activities	**26,416.7**	19,837.0
Income taxes paid (net of refund)	**(4,792.4)**	(3,610.3)
Net cash flow from / (used in) operating activities (A)	**21,624.3**	16,226.7
B. CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES		
Purchase of property, plant and equipment, capital work-in-progress, intangible assets and intangible assets under development (including capital advances and capital creditors)	**(9,604.3)**	(10,269.8)
Net proceeds from sale of property, plant and equipment	**541.9**	183.2
Investment in fixed deposits with original maturity more than 3 months	**(11,225.0)**	(2,906.6)
Investment/Redemption in Government Securities	**-**	-
Acquisition of a subsidiary, net of cash acquired	**-**	4.5
Interest received (finance income)	**2,436.0**	1,963.8
Net cash flow from / (used in) investing activities (B)	**(17,851.4)**	(11,024.9)

VE COMMERCIAL VEHICLES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2026

₹ in million

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
C. CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		
Net Proceeds from / (Repayment) of short term borrowings	**1,599.1**	(2,687.3)
Interest paid on borrowings	**(205.9)**	(33.4)
Payment of principal portion of lease liabilities	**(828.0)**	(563.5)
Interest on lease liabilities paid	**(196.7)**	(164.2)
Acquisition of non-contolling interests	**-**	(2.2)
Dividends paid to equity holders	**(4,000.0)**	(2,500.0)
Net cash flow from / (used in) financing activities (C)	**(3,631.5)**	(5,950.6)
Net increase/ (decrease) in cash and cash equivalents (A)+(B)+(C)	**141.4**	(748.8)
Cash and cash equivalents at the beginning of the year	**1,272.3**	2,021.1
Cash and cash equivalents at the end of the year	**1,413.7**	1,272.3

Particulars	As at March 31, 2026	As at March 31, 2025
Components of cash and cash equivalents		
Cash on hand	**5.1**	5.8
Cheques/ drafts on hand	**10.6**	62.9
Balances with banks:		
In current accounts	**1,365.1**	1,173.6
In deposit accounts	**32.9**	30.0
Total cash and cash equivalents (refer note no. 16)	**1,413.7**	1,272.3

See accompanying notes forming part of the consolidated financial statements 1 to 56

As per our report of even date
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

Per Sonika Loganey
Partner
Membership no.: 502220

Place: Gurugram
Date: May 18, 2026

Praveen Kumar Jain
Company Secretary
M No. 3524

Ken Trolle
Chief financial Officer

For and on behalf of the Board of Directors of VE Commercial Vehicles Limited

Srinivas Balantrapu
Managing Director and
Chief Executive Officer
DIN: 11597236

Jan Hjelmgren
Director
DIN: 10499711

Vinod Aggarwal
Chairman
DIN: 00038906

NOTICE OF 44TH (FORTY-FOURTH) ANNUAL GENERAL MEETING

Notice is hereby given that the 44th (Forty-Fourth) Annual General Meeting of the members of Eicher Motors Limited will be held on Thursday, August 20, 2026, at 4:30 PM Indian Standard Time (IST) through Video Conferencing/Other Audio Visual means to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the financial year ended March 31, 2026 together with the Reports of the Board of Directors and the Auditors thereon.

2. To declare a dividend of ₹ 82/- (Rupees Eighty Two only) per equity share of face value of ₹ 1/- each for the financial year ended March 31, 2026.

3. To appoint Mr. Siddhartha Vikram Lal (DIN: 00037645), who retires by rotation and being eligible, offers himself for re-appointment as a Director.

SPECIAL BUSINESS:

4. **To consider and approve the appointment of Mr. Vinod Kumar Aggarwal (DIN: 00038906) as Executive Vice-Chairman of the Company (in the capacity of Executive Director) with effect from May 21, 2026:**

   In this regard, it is proposed to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152, 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made thereunder including the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such other provisions as may be applicable and in respect of whom the Company has received a notice in writing in terms of Section 160(1) of the Companies Act, 2013, approval of the members be and is hereby accorded for appointment of Mr. Vinod Kumar Aggarwal (DIN: 00038906) as Executive Vice-Chairman of the Company (in the capacity of Executive Director), liable to retire by rotation, with effect from May 21, 2026 for a period of 3 years on terms and conditions as mentioned in the explanatory statement.

   RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to decide or modify the terms and conditions of appointment including alteration of such terms & conditions as it may deem appropriate in relation to the appointment of Mr. Vinod Kumar Aggarwal as Executive Vice-Chairman of the Company on the recommendations of Nomination & Remuneration Committee of the Company and in compliance with the applicable provisions of the Companies Act, 2013 including but not limited to Section 197 read with Section 198 and the rules made thereunder and other applicable laws.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to the aforesaid resolution including delegation of all or any of the powers conferred on it to any committee of Board of Directors and/or any other person as it deems fit and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

5. **To consider and approve payment of remuneration to Mr. Vinod Kumar Aggarwal (DIN: 00038906) as Executive Vice-Chairman of the Company (in the capacity of Executive Director):**

   In this regard, it is proposed to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder, including Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, approval of the members be and is hereby accorded for payment of such remuneration to Mr. Vinod Kumar Aggarwal (DIN: 00038906) as Executive Vice-Chairman of the Company (in the capacity of Executive Director), for a term of 3 (three) years with effect from May 21, 2026, as detailed in the explanatory statement.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving

effect to the aforesaid resolution including delegation of all or any of the powers conferred on it to any committee of Board of Directors and/or any other person as it deems fit and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

6. To consider and approve Material Related Party Transactions between VE Commercial Vehicles Limited (VECV), Subsidiary of the Company, and Volvo Group India Private Limited, a related party of VECV:

In this regard, it is proposed to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Regulation 23(4) and such other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013, as amended, and other applicable laws/ statutory provisions, if any, Company's Policy on Related Party Transactions and based on the approval of the Audit Committee and the Board, approval of the members of the Company be and is hereby accorded to the material related party transactions/ contracts entered into/ proposed to be entered into (whether individual transaction or transaction(s) taken together or series of transaction(s) or otherwise) as per the details provided in the explanatory statement between VE Commercial Vehicles Limited ("VECV"), an unlisted material subsidiary of the Company (related party of the Company) and Volvo Group India Private Limited ("VGIPL"), a related party of VECV on such terms and conditions as may be agreed between VECV and VGIPL, aggregating up to ₹ 4000 Crores (Rupees Four Thousand Crores Only), excluding taxes, during the financial year 2026-27 provided however, that the said transactions shall be carried out at an arm's length basis and in the ordinary course of business of the respective companies.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to the aforesaid resolution including delegation of all or any of the powers conferred on it to any committee of Board of Directors and/or any other person as it deems fit and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

7. To consider and ratify remuneration of Cost Auditor payable for the financial year 2025-26:

In this regard, it is proposed to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended, remuneration payable to M/s. Jyothi Satish & Co., Cost Accountants (Firm registration No. 101197), appointed by the Board of Directors on the recommendation of the Audit Committee as Cost Auditor of the Company to conduct audit of the relevant cost records of the Company for the financial year 2025-26, amounting to ₹ 5,00,000/- (Rupees Five lakhs only), plus taxes as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit be and is hereby ratified and confirmed."

By order of the Board of Eicher Motors Limited

Atul Sharma
Company Secretary
Membership No. ACS 22763

Place: Gurugram, Haryana
Date: May 22, 2026

CIN: L34102DL1982PLC129877
Regd. Off: Office No. 1111, 11th Floor,
Ashoka Estate, Plot No. 24,
Barakhamba Road, New Delhi-110001
Phone: +91 11 41095173
Website: **www.eichermotors.com**
E-mail: **investors@eichermotors.com**

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Businesses to be transacted at the meeting, is annexed herewith and forms part of this Notice.

2. Details of Directors seeking appointment / re-appointment pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India:

Particulars	Description	Description
Name	Mr. Siddhartha Vikram Lal	Mr. Vinod Kumar Aggarwal
DIN	00037645	00038906
Age	52 Years	66 Years
Qualification	Mr. Siddhartha Lal is an alumnus of The Doon School and St. Stephen's College, Delhi University, holds a Master's Degree in Automotive Engineering from University of Leeds and completed his Mechanical Engineering from Cranfield University.	Mr. Vinod Kumar Aggarwal is a qualified Chartered Accountant and Cost and Management Accountant. He has completed his graduation from The Punjab University.
Experience (including expertise in specific functional area) / Brief Resume	Please refer to the Company's website: **https:// www.eicher.in/bod** for his detailed profile.	As provided in the explanatory statement. Please refer to the Company's website: **https:// www.eicher.in/bod** for his detailed profile.
Skills and Capabilities	Leadership, Corporate Governance, Finance & Accounts, Corporate Strategy, Engineering-technical Skills, Experience/ knowledge of Automobile Industry, Media, General Management, Public Relations and Information Technology	Leadership, Corporate Governance, Finance & Accounts, Corporate Strategy, Engineering-technical Skills, Experience/ knowledge of Automobile Industry, Treasury, Risk Management, Media, Legal, General Management, Public Relations and Information Technology
Date of first appointment on the Board	May 01, 2006	April 1, 2019
Directorships held in other companies	1. VE Commercial Vehicles Limited 2. Eicher Goodearth Private Limited 3. Eicher Goodearth India Private Limited 4. SST Holiday Homes Private Limited	1. VE Commercial Vehicles Limited, 2. Eicher Group Foundation
Resignations from the Listed Companies in the past three years	None	None
Memberships/ Chairmanships of committees of other companies	VE Commercial Vehicles Limited - Chairperson of Corporate Social Responsibility Committee	VE Commercial Vehicles Limited - Chairperson of Audit Committee and Nomination & Remuneration Committee
Number of Equity Shares held in the Company including shareholding as a beneficial owner	Mr. Siddhartha Lal holds 28,85,470 (1.05%) equity shares of face value of ₹ 1 each in the Company. He is part of Promoter & Promoter Group of the Company which in aggregate holds 13,45,64,944 equity shares of face value of ₹ 1 each in the Company constituting 49.06% of Company's total equity share capital	Mr. Vinod Kumar Aggarwal holds 15,000 equity shares of face value of ₹ 1 each in the Company.
Relationship between Directors and other KMPs inter-se	None	None
Number of meetings of the Board attended during the last financial year	Mr. Siddhartha Lal attended all 5 (Five) Board Meetings held during the financial year 2025-26.	Mr. Vinod Kumar Aggarwal attended 4 (four) out of the 5 (five) Board Meetings held during the financial year 2025-26.
Remuneration (including sitting fees, if any) last drawn in financial year 2025-26	For remuneration details, please refer Corporate Governance Report which is part of this Integrated Annual Report.	Mr. Vinod Kumar Aggarwal has not drawn any remuneration from Eicher Motors Limited during FY 2025-26.
Remuneration proposed to be paid	Within the threshold approved by the shareholders of the Company through Postal Ballot concluded on May 01, 2025. For remuneration details of FY 2025-26, please refer Corporate Governance Report which is part of this Integrated Annual Report.	As per the details provided under the resolution and explanatory statement for business item nos. 4 and 5.

Particulars	Description	Description
Terms and conditions of appointment/ Re-appointment	Mr. Siddhartha Lal was appointed as the Executive Chairman of the Company, with effect from February 13, 2025, for a period of 5 (Five) years. The terms and conditions remains the same as approved by the shareholders at the time of his appointment through resolutions passed on May 01, 2025.	As per the details provided under the resolution and explanatory statement for business item nos. 4 and 5

In terms of Section 152 of the Companies Act, 2013, Mr. Siddhartha Lal, Executive Chairman of the Company retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment. Mr. Siddhartha Lal and his relatives to the extent of their shareholding, if any, in the Company, may be deemed to be concerned or interested in the business item no. 3 of the Notice with regard to his re-appointment. Save and except the above, none of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business as set out under item no. 3 of the Notice. Further, details of the appointment of Mr. Vinod Kumar Aggarwal has been set out in the explanatory statement to item no. 4 & 5 of this notice.

3. Detail of payments made to Statutory Auditors and its network firms by the Company and its subsidiaries during the financial year 2025-26 is provided under para 12.13 of the Corporate Governance Report.

4. Ministry of Corporate Affairs has vide its General Circulars No. 20/2020 dated May 5, 2020 read with General Circular No 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021, 02/2022 dated May 05, 2022, 10/2022 dated December 28, 2022, 9/2023 dated September 25, 2023, 09/2024 dated September 19, 2024 and 03/2025 dated September 22, 2025 (collectively referred to as **"MCA Circulars"**) has permitted holding of the Annual General Meeting of companies through Video Conferencing or Other Audio Visual Means (**"Video Conferencing / OAVM"**), in accordance with the framework provided in the above circulars till further orders, without physical presence of the Members at a common venue.

5. In compliance with applicable provisions of the Companies Act, 2013 ("the Act") read with the MCA Circulars and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 44th Annual General Meeting of the Company is being conducted through Video Conferencing/OAVM (hereinafter referred to as "**AGM**"). In accordance with the Secretarial Standard-2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/Clarification note dated April 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

6. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through Video Conferencing / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and the Proxy Form, Attendance Slip and Route Map are not annexed hereto.

7. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Company has fixed Friday, July 31, 2026 as the 'Record Date' for the purpose of determining the members eligible to receive dividend for the financial year 2025-26, if approved by the shareholders.

8. The dividend, if approved by the shareholders shall be paid in the following manner:

a) To all Beneficial Owners in respect of shares held in dematerialised form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Friday, July 31, 2026;

b) To all Members in respect of shares held in physical form as at the close of business hours on Friday, July 31, 2026.

9. Pursuant to the amendments as per the Income Tax Act, 2025 ("the IT Act"), dividend income is taxable in the hands of the shareholders and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the IT Act. To enable the Company to comply with the TDS requirements, Members are requested to complete and / or update their Residential Status, Income Tax PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company's Registrar & Share Transfer Agent. For details, Member may refer to the "Communication on TDS on Dividend" appended to this Notice of 44th AGM.

10. a) The amount of dividend remaining unpaid or unclaimed for a period of 7 (seven) years from the due date is required to be transferred to the Investor Education and Protection Fund Authority (IEPF Authority), constituted by the Central Government. The Company, accordingly, has transferred the unpaid and unclaimed dividend for financial year upto 2017-18 to the IEPF Authority within the stipulated time period.

Members who have not encashed their dividend pertaining to the financial year 2018-19 (April 2018 – March 2019) and onwards are advised to write to the Registrar & Share Transfer Agent of the Company immediately for claiming dividends declared by the Company.

b) As at March 31, 2026, the Company has transferred 26,15,845 equity shares of face value of ₹ 1 each (0.95% of total share capital) on which dividend remained unclaimed or unpaid for a period of seven consecutive years or more, belonging to 3479 shareholders, to the IEPF Authority within the specified time pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 ("the Act") read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ("the Rules"). Subsequent to the transfer of these shares to the IEPF Authority, several concerned shareholders have successfully reclaimed their shares back by filing Form IEPF-5 and following the due process. The said requirement of transfer of shares, does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

Any person whose share(s)/ unpaid dividend has been transferred to the IEPF Authority may claim the share(s)/ dividend from the IEPF Authority pursuant to the said Act and the Rules by submitting an online application in Form IEPF-5 available on the website **www.mca.gov.in**. Simultaneously, claimant shall be required to submit a copy of Form IEPF-5 submitted with IEPF Authority duly signed and accompanied by all requisite documents to the Company at its registered office address at Office No. 1111, 11th Floor, Ashoka Estate, Plot No. 24, Barakhamba Road, New Delhi-110001, in an envelope marked as "Claim for refund from IEPF Authority" for verification. Shareholders are requested to go through the provisions of said Act and the Rules and also the information provided on the website **www.iepf.gov.in**. Shareholders may also write to the Company or its Registrar & Share Transfer Agent for any further information/ clarification in this regard.

11. The Securities and Exchange Board of India (SEBI) has mandated furnishing of PAN, specimen signature, KYC details (i.e., Postal Address with Pin Code, email address, mobile number and bank account details) and nomination details by holders of physical securities. In terms of SEBI circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, the Company had sent communications to all its members holding shares in physical form to provide the aforesaid details.

Further, any service request or grievance received from the Member will not be processed until the aforesaid details/ documents are provided to Registrar & Share Transfer Agent i.e. MUFG Intime India Private Limited (Formerly Known as Link Intime India Pvt. Ltd.) at C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai-400083 or uploaded at portal of MUFG Intime India Private Limited., Registrar & Share Transfer Agent of the Company at **https://web.in.mpms.mufg.com/KYC/index.html** and shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024 upon complying with the requirements as aforesaid. Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company also at **https://www.eicher.in/investor-service-request**. Members holding shares in electronic form are requested to submit the PAN, KYC details to their Depository Participants with whom they are maintaining their demat accounts.

12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address of any member as soon as possible. Members who are holding shares in physical forms are requested to notify changes in their respective address/ Bank Mandate/National Electronic Clearing Service (NECS) details, if any, to Company's Registrar & Share Transfer Agent in the manner prescribed in para 11 above. Beneficial owners holding shares in electronic form are requested to intimate change in address/ Bank Mandate/ National Electronic Clearing Service (NECS) details, if any, to their respective Depository Participants (DP).

13. Pursuant to the provisions of Section 72 of the Companies Act 2013, a member(s) holding shares in physical form may nominate, in the prescribed Form SH-13, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Member(s) holding shares in physical form may write to the Company/ Registrar & Share Transfer Agent for this facility in the manner prescribed under para 11 above. Member(s) holding shares in demat form may contact their respective Depository Participant for availing this facility.

14. As per SEBI norms, all requests for transfer of securities shall be processed only in dematerialised form. In addition, SEBI has vide its circular no. SEBI/HO/MIRSD/

MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 and Circular No. HO/38/13/(3)2026-MIRSD-POD/I/3763/2026 dated January 30, 2026, has mandated to issue the securities in dematerialized form only while processing the service request received in the nature of (i) Issue of duplicate securities certificate, (ii) Claim from Unclaimed Suspense Account, (iii) Renewal / Exchange of securities certificate, (iv) Endorsement, (v) Sub-division / Splitting of securities certificate, (vi) Consolidation of securities certificates/folios, (vii) Transmission and (viii) Transposition. In light of this, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Further, SEBI vide its Circular dated January 30, 2026 with effect from April 2, 2026, has dispensed with the requirement of issuance of letter of confirmation for effecting direct credit of securities to the dematerialized account of investors. Letter of Confirmation issued before April 2, 2026, may be submitted by the investors to Depository Participant for dematerialization within 120 days from the date of issuance of Letter of Confirmation. Members can contact the Company or its Registrar & Share Transfer Agent i.e. MUFG Intime India Private Ltd., for any clarifications required in this regard.

15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or its Registrar & Share Transfer Agent the details of such folios together with the share certificates for consolidating their holdings in one folio.

16. SEBI vide circular nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023 read with master circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated August 11, 2023, had issued guidelines towards an additional mechanism for investors to resolve their grievances by way of Online Dispute Resolution ('ODR') through a common ODR portal. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievance with the Company/its Registrar and Share Transfer Agent directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (**https://smartodr.in/login**). The details are available on the website of the Company under "Investors" Section. Further, the Company had published newspaper advertisement on September 22, 2023 to bring the provisions of the circular to the notice of the investors (**https://nsearchives.nseindia.com/corporate/EICHERMOT_22092023155211_EMLIntimationtoInvestorsNewspaperPublicationforODRMechanismSigned.pdf**).

17. The Register of Directors & Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, Register of Contracts or Arrangements in which Directors are interested under Section 189 and any other document referred in the notice of this Annual General Meeting will be made available for inspection by members of the Company, up to the date of the Annual General Meeting, basis email request received on **investors@eichermotors.com**. Certificate(s) from the Secretarial Auditors of the Company certifying that Employee Stock Option Plan, 2006 and Restricted Stock Units Plan, 2019 are being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available for inspection on the website of the Company under "Investors" Section on the date of Annual General Meeting.

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

18. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with the relevant rules made thereunder and Regulation 36 of the SEBI (LODR) Regulations, 2015 read with the aforesaid MCA circulars, Notice of the AGM along with the Annual Report for the financial year ended on March 31, 2026, are being sent only through electronic mode to members whose e-mail address is registered with the Company or with the Depository Participant(s). The aforesaid Notice and Annual Report has been uploaded on the website of the Company i.e. **www.eichermotors.com**, the same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at **www.bseindia.com** and National Stock Exchange of India Limited at **www.nseindia.com** and are also available on the website of NSDL (agency providing the remote e-Voting facility) at **www.evoting.nsdl.com**. Further, in terms of the SEBI (LODR) (Third Amendment) Regulations, 2024, for those members whose email ids are not registered, a letter providing the web-link, including the exact path, where complete details of the Annual Report is available is being sent via registered post. The hard copy of the Annual Report will be dispatched to those members who ask for the same.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS:

19. As the AGM is being conducted through Video Conferencing, for the smooth conduct of proceedings of the AGM, members are encouraged to express their views/send their queries related to Annual Report or any other matter concerning the Company in advance on the email id **AGM@eichermotors.com**, from their registered email address, mentioning their name, folio number/DP ID-Client ID, as applicable and mobile number. Questions that will be received by the Company

by Monday, August17, 2026 upto 5.00 p.m. IST shall only be considered and responded during the AGM.

20. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending a request in advance on the email id **AGM@eichermotors.com**, from their registered email address, mentioning their name, folio number/DP ID-Client ID, as applicable and mobile number by Friday, August 14, 2026 upto 5.00 p.m. Please note that only those shareholders who have registered themselves as a speaker in advance will only be allowed to express their views/ask questions during the meeting.

21. The Company reserves the right to restrict the number of questions/queries/clarifications to be addressed at the AGM and restrict the number of speakers, as appropriate, for smooth conduct of the AGM.

PROCEDURE FOR JOINING THE AGM THROUGH VIDEO CONFERENCING:

22. Members will be provided with a facility to attend the AGM through the NSDL e-Voting system. Members may access by following the steps mentioned below for **Access to NSDL e-Voting system**. After successful login, members can access the link placed under **"Join General meeting"** menu against Company name to attend AGM. The link will be available in Member login where the EVEN- 140292 of the Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in this notice.

23. Members are encouraged to join the Meeting through laptops/desktops for better experience. Further, members are requested to use Internet with a good speed for better experience.

24. Please note that participants connecting from mobile devices or tablets or through laptops/ desktops connecting via mobile hotspot may experience audio/ video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection for better experience.

25. The members can join the AGM through Video Conferencing from 04:00 p.m. (IST) by following the procedure mentioned in this Notice.

26. Institutional Investors are encouraged to attend and vote at the AGM through Video Conferencing. In case any Institutional Investor faces any issue in participating in AGM, they can write to **AGM@eichermotors.com**.

27. Members who need assistance for participating in the AGM, can contact Ms. Pallavi Mhatre, Senior Manager, NSDL at **evoting@nsdl.com** or at telephonic number 022 - 4886 7000.

28. Members attending the AGM through Video Conferencing will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

29. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on business items to be transacted at the 44th Annual General Meeting by electronic means. The facility of casting the votes by the members using an electronic voting system ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

30. Pursuant to SEBI (LODR) Regulations, 2015 and such other provisions as may be applicable, the Company had fixed August 13, 2026 as cut-off date for determining the Members who shall be entitled to vote through remote e-voting or through e-voting on the day of AGM. The remote e-voting period commences on August 17, 2026 (9:00 a.m. IST) and ends on August 19, 2026 (5:00 p.m. IST). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 13, 2026, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently. A person who is not a member as on the cut-off date should treat this notice for information purpose only.

31. The details of the process and manner for remote e-voting are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

Step 2: Cast your vote electronically and join virtual meeting on NSDL e-Voting system

Details on Step 1 are mentioned below:

A) Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	**A. OTP Based Login** 1. For OTP based login click on **https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp**. 2. Enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. 3. Enter the OTP received on your registered email id/mobile number and click on login. 4. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. 5. Click on Company name i.e. Eicher Motors Limited or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. **B. NSDL IDeAS facility** *If you are already registered, follow the below steps:* 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: **https://eservices.nsdl.com/** either on a Personal Computer or on a mobile. 2. Once the home page of e-Services is launched, click on the "**Beneficial Owner**" icon under "**Login**" which is available under "**IDeAS**" section. 3. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. 4. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. 5. Click on the Company name or **e-Voting service provider – NSDL** and you will be redirected to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. *If you are not registered, follow the below steps:* 1. Option to register is available at **https://eservices.nsdl.com**. 2. Select "Register Online for IDeAS" Portal or click at **https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp** 3. Please follow steps given in points 1-5. **C. e-Voting website of NSDL** 1. Open web browser by typing the following URL: **https://www.evoting.nsdl.com/** either on a Personal Computer or on a mobile. 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. 3. After successful authentication, you will be redirected to NSDL website wherein you can see e-Voting page. Click on the Company name or **e-Voting service provider i.e NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	D. e-Voting mobile application of NSDL Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** Download on the App Store GET IT ON Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website **www.cdslindia.com** and click on login icon ξ New System Myeasi Tab and then use your existing my easi username ξ password. 2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting ξ voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website **www.cdslindia.com** and click on login ξ New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in **www.cdslindia.com** home page. The system will authenticate the user by sending OTP on registered Mobile ξ Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on the Company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting ξ e-Voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at **evoting@nsdl.com** or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at **helpdesk.evoting@cdslindia.com** or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: **https://www.evoting.nsdl.com/** either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at **https://eservices.nsdl.com/** with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 140292 then user ID is 140292001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      i. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      ii. If your e-mail ID is not registered, please follow steps mentioned under Para 11 of these foregoing notes.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   (a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on **https://www.evoting.nsdl.com**.

   (b) Click on "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on **www.evoting.nsdl.com**.

   (c) If you are still unable to get the password by aforesaid two options, you can send a request at **evoting@nsdl.com** mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   (d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are mentioned below:
How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select EVEN- 140292 of Company for casting your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "Video Conferencing/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

32. The procedure for e-Voting on the day of the AGM is same as mentioned above for remote e-voting.

33. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting at the AGM or participating in AGM. Only those members, who have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system at the AGM. Members who have voted through remote e-Voting will also be eligible to attend the AGM, however, they will not be eligible to vote again at the AGM.

34. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting and/or AGM through Video Conferencing under Para 27 of these foregoing notes.

35. GENERAL GUIDELINES FOR SHAREHOLDERS FOR VOTING:

(a) Corporate entities/other entities including Institutional shareholders (i.e. other than individuals etc.) are requested to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority

letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to attend the AGM and to vote through remote e-voting or e-voting at the AGM, to the Scrutinizer by e-mail to **vijay.gupta@vkgnassociates.com** with a copy marked to **evoting@nsdl.com**, **AGM@eichermotors.com**. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

(b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on **www.evoting.nsdl.com** to reset the password.

(c) In case of any queries related to voting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of **www.evoting.nsdl.com** or call on toll free no.: 022 - 4886 7000 or send a request at **evoting@nsdl.com**.

(d) The voting rights of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date of August 13, 2026. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to attend AGM through Video Conferencing and vote.

(e) Any person, who acquires shares of the Company and become member of the Company after sending of the notice and holding shares as of the cut-off date i.e. August 13, 2026, may obtain the login ID and password by sending a request at **evoting@nsdl.com** and **AGM@eichermotors.com**. However, if a member is already registered with NSDL eservices i.e. IDEAS, he can log-in at **https://eservices.nsdl.com/** with his existing IDEAS login. If the member forgets his password, he can reset his password by using above instructions for remote e-voting.

36. Mr. Vijay Gupta, Practicing Chartered Accountant, or in his absence, Mr. Akshay Kakkar, Practicing Company Secretary, shall act as the Scrutinizer(s) to scrutinise the e-voting and remote e-voting process in a fair and transparent manner.

37. During the 44th AGM, the Chairman, after submitting response to the questions raised by the members in advance, shall formally propose to the members participating through Video Conferencing facility to vote on the business items as set out in the Notice of the 44th AGM through the e-Voting system. After the Members participating through Video Conferencing Facility, eligible to cast votes, have casted their votes, the e-Voting will be closed and the AGM shall stand concluded.

38. The Scrutinizer shall after the conclusion of the 44th Annual General Meeting, unblock the votes cast through remote e-voting and e-voting held at the AGM in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated scrutinizer's report within the prescribed time, of the total votes cast in favour or against, if any, and submit the report to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

39. Results of voting shall be declared within 2 working days of conclusion of the meeting. The results along with the Scrutinizers' report would be intimated to the Stock Exchanges where securities of the Company are listed, Depositories and Registrar & Share Transfer Agent and will be displayed on the Company's website **www.eichermotors.com** and on the website of NSDL **www.evoting.nsdl.com**.

By order of the Board of Eicher Motors Limited

Atul Sharma
Company Secretary
Membership No. ACS 22763

Place: Gurugram, Haryana
Date: May 22, 2026

CIN: L34102DL1982PLC129877
Regd. Off: Office No. 1111, 11th Floor,
Ashoka Estate, Plot No. 24,
Barakhamba Road, New Delhi-110001
Phone: +91 11 41095173
Website: **www.eichermotors.com**
E-mail: **investors@eichermotors.com**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 4 & 5:
Appointment of Mr. Vinod Kumar Aggarwal as Executive Vice Chairman and payment of remuneration

Mr. Vinod Kumar Aggarwal (DIN: 00038906) was appointed as the Non-Executive Non-Independent Director of the Company by the shareholders at the 37th Annual General Meeting held on August 1, 2019, for a period of five years with effect from April 1, 2019, pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (LODR) Regulations, 2015, ('SEBI Listing Regulations') and Articles of Association of the Company. Thereafter, he was reappointed as Non-Executive Non-Independent Director for another term of five years with effect from April 1, 2024 by the shareholders at their 41st Annual General Meeting held on August 23, 2023. Following the changes in the Company's Board in February 2025, including the appointment of Mr. Siddhartha Lal as the Executive Chairman, Mr. Vinod Kumar Aggarwal was appointed as the Non Executive Vice Chairman of the Company with effect from February 13, 2025.

Mr. Vinod Kumar Aggarwal was concurrently working as the Managing Director & CEO of VE Commercial Vehicles Ltd (VECV), Company's joint venture with AB Volvo. After leading VECV for around 16 years, initially as CEO and thereafter as CEO and Managing Director till March 31, 2026, Mr. Vinod Kumar Aggarwal was appointed as the Non Executive Chairman of VECV (as a nominee of Eicher Motors Limited) with effect from April 1, 2026 for a period of 3 years. VECV is a large size commercial vehicles Company with revenues of around ₹ 26,400 Crore and achieved sales of 1,00,000+ vehicles in the FY 2025-26. The Company owns 54.4% shareholding in VECV. VECV is a very important part of the Company and is integral to the Company's strategic objectives and future growth. With the recent change in the leadership at VECV and appointment of a new Managing Director and CEO from April 1, 2026, Mr. Aggarwal's role as VECV Board Chairman is very strategic, ensuring continuous guidance of VECV management and smooth transition.

The Company is also working towards setting up a new joint venture in financial services with AB Volvo, which will act as a captive financing arm for VECV and Company products, in addition to financing Volvo products. The Company will invest upto ₹ 750 Crore in the said joint venture entity for 50% shareholding. Pursuant to the terms of the Joint Venture Agreement signed by the Company, the CEO of the Joint Venture will be nominated by Volvo group, who will have the powers to run the day to day business and operations of the Joint Venture. At the same time, in order to maintains a supervision on the affairs of the Joint Venture, the Company reserves the right to appoint a Lead Director/ Managing Director of the proposed Joint Venture. The Lead Director/ Managing Director will not be involved in the day to day business and operations of the Joint Venture but will have broad supervisory powers. The Company intends to nominate Mr. Vinod Kumar Aggarwal as the Lead Director/ Managing Director of the proposed Joint Venture. Setting up this new business in financial service is a strategic step which requires close supervision specially in the initial years and Mr. Aggarwal will play a very important role in building a strong foundation for the Joint Venture. For more details of the proposed Joint Venture in financial services, please refer to the Public Disclosure filed by the Company at **https://www.bseindia.com/xml-data/corpfiling/AttachHis/7e7cf1f2-9732-4325-8029-978df32aa8cd.pdf**

Thus, Mr. Vinod Kumar Aggarwal will play an important strategic role as Executive Vice Chairman of the Company which will include:

1) Taking the lead in protecting, representing and overseeing the Company's interest in VECV, currently as Chairman of VECV and also the lead director from the Company on the VECV Board and various sub-committees.

2) Taking the lead in protecting, representing and overseeing the Company's interest in the proposed new JV in Financial Services as Lead Director/Managing Director (supervisory role as agreed between the partners), representing the Company on the Joint Venture Board and various sub-committees.

3) To monitor performance of VECV and proposed new Joint Venture in Financial Services and report back the performance to the Company's Board.

4) To manage and maintain strong relationship with Volvo Group, the Company's Joint Venture partner in VECV and proposed new Joint Venture for Financial Services.

5) To play an advisory role in evaluating any Merger & Acquisition opportunities or to lead projects or take up special assignments as required by the Chairman of the Company from time to time.

6) Overseeing Treasury investments of the Company and controls on the same.

7) Assist the Chairman of the Company on Corporate Governance matters relating to the Company.

8) Representing the Company in external forums and industry associations like SIAM/CII or other Govt agencies as required from time to time.

9) Conducting the proceedings of Board and shareholders meetings of the Company in the absence of the Chairman.

The Nomination and Remuneration Committee and the Board of the Company, after taking into consideration the extensive experience of Mr. Vinod Kumar Aggarwal in automobile and commercial vehicle industry, his expertise in the area of general management, corporate strategy, corporate governance, treasury, finance & accounts, risk management among others, his leadership skills, knowledge & time commitment towards the affairs of the Company and considering his role as explained above, approved his appointment as the Executive Vice-Chairman of the Company (in the capacity of Executive Director), liable to retire by rotation with effect from May 21, 2026 for a period of three years and recommended the same to the shareholders for approval. Mr. Vinod Kumar Aggarwal will not be a whole time key managerial personnel of the Company under section 203(1) of the Companies Act, 2013.

Brief Profile:

Mr. Vinod Kumar Aggarwal is an industry veteran with an experience of 45 years, out of which 43 years has been with Eicher Group. In his long and successful career with Eicher, spanning over four decades, Mr. Vinod Kumar Aggarwal has held several management positions including being the Chief Financial Officer of the Eicher Group from 2005-2009 and President of Eicher Trucks and Buses. After leading VE Commercial Vehicles Limited ("VECV") (Company's joint venture with AB Volvo) for around 16 years, initially as CEO and thereafter as CEO and Managing Director, Mr. Vinod Kumar Aggarwal was appointed as the Non Executive Chairman of VECV (as a nominee of Eicher Motors Limited) with effect from April 1, 2026.

Over the years, Mr. Vinod Kumar Aggarwal has won several awards for his contributions to the Indian Commercial Vehicle industry including "CV Man of the Year" twice in 2019 and 2014, "Best CEO - Medium and Heavy Duty truck makers" in 2016 by World Auto Forum, "Hall of Fame 2015" by Manufacturing Today, 'Automotive Hall of Fame 2019' by The Economic Times, 'Lifetime Achievement Award' at the Apollo CV Awards 2025, CEO of the Year 2025 (Automotive) by ET Now, The Arjun Vaswani Founders' Leadership Award 2026 and Life Time Achievement Award by Time Drive in 2026.

Mr. Vinod Kumar Aggarwal is the Past President of both the Society of Indian Automobile Manufacturers (SIAM) and the Automotive Skills Development Council (ASDC). He is on the Board of the Company since April 1, 2019 as Non Executive Director. He was appointed as Non Executive Vice Chairman of the Company with effect from February 13, 2025. Mr. Aggarwal is a Commerce graduate from Punjab University and is a fellow member of the Institute of Chartered Accountants of India (FCA) and an associate member of Institute of Cost Accountants of India (CMA).

Remuneration:

The Shareholders are informed that up until March 31, 2026, Mr. Vinod Kumar Aggarwal was drawing remuneration from VE Commercial Vehicles Limited (VECV) as its Managing Director and CEO, and no remuneration had been paid to him from Eicher Motors Limited.

Effective April 1, 2026, in his new role as Non Executive Chairman of VECV, he is not drawing any remuneration from VECV and no remuneration is proposed to be paid to him for the position of Lead Director/ Managing Director in the proposed Joint Venture in Financial services.

Pursuant to the appointment of Mr. Vinod Kumar Aggarwal as Executive Vice Chairman (in the capacity of Executive Director) of the Company with effect from May 21, 2026 and considering his role and responsibilities as mentioned above, the Board of Directors of the Company at its meeting held on May 21, 2026, after taking into consideration the recommendation of the Nomination and Remuneration Committee, approved the following remuneration for Mr. Vinod Kumar Aggarwal with effect from May 21, 2026:

1) **Fixed Remuneration:** ₹ 4.50 Crore (Rupees Four Crore Fifty Lakhs) per annum;

2) **Grant of Restricted Stock Units ("RSU") OR Employee Stock Option ("ESOP"):** Equivalent of ₹ 1.50 Crore (Rupees One Crore Fifty Lakhs) per annum (Cost to the Company of stock options granted based on independent valuation and does not represent perquisite value at the time of exercise). Grant of such stock options shall be on the terms and conditions as may be decided by the Nomination & Remuneration Committee and the Board from time to time. For the first year of appointment, 2,187 RSU Units as per the Restricted Stock Units Plan, 2019 of the Company have been granted to Mr. Vinod Kumar Aggarwal. The RSU's granted will vest at the end of 3 years from May 21, 2026 and the Exercise Price shall be the face value of shares i.e. ₹ 1/- per unit.

3) **Other Benefits:** A Company provided and maintained car and coverage under insurance as per Company's policies.

The Board of Directors of the Company, based on the recommendation of the Nomination & Remuneration Committee, may make such changes in the remuneration of Mr. Vinod Kumar Aggarwal as it may deem appropriate, provided his annual remuneration shall not exceed the remuneration mentioned under (1), (2) and (3) above.

The appointment and remuneration of Mr. Vinod Kumar Aggarwal is in compliance with the provisions of Sections 196, 197, 198, the rules made thereunder and other relevant and applicable provisions, if any, of the Act and the Articles of Association of the Company and SEBI (LODR) Regulations, 2015. Besides the remuneration proposed herein, Mr. Vinod Kumar Aggarwal does not have any other pecuniary relationship with the Company.

The Company has, in terms of Section 160(1) of the Act, received a notice in writing from a member, proposing appointment of Mr. Vinod Kumar Aggarwal as a Executive Director of the Company. With said appointment, the term of Mr. Vinod Kumar Aggarwal as Director will be upto May 20, 2029. Mr. Vinod Kumar Aggarwal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent for the proposed appointment. In the opinion of the Board of Directors, Mr. Vinod Kumar Aggarwal fulfils the conditions specified in the Act and the SEBI (LODR) Regulations, 2015 for appointment as Executive Director of the Company, subject to approval of shareholders of the Company.

Mr. Vinod Kumar Aggarwal's appointment as Executive Vice Chairman in the capacity of Executive Director can be terminated by either party by giving 3 months' written notice provided that the Company shall have the option to pay salary in lieu of notice for the full period of 3 months or for such period by which such notice falls short of 3 months. Mr. Vinod Kumar Aggarwal is not part of the Promoter group of the Company. He is not holding any Directorship in any other listed Company and holds committee position as Chairman of Audit Committee and Nomination & Remuneration Committee of VE Commercial Vehicles Limited. Mr. Vinod Kumar Aggarwal holds 15,000 equity shares of face value of ₹ 1 each in the Company.

Mr. Vinod Kumar Aggarwal for himself and through his relatives, to the extent of their shareholding, if any, in the Company, may be deemed to be concerned or interested, financially or otherwise, in the resolution as set out under business item no. 4 and 5 of the Notice. He is not related to any Director or Key Managerial Personnel of the Company. Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives is/are concerned or interested, financially or otherwise, in the said resolutions.

The Notice read with Explanatory Statement should be considered as written Memorandum setting out the terms of appointment and remuneration of Mr. Vinod Kumar Aggarwal as Executive Director as required under Section 190 of the Companies Act, 2013.

In the opinion of the Board of Directors, it will be in the best interest of the Company to appoint Mr. Vinod Kumar Aggarwal as Executive Vice Chairman (in the capacity of Executive Director) of the Company on remuneration stated above. The Board accordingly recommends the resolutions as set out under business item no. 4 and 5 in the Notice of this Annual General Meeting for approval of the Members as ordinary resolutions.

Item No. 6:
Approval of Related Party Transactions between VE Commercial Vehicles Limited and Volvo Group India Private Limited

The shareholders are informed that pursuant to Regulation 23 of the SEBI (LODR) Regulations, 2015, as amended, where the consolidated annual turnover of the listed entity is between ₹ 20,000 Crore and ₹ 40,000 Crore, a related party transaction is considered 'material' if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds ₹ 2,000 Crore + 5% of the annual consolidated turnover of the listed Company above ₹ 20,000 Crore. Accordingly, based on the Financial Statements of the Company for the Financial Year ended March 31, 2026, the materiality threshold for related party transactions for the Company is ₹ 2,170 Crores and any transaction involving said value in a financial year, whether entered into by the Company or a subsidiary of the Company, requires approval of the shareholders of the Company.

Pursuant to Regulation 2(1)(zc) of the SEBI (LODR) Regulations, 2015, the definition of related party transaction includes a transaction involving a transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand, regardless of whether a price is charged or not.

The related party transactions for which this proposal is placed before the shareholders of Eicher Motors Limited ("the Company") for approval are between VE Commercial Vehicles Limited, an unlisted material subsidiary of Eicher Motors Limited on the one hand and Volvo Group India Private Limited, a related party of VECV on the other hand. Eicher Motors Limited is not a party to these transactions. However, owing to the definition of regulation 2(1)(zc) read with Regulation 23(4) of the SEBI (LODR) Regulations, 2015, the related party transactions between VECV and VGIPL require approval of the shareholders of the Company.

VE Commercial Vehicles Limited ("VECV") is engaged in the business of manufacture and sale of 'Eicher' branded trucks and buses, Volvo branded buses, spare parts as well as distribution of 'Volvo' branded trucks and provision of aftermarket services and distribution of spare parts for 'Volvo' branded trucks. VECV is the exclusive distributor of Volvo Trucks in India. VECV purchase Volvo Trucks from Volvo Group India Private Limited ("VGIPL"), a Volvo group Company which is a related party of VECV.

Considering VECV and VGIPL are related parties and the value of transactions between VECV and VGIPL during the financial year 2026-27, in aggregate, is expected to be up to ₹ 4000 Crores, excluding taxes, which is in excess of the materiality threshold of ₹ 2,170 crores, said transaction requires approval the shareholders of Eicher Motors Limited at the ensuing 44th Annual General Meeting as per the provisions governing the related party transactions under SEBI (LODR) Regulations, 2015. It is informed that these transactions are continuing transactions from previous years and the Audit Committee, the Board and the shareholders have approved said transactions in the previous years.

It is submitted that the aforesaid transactions are in the ordinary course of business and at arm's length basis and necessary approvals as required in compliance of the provisions under the Companies Act, 2013 and SEBI Listing Regulations have been obtained from the Audit Committee and the Board on May 21, 2026 and May 22, 2026 respectively.

The Audit Committee at its meeting held on May 21, 2026, had reviewed the certificate signed by the Managing Director and Chief Financial Officer of the Company confirming that the terms of the Related Party Transactions are in the interest of the Company and VECV.

Pursuant to SEBI Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93, dated June 26, 2025, prescribing Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions", the details of transactions are as follows:

S No.	Particulars	Information provided by the management
Part A: Minimum information of the proposed RPT		
A1 Basic details of the related party		
1.	Name of the related party	Volvo Group India Private Limited ("VGIPL")
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Manufacturing and supply of Volvo Branded trucks and spare parts of Trucks and Buses.
A2 Relationship and ownership of the related party		
1.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:	VECV is a joint venture company between Aktiebolaget Volvo (PUBL), Sweden and the Company. VECV is an unlisted material subsidiary of the Company and the Company holds 54.40% of equity share capital of VECV and the remaining 45.60% of the equity share capital of VECV is held by Aktiebolaget Volvo (PUBL), Sweden and Volvo Truck Corporation, Sweden. Accordingly, VECV is a related party of the Company in terms of Regulation 2(1)(zb) of the SEBI (LODR) Regulations, 2015 and section 2(76) of the Companies Act, 2013. VGIPL is an unlisted private limited company and is part of Volvo Group of Companies. Ms. Sofia Helena Frandberg holds common directorship in VECV and VGIPL. VECV and VGIPL are related parties pursuant to Regulation 2(1)(zb) of the SEBI (LODR) Regulations, 2015.
A	Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party	Eicher Motors Limited and VECV do not hold any shares in VGIPL.
B	Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary)	Not Applicable since the related party is a Private Limited Company
C	Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary)	Nil
A3 Details of previous transactions with the related party		
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year	There were no transactions between Eicher Motors Limited and VGIPL during FY 2025-26. Details of transactions undertaken between VECV and VGIPL during the FY 2025-26 are as follows:

S No.	Nature of Transaction	Amount (₹ in Crores)
1.	Purchase of goods/ services	2,252.83
2.	Purchase of demo trucks and tech tools	1.70
3.	Sale of finished goods/service	88.96
4.	Incentives on part sales, expenses recovered	2.86
5.	Reimbursement of expenses	84.32
Total		**2,430.67**

<table>
<tr><th>S No.</th><th>Particulars</th><th>Information provided by the management</th></tr>
<tr><td>2.</td><td>Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought</td><td>No transactions were undertaken between Eicher Motors Limited and VGIPL since April 1, 2026 till June 30, 2026.
Details of transactions between VECV and VGIPL since April 1, 2026 till June 30, 2026 are as follows:
<table><tr><th>S No.</th><th>Nature of Transaction</th><th>Total (In ₹ Crores)</th></tr><tr><td>1</td><td>Purchase of goods / services</td><td>677.61</td></tr><tr><td>2</td><td>Sale of finished goods/ services</td><td>22.68</td></tr><tr><td>3</td><td>Expenses recovered</td><td>32.82</td></tr><tr><td>4</td><td>Expenses reimbursed</td><td>0.50</td></tr><tr><td colspan="2">Total</td><td>733.61</td></tr></table></td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year</td><td>None</td></tr>
<tr><td colspan="3">A4 Amount of the proposed transaction(s)</td></tr>
<tr><td>1.</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ Shareholders</td><td>The expected value of transactions during the financial year 2026-27 between VECV and VGIPL are as follows:
<table><tr><th>S No.</th><th>Nature of Transaction</th><th>Total (In ₹ Crores)</th></tr><tr><td>1.</td><td>Purchase of goods / services</td><td>3,431.4</td></tr><tr><td>2.</td><td>Sale of finished goods / services</td><td>264.5</td></tr><tr><td>3.</td><td>Incentives on part sales, expenses recovered</td><td>70.7</td></tr><tr><td>4.</td><td>Reimbursement of expenses and ancillary transactions</td><td>26.0</td></tr><tr><td colspan="2">Total</td><td>3,792.6</td></tr></table>
Approval of the shareholders is sought for transactions of upto ₹ 4000 Crore between VECV and VGIPL during FY 2026-27.</td></tr>
<tr><td>2.</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year</td><td>17.09%</td></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>14.81%</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available</td><td>83.71%</td></tr>
</table>

<table>
<tr><th>S No.</th><th>Particulars</th><th>Information provided by the management</th></tr>
<tr><td>6.</td><td>Financial performance of the related party for the immediately preceding financial year:</td><td>Financial performance of VECV:
<table>
<tr><th>S. No.</th><th>Nature of Transaction</th><th>Preceding Financial year 2025-2026 (₹ in Crore)</th></tr>
<tr><td>1.</td><td>Standalone Turnover</td><td>26,432.15</td></tr>
<tr><td>2.</td><td>Standalone Profit After Tax</td><td>1,455.19</td></tr>
<tr><td>3.</td><td>Standalone Net worth</td><td>6,830.01</td></tr>
</table>
Financial performance of VGIPL:
<table>
<tr><th>S. No.</th><th>Nature of Transaction</th><th>Preceding Financial year 2025-2026 (₹ in Crore)</th></tr>
<tr><td>1.</td><td>Standalone Turnover</td><td>4,778</td></tr>
<tr><td>2.</td><td>Standalone Profit After Tax</td><td>279</td></tr>
<tr><td>3.</td><td>Standalone Net worth</td><td>1,446</td></tr>
</table></td></tr>
<tr><td colspan="3">A5 Basic details of the proposed transaction</td></tr>
<tr><td>1.</td><td>Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)</td><td>As per section A5(2) below</td></tr>
<tr><td>2.</td><td>Details of each type of the proposed transaction</td><td>VECV has undertaken and continues to undertake various related party transactions (“RPTs”) with VGIPL. The RPTs involve:
(i) Purchase of goods/services
(ii) Sale of finished goods/services
(iii) Incentives on part sales, expenses recovered
(iv) Reimbursement of expenses and ancillary transactions
The RPTs are at arm’s length and in ordinary course of business</td></tr>
<tr><td>3.</td><td>Tenure of the proposed transaction (tenure in number of years or months to be specified)</td><td>Financial Year 2026-27</td></tr>
<tr><td>4.</td><td>Whether omnibus approval is being sought?</td><td>Yes</td></tr>
<tr><td>5.</td><td>Value of the proposed transaction during a financial year.
If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise</td><td>Not exceeding ₹ 4,000 Crores, excluding taxes, during the financial year 2026-27.

VECV is the exclusive distributor of Volvo Trucks in India which are procured from VGIPL. Since VECV is entering into many growth areas including Road construction, mineral transportation and on-road logistics amongst others, there is tremendous scope for sale of ‘Volvo’ branded trucks in India. VECV is already testing higher capacity trucks in mining and construction. Testing of high productivity transport solutions like road trains and truck trailers are going on in Express cargo and road constructions. Mineral transport is another virgin area that VECV plans to penetrate. Alternate fuel powered trucks, LNG and Electric, are also extensively tested in India and VECV is exploring new business models to increase the population of these trucks in India

With the above background, VECV has drawn strong plans to achieve growth in Volvo Trucks business and based on the plans, approval for transactions of up to ₹4,000 Crores, excluding taxes, is sought for the financial year 2026-27. Approval for transactions of up to ₹ 4,000 Crores will ensure that the business is carried out smoothly with focus on expansion. The approval sought is for one year and the Company will come back for approval of subsequent years transactions.

Last year, Audit Committee, Board and the shareholders’ approval was obtained by the Company for these transactions between VECV and VGIPL at the 43rd Annual General Meeting of the Company held on August 21, 2025 for up to ₹4,000 Crores, against which actual transaction value has been ₹ 2,430.67 Crores.</td></tr>
</table>

S No.	Particulars	Information provided by the management
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	**Purchase of Goods/services:** The Volvo Group's major business focuses on providing solutions for sustainable transport and infrastructure, encompassing trucks, buses, construction equipment, and power solutions for marine and industrial applications. Volvo Group has a broad portfolio of brands, including Volvo Trucks, Renault Trucks, Mack, Volvo Penta, Prevost, Nova Bus and joint ventures in Milence Dongfeng trucks, Eicher, cellcentric and European Charging Network under its umbrella. Volvo trucks are the first choice for customers with stringent performance requirements, who desire productivity, safety, quality and reliability in their operations. VECV is engaged in the business of manufacture and sale of 'Eicher' branded trucks and buses, Volvo branded Buses, spare parts as well as distribution of 'Volvo' branded trucks and provision of aftermarket services and distribution of spare parts for 'Volvo' branded trucks. VECV is the exclusive distributor of Volvo Trucks in India. Volvo Trucks India (VTI) is part and parcel and an important division of VECV and represents 12.3% of VECV's total sales for the financial year 2025-26. VECV is fully dependent on VGIPL for the procurement of 'Volvo' branded trucks and Volvo branded spare parts for Volvo trucks and buses. This transaction is very critical and crucial for running this business. VTI annual sales revenues for FY 2025-26 was ₹ 3,251.3 Crore (₹ 3,235 Crores for FY 2024-25) including after sales and service revenue of around ₹ 1,136.6 Crore (₹ 1,040.7 Crores for FY 2024-25), which is consistently profitable and adding value to shareholders on a year-on-year basis. VTI caters to the niche segments like mining, heavy construction, and long haul. It caters to over 37% of all the coal overburden removal in India. It is also instrumental in evacuating minerals like coal, iron ore, limestone etc., all of which are necessary for power generation and infrastructure development in India. In premium truck segment with 400+ engine Horse Power, among European and Chinese truck manufacturers, VTI achieved 82.4% market share during 2025-26 (last year 78.4%) and maintained #1 position in terms of brand image and customer satisfaction. VTI has a comprehensive nation-wide network of service and parts centres in India that have the best of infrastructure, tools and equipment, systems and processes, highly trained and competent manpower that offer 24x7 support to its customers. Uptime centres are continuously monitoring the trucks through the data collected by the telematics system. VTI continues to focus on driving digitalisation in services and offer smart transport solutions. Volvo Group plans to broaden their offering by producing higher capacity trucks for mining. High productivity transport solutions like road trains for goods and mineral transport are introduced through VECV. Another forte of the Volvo Group, alternate energy is well established in Europe with the supply of LNG and Electric trucks. VECV has introduced these solutions in India and is working on various means to expand this product line. This is a highly profitable business for VECV with substantial growth potential. **Sale of finished goods / services** VECV sells engines, spares parts and buses to VGIPL which are profitable transactions for VECV. **Incentives on part sales, expenses recovered** VGIPL supports VECV through various customer schemes to enhance Volvo trucks and spare parts sales to end customers and also for brand visibility.

S No.	Particulars	Information provided by the management
		Reimbursement of expenses and ancillary transactions VECV reimburses expenses to VGIPL incurred towards common facilities like security, electricity, diesel, canteen and stock yard as actual. In light of above and to meet the business requirements of VECV, it is necessary to procure Volvo Trucks as well as other related parts and services from VGIPL and enter into related transactions for the value not exceeding ₹ 4,000 Crores, excluding taxes, during the year 2026-27.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly a. Name of the Director / KMP b. Shareholding of the director / KMP, whether direct or indirect, in the related party	None of the Directors or KMP(s) of the Company is a Director or KMP of VGIPL. None of the Directors or KMP(s) of the Company have any personal interest in the transaction and none of them have any shareholding in VGIPL. Mr. Siddhartha Lal, Mr. Vinod Kumar Aggarwal and Mr. Inder Mohan Singh are common directors on the Board of Eicher Motors Limited and VECV.
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee	There is no external party report obtained by the Company. However, the pricing mechanism followed for RPTs is based on arm's length principle. Also these RPTs are in the ordinary course of business
Part B: Additional Information		
B1 Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances		
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services	There are no other suppliers for the goods and therefore no bidding process was required to be followed.
2.	Basis of determination of price	**Purchase of Goods/Services** The global distributor price for these trucks and related products/ services (hereinafter "Goods") is fixed by Volvo from time to time depending upon various parameters such as inflation, new features added etc. and Indian price is accordingly determined. VECV purchases the Goods from VGIPL at the last fixed price. VECV further adds its profit margins and sells Goods to its customers. VECV independently decides the price of the Goods for sale to its customers. **Sale of finished goods/service** The price of finished goods and service is fixed by VECV depending upon the cost of raw material, manufacturing expenses, and increase in cost due to inflation. **Incentives on part sales, expenses recovered** The schemes are rolled out based on market conditions. VGIPL supports at mutually agreed percentage and reimburses based on claims by VECV. **Reimbursement of expenses and ancillary transactions** The expenses are reimbursed as agreed between VECV and VGIPL from time to time as actuals.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of Trade advance b. Tenure c. Whether same is self-liquidating?	No Trade Advances

Approval of the Members of the Company is, therefore, being sought in terms of Regulation 23(4) of the SEBI Listing Regulations by way of an Ordinary Resolution to the aforesaid material RPTs between VECV and VGIPL for a value, not exceeding in aggregate ₹ 4000 Crores, excluding taxes, during the financial year 2026-27.

Validity of the approval of the members of the Company for said RPTs shall be upto the next Annual General Meeting of the Company as provided under SEBI (LODR) Regulations, 2015, as may be amended from time to time.

VECV was incorporated as a joint venture between AB Volvo, Sweden and the Company and one of the objectives of incorporation of VECV was to meet the business requirements of both the JV partners i.e. the Company as well as AB Volvo, Sweden and achieve overall efficiencies with respect to distribution of 'Volvo' branded trucks and provision of aftermarket services and distribution of spare parts for 'Volvo' branded trucks. VECV has been entering into similar transactions with VGIPL since May 26, 2008 and all the transactions are duly disclosed in the financial statements of VECV in accordance with applicable accounting standards. Further, the RPTs between VECV and VGIPL are at arm's length basis and in the ordinary course of business. Further, the RPTs' are crucial and critical for continuity of the business of VECV and are in the interest of the shareholders of the Company.

Based on the aforesaid consideration, the Board recommends the resolution as set out under business item no. 6 in the notice of this meeting for approval of the members by means of an Ordinary Resolution. None of the Directors or Key Managerial Personnel of the Company or their relatives is/are concerned or interested, financially or otherwise, in the resolution/related party transaction. Further, the promoters of the Company are not related to VGIPL in accordance with Section 2(76) of the Companies Act, 2013 read with regulation 2(1)(zb) of SEBI Listing Regulations.

The Members may please note that in terms of provisions of the SEBI (LODR) Regulations, 2015, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not) shall not vote to approve the aforesaid related party transaction.

Item No. 7:

Pursuant to Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Board of Directors of the Company at its meeting held on July 31, 2025 approved appointment of M/s. Jyothi Satish & Co., Cost Accountants (Firm registration No. 101197), to conduct audit of relevant cost records of the Company for the financial year 2025-26. Based on the recommendations of the Audit Committee, the Board of Directors has decided to recommend to the shareholders for approval, payment of remuneration of ₹ 5,00,000/- (Rupees Five Lakhs only), plus taxes as applicable and reimbursement of out of pocket expenses to M/s. Jyothi Satish & Co., Cost Accountants for audit of cost records of the Company for the financial year 2025-26. The Board recommends the Resolution as set out under business item no. 7 in the notice of this meeting for the approval of the Members as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are concerned or interested, financially or otherwise, in the proposed resolution.

By order of the Board of Eicher Motors Limited

Atul Sharma
Company Secretary
Membership No. ACS 22763

Place: Gurugram, Haryana
Date: May 22, 2026

CIN: L34102DL1982PLC129877
Regd. Off: Office No. 1111, 11th Floor,
Ashoka Estate, Plot No. 24,
Barakhamba Road, New Delhi-110001
Phone: +91 11 41095173
Website: **www.eichermotors.com**
E-mail: **investors@eichermotors.com**

(Refer Note 9 of the Notice of 44th AGM)

COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND

In accordance with the provisions of the Income-tax Act, 2025 ("the Act") (Erstwhile the Income-tax Act, 1961 ("the Old Act"), dividend declared by the Company is taxable in the hands of the shareholders and the Company is required to deduct tax at source ("TDS") on dividend at the applicable rates.

Please take note of the below TDS provisions and information/document requirements for each shareholder:

A. RESIDENT SHAREHOLDERS:

A.1 No tax shall be deducted on payment of dividend to the resident individual shareholders, if the total dividend for a financial year does not exceed ₹ 10,000 (Rupees Ten Thousand), subject to availability of PAN of shareholder.

A.2 Tax shall be deducted from Dividend paid to resident shareholders (other than category prescribed under A.1 above) as per the details provided below:

Particulars	Applicable Rate of Tax	Declaration/ documents required
Where valid PAN is updated with the Depository Participant (in case shares are held in dematerialised form) or with Company's Registrar and Transfer Agent ("RTA") i.e. MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) (in case shares are held in physical form) and no exemption is sought by the resident shareholder	10%	Not applicable
No PAN/ Invalid PAN/ Inoperative PAN*	20%	Not applicable Note: In case of a shareholder being resident individual eligible for obtaining Aadhaar Number have not linked the Aadhar Number allotted with its PAN (as on the date of payment of such dividend), such PAN would be treated as inoperative for the provisions of deduction of TDS.
Where lower/ nil tax deduction certificate is issued by Income Tax Department under section 395 of the Act (Erstwhile section 197 of the Old Act)	Rate specified in Lower tax withholding certificate obtained from Income Tax Department	• Copy of PAN card • Copy of lower tax withholding certificate obtained from Income Tax Department **Note:** The certificate should be valid for the tax year 2026-27 and should cover the dividend income from the Company.

* As per section 262 of the Act (Erstwhile section 139AA of the Old Act), every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar, except person exempted as per Notification No. 37/2017. In case of failure to comply to this, the PAN allotted shall be deemed to be inoperative and tax shall be deducted at higher rates as prescribed under the Act.

A.3 No tax shall be deducted on Dividend to resident shareholders if the shareholders submit documents mentioned in the below table with the RTA:

Particulars	Declaration/ documents required
Individual furnishing Form 121 (Erstwhile Form 15G/15H)	• Copy of PAN card • Form 121 either filed electronically or in paper form. Format of Form 121 are given in the link below
Submitting Certificate under Section 395 of the Act (Erstwhile section 197 of the Old Act)	• Copy of PAN card • NIL withholding tax certificate obtained from tax authority **Note:** The certificate should be valid for the tax year 2026-27 and should cover the dividend income from the Company.
Shareholders [e.g. LIC, GIC,] for whom Section 393(4) [Table sr. no 10] of the Act (Erstwhile section 194 of the Old Act) is not applicable	• Copy of PAN card • Self-declaration (refer format SD1 given in the link below) along with adequate documentary evidence (e.g., registration certificate) to the effect that no tax withholding is required pursuant to the provisions of Section 393(4) [Table sr. no 10] of the Act.
Category I and II Alternative Investment Fund (AIF)	• Copy of PAN card • Self-declaration (refer format SD1 given in the link below) that the AIF is registered with SEBI as per SEBI Regulations along with copy of registration certificate along with the confirmation that their income is exempted from tax in terms of notification no. 51/2015 issued by CBDT
Persons covered under Section 393(5) of the Act (Erstwhile section 196 of the Old Act) (e.g. Mutual Funds specified under Section 11(3) read with Schedule VII [Table: S. No. 20 or 21] of the Act, RBI, Govt.)	• Copy of PAN card • Self-declaration (refer format SD1 given in the link below) along with documentary evidence (e.g., registration certificate) that the person is covered under said Section 393(5) of the Act (Erstwhile section 196 of the Old Act)
Other shareholders exempt as per Section 393(4) [Table sr. no. 10] of the Act (Erstwhile section 197A of the Old Act) including those mentioned in Circular No. 18/2017 issued by CBDT viz. New Pension System Trust governed by Section 393(9) of the Act (Erstwhile section 10(44) of the Old Act), Recognized Provident Fund, Approved Superannuation Fund or Approved Gratuity Fund	• Copy of PAN card • Self-declaration (refer format SD1 given in the link below) along with documentary evidence to the effect that no tax withholding is required • Copy of the lower TDS certificate obtained from Income Tax Department (except those covered by Circular 18/2017)

B. NON-RESIDENT SHAREHOLDERS:

As per Section 159 of the Act (Erstwhile section 90 of the Old Act), the non-resident shareholder has the option to be governed by the provisions of the Double Taxation Avoidance Agreement ("Tax Treaty") between India and the country of tax residence of the shareholder, if they are more beneficial to them. Please refer to the below table for the details of documents to avail Tax Treaty benefits:

Particulars	Applicable Rate	Documents required (if any)
Non-resident Shareholders (including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% plus applicable surcharge and cess OR Tax Treaty Rate (Whichever is lower)	If the shareholder wants to avail the tax rates as per the Tax Treaty, following documents would be required: • Self-attested copy of the Permanent Account Number (PAN) allotted by the Indian Income Tax authorities • Self-attested copy of Tax Residency Certificate (TRC) issued by the competent authority of the country of shareholder's residency, evidencing and certifying the tax residency status of the shareholder in the country of residency during the tax year 2026-27 (covering the period from April 1, 2026 to March 31, 2027) • Electronically generated Form 41 (Erstwhile known as Form 10F) from the link **https://eportal.incometax.gov.in** • In case of FIIs and FPIs, self-attested copy of SEBI registration certificate

Particulars	Applicable Rate	Documents required (if any)
		• Self-declaration in the (format SD2 given in the link below), certifying that – i. You will continue to remain a tax resident of the country of your residency during the Tax Year 2026-27; ii. You are eligible to claim the beneficial Tax Treaty rate for the purposes of tax withholding on dividend declared by the Company; iii. You have no reason to believe that your claim for the benefits of the Tax Treaty is impaired in any manner; iv. You are the beneficial owner of your shareholding in the Company and dividend receivable from the Company; v. You do not have a taxable presence/ permanent establishment/ fixed base/ Business Connection/ Place of Effective Management, in India in accordance with the applicable Tax Treaty or dividend income is not attributable/ effectively connected to any permanent establishment or fixed base in India (Non-resident having PE in India would need to comply with provisions of section 397 of the Act (Erstwhile section 206AA of the Old Act); vi. Non-resident complies with any other condition prescribed in the relevant Tax Treaty and provisions under the Multilateral Instrument ('MLI'). vii. Tax Identification Number and Complete address in the country of residence
Submitting Certificate under Section 395 of the Act (Erstwhile section 197 of the Old Act)	Rate specified in Lower / Nil withholding tax certificate	Lower/NIL withholding tax certificate obtained from tax authority Note: The certificate should be valid for the financial year 2026-27 and should cover the dividend income from the Company.
Alternative Investment Fund – Category III located in International Financial Services Centre	10% (plus applicable surcharge and cess)	• Copy of PAN card • Self-declaration (refer format SD3 given in the link below) along with adequate documentary evidence (e.g. registration certificate) substantiating the nature of the entity.
Non-Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined under section 176 of the Act (Erstwhile section 94A(1) of the Old Act)	30%	Not applicable
Sovereign Wealth funds and Pension funds notified by Central Government under sections 11(1) read with Schedule V [Table: S. No. 7] of the Act (Erstwhile section 10(23FE) of the Old Act)	NIL	• Copy of PAN card • Copy of the notification issued by CBDT substantiating the applicability under sections 11(1) read with Schedule V [Table: S. No. 7] of the Act (Erstwhile section 10(23FE) of the Old Act) issued by the Government of India. • Self-Declaration (refer format SD4 & SD5 given in the link below) that the conditions specified under sections 11(1) read with Schedule V [Table: S. No. 7] of the Act (Erstwhile section 10(23FE) of the Old Act) have been complied with
Foreign Portfolio Investors (FPIs) – Category I	10% (plus applicable surcharge and cess) in case of a valid PAN	• Copy of PAN card • Self-declaration (refer format SD6 given in the link below) along with adequate documentary evidence (e.g. registration certificate) substantiating the nature of the entity.
Subsidiary of Abu Dhabi Investment Authority (ADIA) as prescribed under sections 11(1) read with Schedule V [Table: S. No. 7] of the Act (Erstwhile section 10(23FE) of the Old Act)	NIL	• Copy of PAN card • Self-Declaration (refer format SD7 given in the link below) substantiating the fulfillment of conditions prescribed under sections 11(1) read with Schedule V [Table: S. No. 7] of the Act (Erstwhile section 10(23FE) of the Old Act)

Application of beneficial Tax Treaty Rate shall depend upon the completeness and satisfactory review by the Company / RTA, of the documents submitted by Non-Resident shareholders and meeting requirement of the IT Act read with applicable Tax Treaty. It must be ensured that self-declaration should be addressed to the Company and should be in the same format as attached. In the absence of the same, the Company will not be obligated to apply the beneficial Tax Treaty rate at the time of tax deduction on dividends.

Section 397 of the Act (Erstwhile section 206AA of the old Act) applicable to all shareholders (resident and non-resident)

Section 397 of the Act provides that where TDS is required to be deducted, on any sum or income or amount paid or payable or credited to any person, then such person shall furnish his PAN, failing to do so the tax shall be deducted at the higher of the below rates:-

- at the rate specified in the relevant provision of this Act; or
- at the rate or rates in force; or
- at the rate of 5% where tax is required to be deducted under section 393(1) [Table: Sl. No. 8(ii) or 8(v)]; or 20% in any other case

Further, sub section (2) of section 397, PAN of the shareholder is invalid, it will be assumed that PAN is not furnished and tax shall be deducted at higher rate.

The Income Tax Department has also released a Compliance Check Functionality to determine whether the PAN in case of individual is operative/ inoperative and the Company would be relying on the report generated from the said facility for compliance with section 262 read with section 397 of the Act.

For all shareholders (Resident and Non-Resident)

Shareholders holding shares under multiple accounts under different residential status/ shareholder category and single PAN, may note that, higher of the tax rate as applicable to different residential status/ category, will be considered on their entire shareholding which is held under different accounts.

The aforementioned forms (duly completed, signed and scanned) along with PAN (unless already registered) shall be submitted on our RTA, MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited) website at **https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html** or email to **emltaxexemption@in.mpms.mufg.com** on or before August 5, 2026, in order to enable the Company to determine and deduct appropriate TDS / withholding tax, as may be applicable.

After receipt of any of the declarations, if the Company basis its independent assessment, finds any information that is contrary to the declarations received by it, the Company reserves right to rely on the results of its independent assessment and make a deduction of taxes at a higher rate as per applicable provisions of the IT Act.

It may be further noted that in case the tax on dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents or for any other reason, there would still be an option available with the shareholder to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such tax deduction.

A declaration must be filed with the Company where the whole or any part of the dividend income is assessable, under the provisions of the IT Act, in the hands of a person other than the shareholder in accordance with Rule 203(2) of the Income Tax Rules, 2026 (Erstwhile Rule 37BA(2) of the Income Tax Rules, 1962). The declaration must consist of name, address, PAN, along with other documents mentioned above depending upon the tax residency status of such person to whom credit is to be given and proportion of credit to be given in respect of dividend income.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided/to be provided by the shareholder (s), such shareholder(s) will be responsible to indemnify the Company and also, provide the Company with all information/documents and co-operation in any appellate proceedings.

This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

All communications/ queries in this respect should be addressed and sent to our RTA, MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited) at its email address at **investor.helpdesk@in.mpms.mufg.com**.

To view / download 121 (Erstwhile known as 15G/ 15H)

https://in.mpms.mufg.com/website/Gogreen/2026/Update/Eicher_Motors_Limited/Form-No-121.pdf

To view / download - Self Declaration SD1 for Resident Shareholders

https://in.mpms.mufg.com/website/Gogreen/2026/Update/Eicher_Motors_Limited/SD1_Declaration_for_Resident_Shareholders.pdf

To view / download - Self Declaration SD2 for Non-Resident Shareholders

https://in.mpms.mufg.com/website/Gogreen/2026/Update/Eicher_Motors_Limited/SD2_Declaration_for_Non_Resident_Shareholders.pdf

To view / download - Self Declaration SD3 for AIF Category III

https://in.mpms.mufg.com/website/Gogreen/2026/Update/Eicher_Motors_Limited/SD3_Declaration_for_AIF_Category_III.pdf

To view / download - Self Declaration SD4 for Sovereign Wealth Fund

https://in.mpms.mufg.com/website/Gogreen/2026/Update/Eicher_Motors_Limited/SD4_Declaration_for_Sovereign_Wealth_Fund.pdf

To view / download - Self Declaration SD5 for Pension Funds

https://in.mpms.mufg.com/website/Gogreen/2026/Update/Eicher_Motors_Limited/SD5_Declaration_for_Pension_Funds.pdf

To view / download - Self Declaration SD6 for Category – I FPI

https://in.mpms.mufg.com/website/Gogreen/2026/Update/Eicher_Motors_Limited/SD6_Declaration_for_Category_I_FPI.pdf

To view / download - Self Declaration SD7 for Abudhabi

https://in.mpms.mufg.com/website/Gogreen/2026/Update/Eicher_Motors_Limited/SD7_Declaration_for_Abudhabi.pdf

To view/download- Declaration under Rule 203

https://in.mpms.mufg.com/website/Gogreen/2026/Update/Eicher_Motors_Limited/Declaration_under_Rule_203.pdf

GRI CONTENT INDEX

GRI STANDARD/ OTHER SOURCE	INDICATORS	SECTION	PAGE NO
General disclosures			
GRI 2: General Disclosures 2021	2-1 Organizational details	About Eicher Motors Limited	6-7
	2-2 Entities included in the organization's sustainability reporting	Footprint	11
	2-3 Reporting period, frequency and contact point	About The Report : Reporting Period, Scope And Boundary	4
	2-4 Restatements of information	About The Report : Restatement	5
	2-5 External assurance	About The Report : External Assurance	5
	2-6 Activities, value chain and other business relationships	Shaping Journeys, From Pure Motorcycling To Smart Mobility Footprint	8-9, 10
	2-7 Employees	BRSR Section A Human Capital	186, 119
	2-8 Workers who are not employees	BRSR Section A	186
	2-9 Governance structure and composition	Governance	151-155
	2-10 Nomination and selection of the highest governance body	Governance : Board Committees	155
	2-11 Chair of the highest governance body	Governance	151
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance	151
	2-13 Delegation of responsibility for managing impacts	Governance	151-155
	2-14 Role of the highest governance body in sustainability reporting	Governance	151, 155
	2-15 Conflicts of interest	BRSR P1 E6,L2	197, 198
	2-16 Communication of critical concerns	BRSR Section A	187
	2-17 Collective knowledge of the highest governance body	Governance	151-155
	2-18 Evaluation of the performance of the highest governance body	Director's Report : The Company's Policy On Directors' Appointment And Remuneration	229
	2-19 Remuneration policies	Director's Report : The Company's Policy On Directors' Appointment And Remuneration	230
	2-20 Process to determine remuneration	Director's Report : The Company's Policy On Directors' Appointment And Remuneration	230
	2-21 Annual total compensation ratio	BRSR P5 E3 Corporate Governance Report	209, 266
	2-22 Statement on sustainable development strategy	Message To Shareholders	12-15
	2-23 Policy commitments	BRSR Section B	192
	2-24 Embedding policy commitments	BRSR Section B	192
	2-25 Processes to remediate negative impacts	BRSR Section A	188-191
	2-26 Mechanisms for seeking advice and raising concerns	BRSR Section A	187
	2-27 Compliance with laws and regulations	BRSR Section B	193
	2-28 Membership associations	BRSR P7 E1	218
	2-29 Approach to stakeholder engagement	Stakeholder Engagement	86-89

GRI STANDARD/ OTHER SOURCE	INDICATORS	SECTION	PAGE NO
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality	90
	3-2 List of material topics	Materiality	91
	3-3 Management of material topics	Materiality	92-93
Biodiversity			
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss		
	101-2 Management of biodiversity impacts	Biodiversity Conservation And Nature-Linked Livelihoods	134
	101-3 Access and benefit-sharing	Biodiversity Conservation And Nature-Linked Livelihoods	134
	101-5 Locations with biodiversity impacts	Biodiversity Conservation And Nature-Linked Livelihoods	134-135
	101-7 Changes to the state of biodiversity	Biodiversity Conservation And Nature-Linked Livelihoods	134-135
Economic performance			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Financial Capital	101-102
	201-2 Financial implications and other risks and opportunities due to climate change	BRSR Section A	188-191
	201-3 Defined benefit plan obligations and other retirement plans	BRSR P3 E2	201
	201-4 Financial assistance received from government	Standalone Balance Sheet	294
Market presence			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	BRSR P5 E2,E3	208-209
Indirect economic impacts			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	BRSR P8 L6	220
	203-2 Significant indirect economic impacts	BRSR P8 L6 Social and Relationship Capital	220, 125
Procurement practices			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	BRSR P8 E4	219
Anti-corruption			
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	BRSR P1 E4	196
	205-3 Confirmed incidents of corruption and actions taken	BRSR P1 E5	196
Anti-competitive behavior			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	BRSR P1 E7	197
Tax			
GRI 207: Tax 2019	207-1 Approach to tax	Directors' Report Financial Statements (Standalone)	227, 305
	207-2 Tax governance, control, and risk management	Financial Statements (Standalone)	305, 359

GRI STANDARD/ OTHER SOURCE	INDICATORS	SECTION	PAGE NO
Materials			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	-	-
	301-2 Recycled input materials used	BRSR P2 L3	200
	301-3 Reclaimed products and their packaging materials	BRSR P2 E3	198-199
Energy			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	BRSR P6 E1	211
	302-2 Energy consumption outside of the organization	-	-
	302-3 Energy intensity	BRSR P6 E1	
	302-4 Reduction of energy consumption	Energy And GHG Emissions Optimising Energy Consumption BRSR P6 L4	92 142 216-217
	302-5 Reductions in energy requirements of products and services	-	-
Water and effluents			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Achieving Water-Positive Operations	146-147
	303-2 Management of water discharge-related impacts	Transitioning to Advanced Aquatron-RFOD Water Technology	147
	303-3 Water withdrawal	BRSR P6 E3	212
	303-4 Water discharge	BRSR P6 E4	212
	303-5 Water consumption	BRSR P6 E3	212
Emissions			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	BRSR P6 E7	213
	305-2 Energy indirect (Scope 2) GHG emissions	BRSR P6 E7	213
	305-3 Other indirect (Scope 3) GHG emissions	-	
	305-4 GHG emissions intensity	BRSR P6 E7	213
	305-5 Reduction of GHG emissions	BRSR P6 E8	213-214
	305-6 Emissions of ozone-depleting substances (ODS)	-	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	BRSR P6 E6	213
Waste			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Circularity And Solutions Lab Driving Circularity Across Operations	128 148-149
	306-2 Management of significant waste-related impacts	BRSR P6 E10	215
	306-3 Waste generated	BRSR P6 E9	214
	306-4 Waste diverted from disposal	BRSR P6 E9	214
	306-5 Waste directed to disposal	BRSR P6 E9	214
Supplier environmental assessment			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	-	-
	308-2 Negative environmental impacts in the supply chain and actions taken	-	-

GRI STANDARD/ OTHER SOURCE	INDICATORS	SECTION	PAGE NO
Employment			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Built To Create Value BRSR Section A Q22	82 186
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	BRSR P3 E1(a), E2	200 201
	401-3 Parental leave	BRSR P3 E5	202
Labor/management relations			
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	-	-
Occupational health and safety			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Strengthening Workplace Health And Safety BRSR P3 E10 (a) BRSR P3 E12	123 203 204
	403-2 Hazard identification, risk assessment, and incident investigation	BRSR P3 E10 (b)	203
	403-3 Occupational health services	BRSR P3 E10 (b) (c)	203
	403-4 Worker participation, consultation, and communication on occupational health and safety	-	
	403-5 Worker training on occupational health and safety	BRSR P3 E8	203
	403-6 Promotion of worker health	BRSR P3 E10 (d)	204
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	BRSR P3 E15	205
	403-8 Workers covered by an occupational health and safety management system	BRSR P3 E10	203
	403-9 Work-related injuries	BRSR P3 E11	204
	403-10 Work-related ill health	BRSR P3 L3	205
Training and education			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee Learning Interventions In Fy 2025-26	120
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Learning Interventions In Fy 2025-26	119-120
	404-3 Percentage of employees receiving regular performance and career development reviews	BRSR P3 E9	203
Diversity and equal opportunity			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Board Of Directors BRSR Section A Q20	151-154 186
	405-2 Ratio of basic salary and remuneration of women to men	BRSR P5 E3	209
Non-discrimination			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	BRSR P5 E6	209

GRI STANDARD/ OTHER SOURCE	INDICATORS	SECTION	PAGE NO
Freedom of association and collective bargaining			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	BRSR P3 E7	202
Child labor			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	BRSR P5 E6	209
Forced or compulsory labor			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	BRSR P5 E6	209
Security practices			
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	-	-
Rights of Indigenous Peoples			
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	-	-
Local communities			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Social And Relationship Capital – Communities	125-141
	413-2 Operations with significant actual and potential negative impacts on local communities	-	-
Supplier social assessment			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	-	-
	414-2 Negative social impacts in the supply chain and actions taken	BRSR P5 L5	211
Public policy			
GRI 415: Public Policy 2016	415-1 Political contributions	-	-
Customer health and safety			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	BRSR P9 E2	221
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	BRSR P9 E4	221
Marketing and labeling			
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	-	-
	417-2 Incidents of non-compliance concerning product and service information and labeling	-	-
	417-3 Incidents of non-compliance concerning marketing communications	-	-
Customer privacy			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	BRSR E7	222

APPENDIX

List of company owned stores as a place of business

Store Location	Address
Adyar CS	Old Door No.6 New Door No.15, Besant Avenue Road Elliots Beach Road, Adyar, Chennai, Tamil Nadu, 600020
BG Road CS	Survey No. 77/4, 94/5 94/3, BTM 2nd Stage 1st Phase, 29th Main Road, BTM 2nd Stage 1st Phase, Bengaluru Urban, Karnataka, 560076
Garage Café Goa	Royal Enfield Garage Cafe 560 Villa Rodrigues, Survey No. 263/9, Baga, Calangute, Bardez, North Goa, 403516
Hyderabad CS	Ground Floor, 8-3-166/B to F, Beside Gokul Theatre, Main Road, Erragadda, Hyderabad, Telangana, 500018
Jaipur CS	G-5 to G-7, Geetanjali Tower, Ajmer Road, Jaipur, Rajasthan, 302006
Jayanagar CS	Ground Floor and First Floor, 2067/1, 2068/2, East End A Main Road, Jayanagar, 9th Block, Bengaluru Urban, Karnataka, 560069
Kochi CS	Ground Floor, No 41/346A, St. Jude Building, Near Oberon Mall, N H Bye Pass, Padivattom, Edappally, Ernakulam, Kerala, 682024
Lucknow CS	UGF 109, Cross Road Plaza, Badshah Nagar, Lucknow, Uttar Pradesh, 226006
OMR CS	Royal Enfield a Unit of Eicher Motors Limited, Plot No.9 and 10, OMR Road and Santhosh Nagar Main Road, Palavakkam, Chennai, Tamil Nadu, 600096

Eicher Motors Limited

Registered Office

Office No. 1111, 11th Floor, Ashoka Estate Plot No. 24, Barakhamba Road, New Delhi-110001

Tel: (011)-41095173

www.eichermotors.com

Concept, Content & Design
(info@wyatt.co.in)