

EICHER MOTORS

FY 2022-23 INVESTOR PRESENTATION



MAY, 2023

SAFE HARBOUR STATEMENT



All statements included or incorporated by reference in this presentation, other than statements or characterizations of historical fact, are forward-looking statements. These forward-looking statements are based on our current expectations, estimates, and projections about our industry, management's beliefs, and certain assumptions made by us. Although Eicher Motors Limited (EML) believes that the expectations reflected in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Any forward-looking statement speaks only as of the date on which such statement was made, and EML undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. No assurance can be given that actual results, performance, or achievement expressed in, or implied by, forward-looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.



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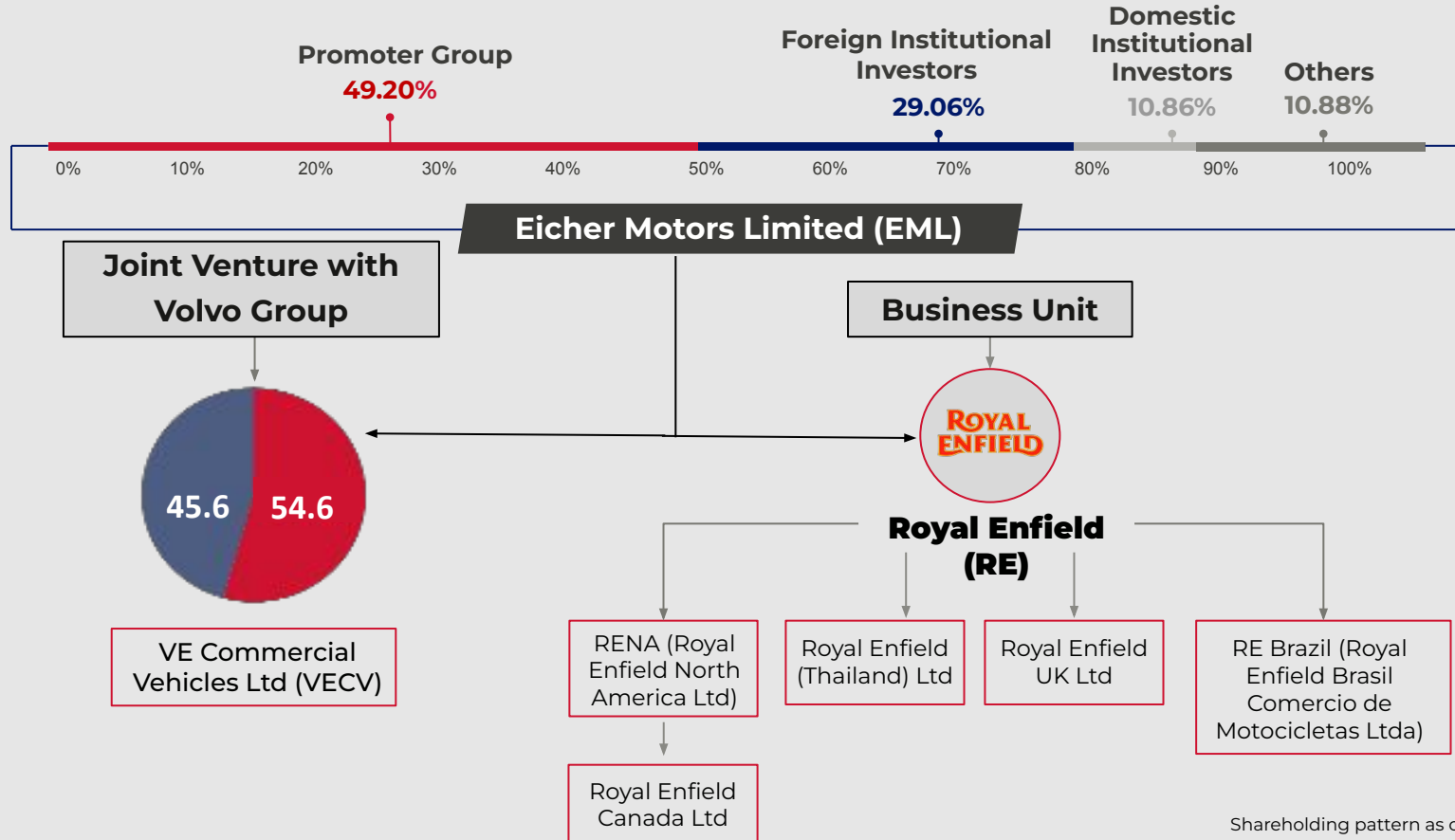
2. Royal Enfield

- Product
- Industry
- Business Performance
- Operations Overview
- Brand
- Sustainability

3. VECV

4. Financial Review

GROUP STRUCTURE - EICHER MOTORS LTD.



Shareholding pattern as of 31st March 2023

EML BOARD

Leaders with proven track record



S Sandilya
Chairman, EML



Siddhartha Lal
Managing Director and CEO, EML



B. Govindarajan
CEO - Royal Enfield, Whole Time Director



Vinod K. Aggarwal
Non-Executive Director



Inder Mohan Singh
Independent Director



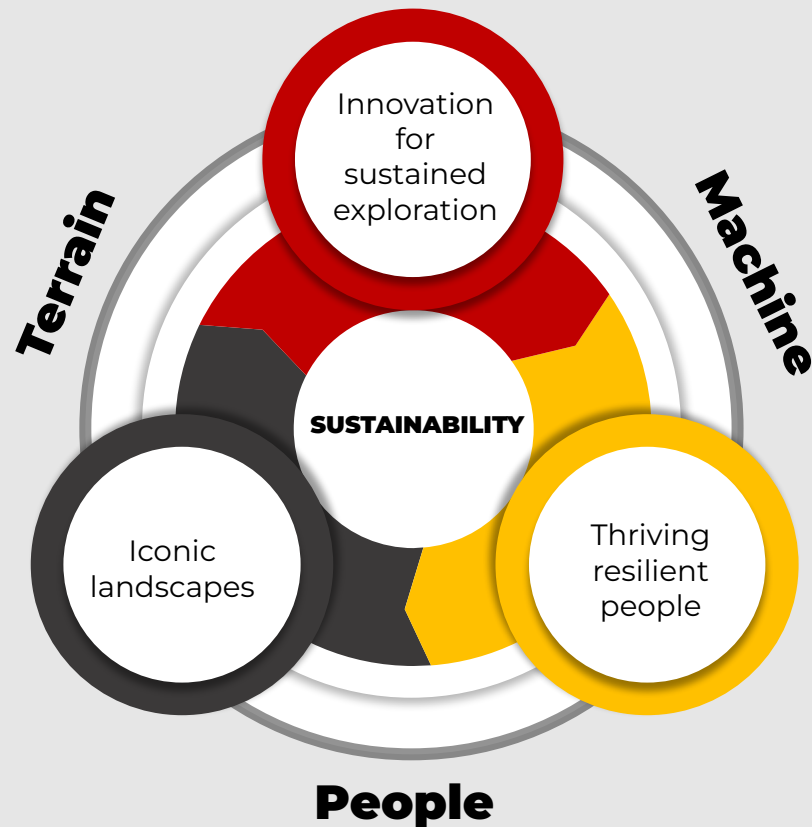
Manvi Sinha
Independent Director

ROYAL ENFIELD



OUR PURPOSE

Royal Enfield's philosophy of Pure Motorcycling has always been about a constant search for balance between people, machine and terrain. Today, in a world out of sync with itself, we must extend this quest to our business – so that we can restore equilibrium between commercial objectives, community goals and the collective ecosystem that we all inhabit.

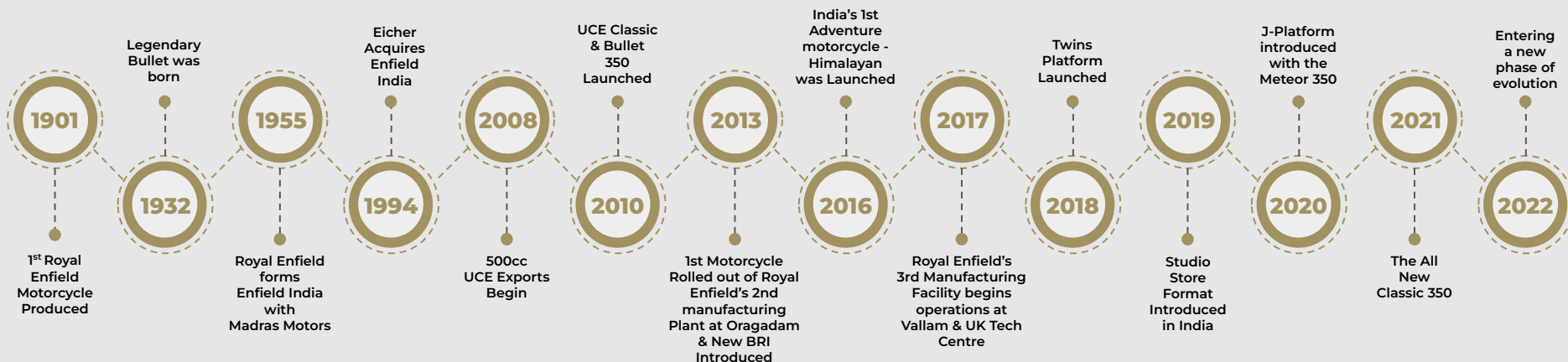


EVOLUTION OF OUR COMPANY

Royal Enfield is the global leader in the 250cc – 750cc, mid-segment motorcycles. With ~90% market share in the Indian mid-size segment, we have rapidly grown our presence across the world with more than 950 retail touchpoints across 60+ countries. Our world-class motorcycles are segment leading, in all key markets across Europe, Americas and the Asia-Pacific.

With a vision to grow the middleweight segment, we are focused on bringing a complete ecosystem of pure motorcycling to riding enthusiasts across the world. We have an exciting repertoire of rides and events that have fuelled the leisure riding culture globally. Our wide range of riding apparel, gear, and motorcycle accessories are the means of self-expression.

With our line-up of evocative, world-class motorcycles along with several initiatives to grow the pure motorcycling ecosystem, we are well on our way to becoming the first premium global consumer brand from India.



GROWTH FOCUS

Balance - Profit & Profitability

ROYAL ENFIELD

REBALANCE

ICE AND EV

Balance - EV as game changer along with ICE

SUSTAINABILITY

Balance - Social & Commercial objectives

BRAND LED CX

Brand led Customer Experience versus transactional focus

CREATE AGILE, RESILIENT & TIMELESS BUSINESS

STRATEGIC APPROACH

ROYAL ENFIELD MANAGEMENT

Team of Global Professionals



Siddhartha Lal
Managing Director and
CEO, EML



B. Govindarajan
CEO – Royal Enfield



Mark Wells
Chief of Design



Mohit Dhar Jayal
Chief Brand Officer



Simon Warburton
Chief Program Manager



Paolo Brovedani
Chief of Product Development



Yadvinder S. Guleria
Chief Commercial Officer



Vidhya Srinivasan
Chief Financial Officer



Rajeev Sharma
Chief Human Resource Officer



Sudhakar Bhagavatula
Chief Information Officer



Umesh Krishnappa
Chief Technology Officer for EV

PRODUCT PORTFOLIO



ICONIC



BULLET 350

TIMELESS



CLASSIC 350

CRUISER



METEOR 350



SUPER METEOR 650

ROADSTER



HUNTER 350



INTERCEPTOR 650

ADVENTURE



HIMALAYAN



SCRAM 411

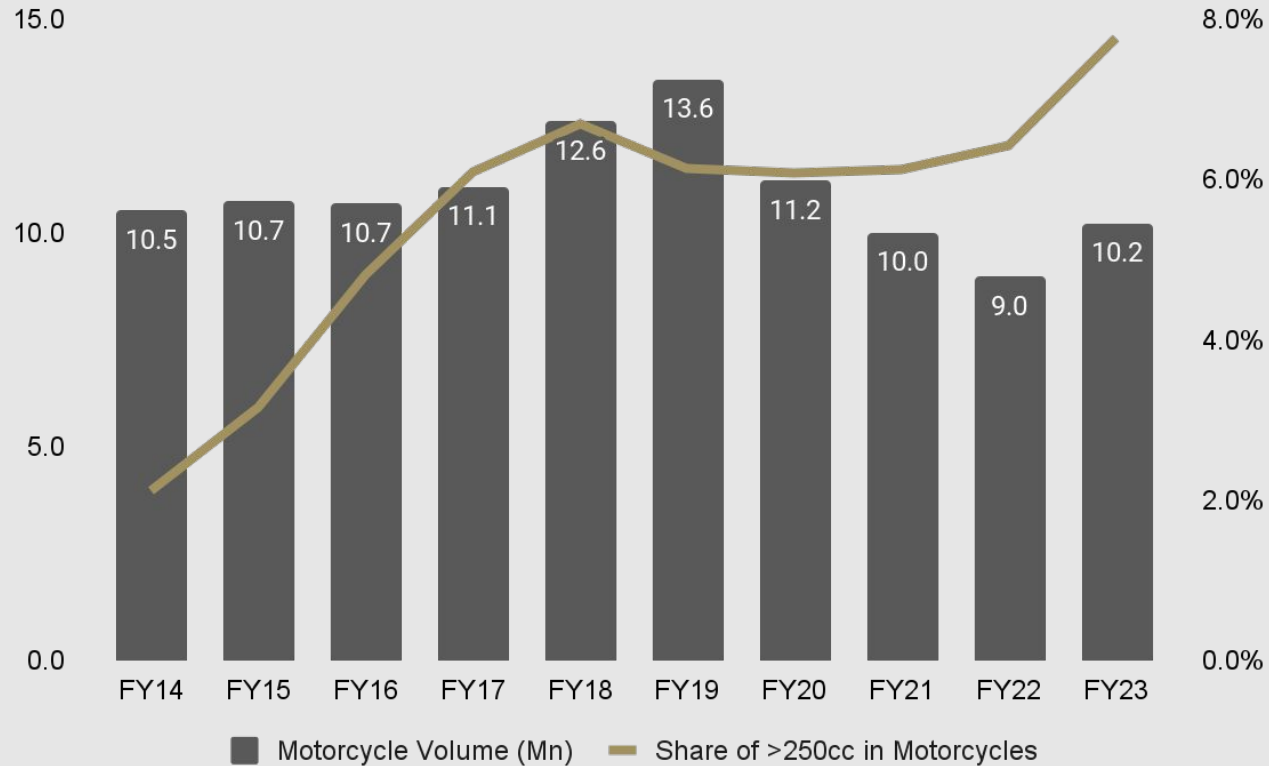
CAFE RACER



CONTINENTAL GT

INDUSTRY

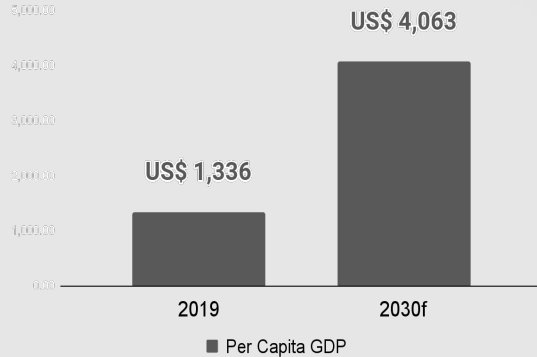
DOMESTIC MOTORCYCLE MARKET



OPPORTUNITY - DOMESTIC MARKET

Rising Income

The expansion of the **middle class and high-income** segments will reshape future consumption and drive incremental consumption of **US\$ 4 trillion** by 2030



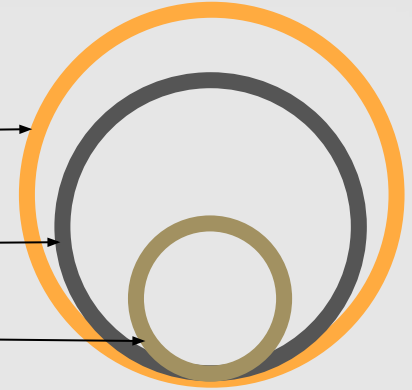
Source: World Economic Forum - Future of Consumption in Fast-Growth Consumer Markets: INDIA, 2019, FICCI; CBRE Research, Q2 2019

India Opportunity

2 Wheeler: 21M Market

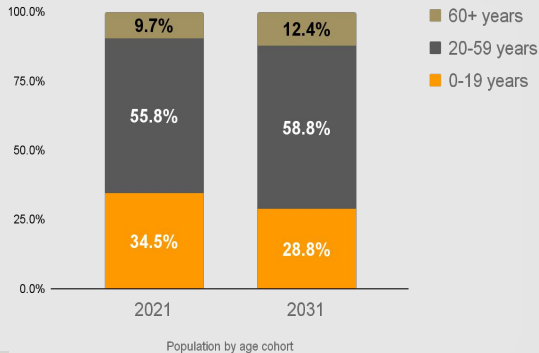
Motorcycles: 13.5 M

>125cc: 3.2M



India's favorable demographics

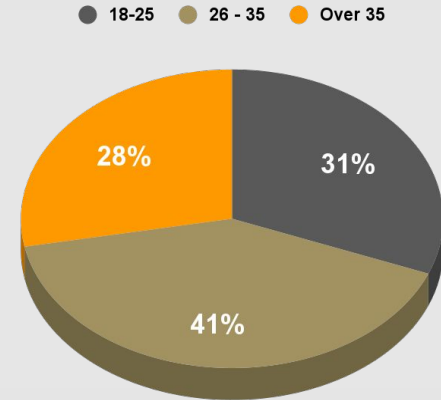
By 2031, the working age population i.e. **20-59 years** is poised to increase by **300 bps**



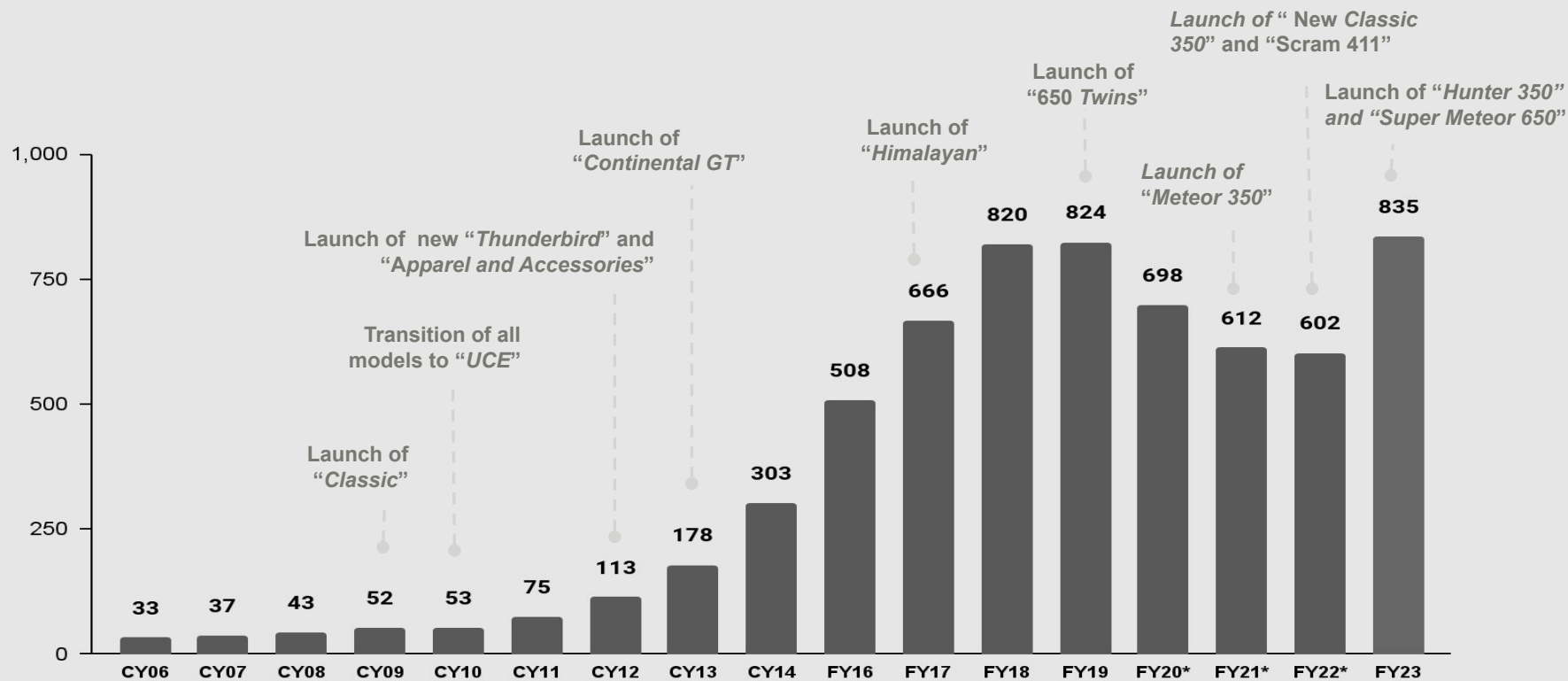
Source: Economic Survey 2019-20

Royal Enfield's Customer Base

Attracting a younger set of customers with our new launches.



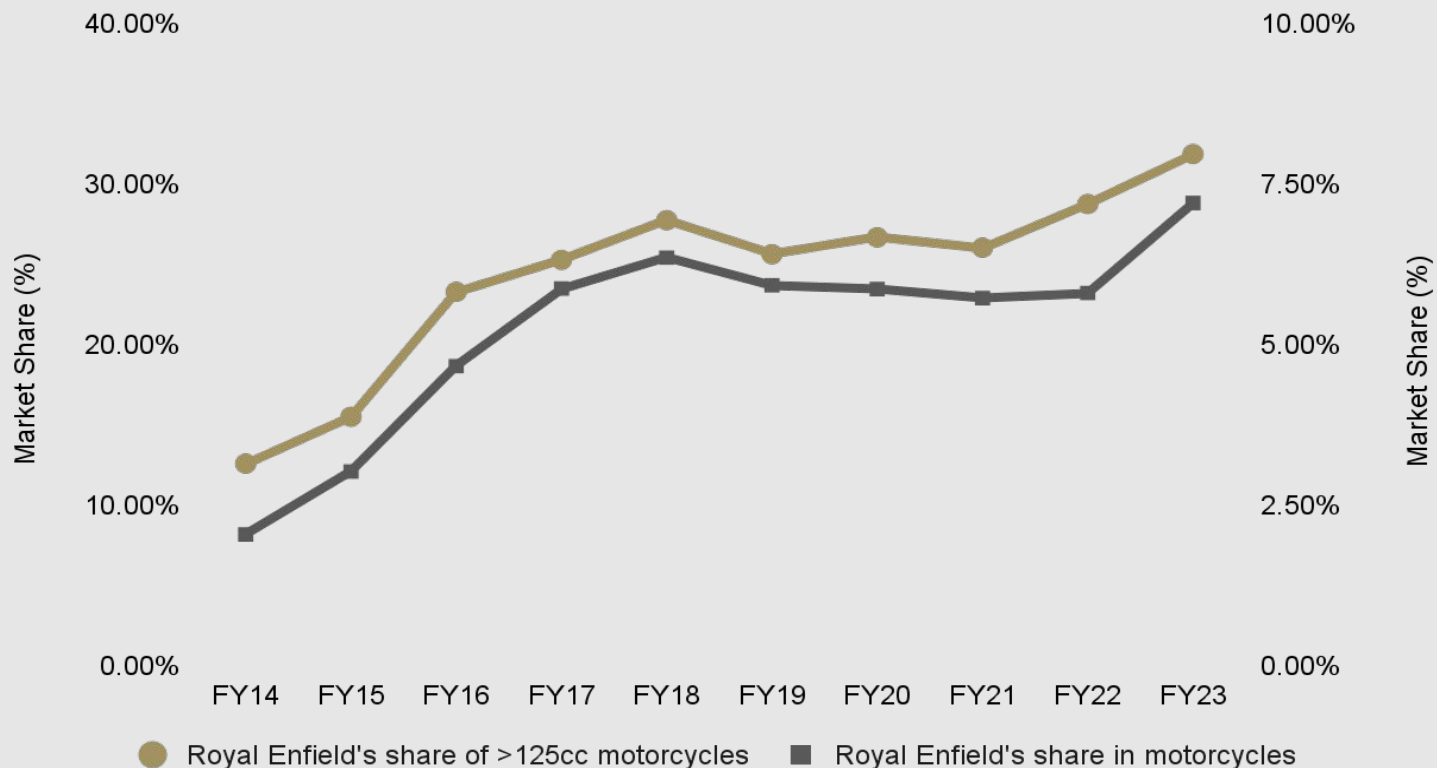
LAUNCH OF CLASSIC IN 2009 WAS AN INFLECTION POINT



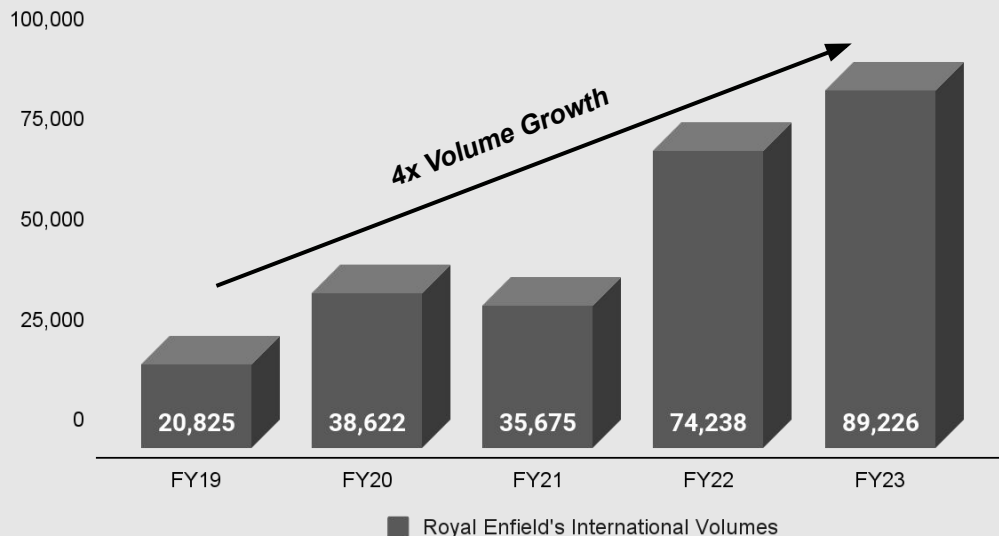
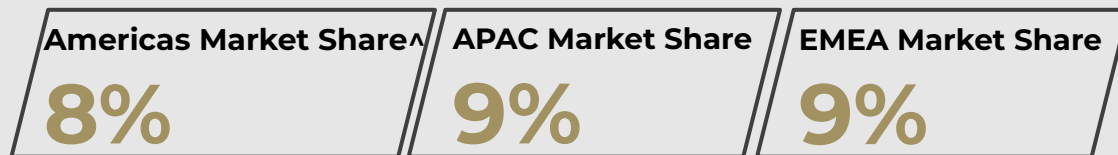
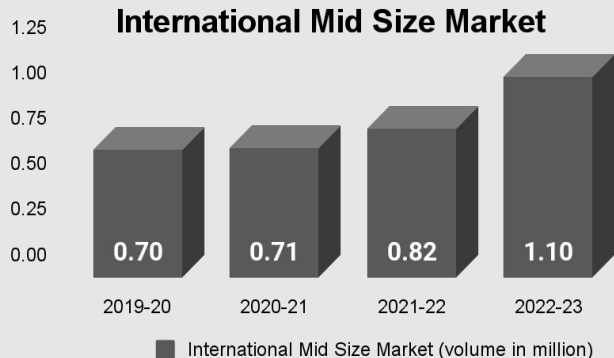
Volumes grew by ~41% CAGR between CY-2010 to FY-2018, prior to significant external headwinds
 *FY20, FY21 and FY22 volumes were impacted due to COVID 19 pandemic and supply chain constraints

Note: Standalone volumes for Eicher Motors Limited

GAINING MARKET SHARE IN THE >125cc SEGMENT



Global Mid-size Market is underserved and is a huge opportunity



*Management estimate of the total middleweight motorcycle volumes in the priority markets for Royal Enfield.

[^]Reflects Royal Enfield's market share in the middleweight segment

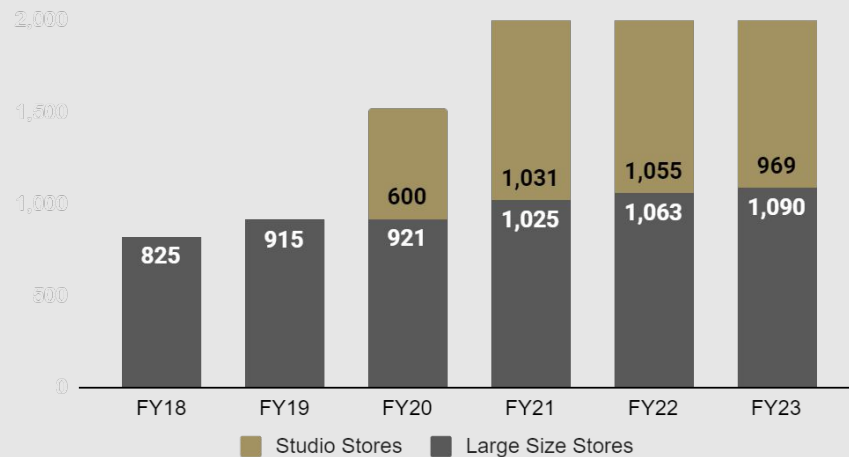
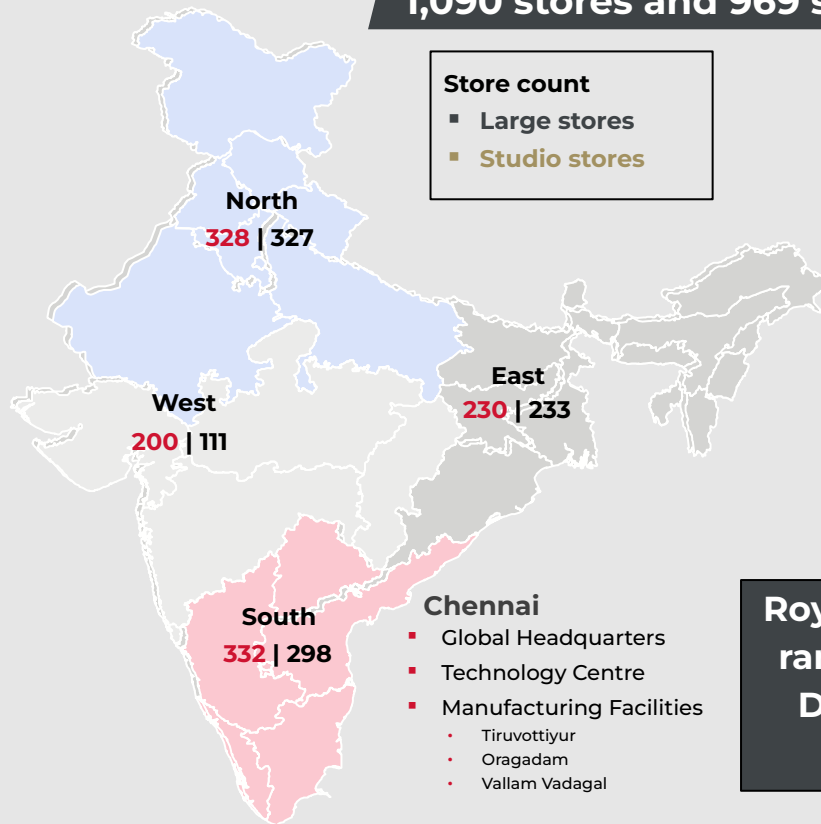
BUSINESS PERFORMANCE

ROYAL ENFIELD's GLOBAL FOOTPRINT



EXPANSIVE PREMIUM DISTRIBUTION NETWORK IN INDIA

1,090 stores and 969 studio stores across ~1,750 cities



City Category wise Distribution*

Category	Store Count
A+, A	257
B, C	364
D, E, R	469
Large Stores	1,090
Studio Stores	969
Total	2,059

Royal Enfield currently ranks #2 in the FADA Dealer Satisfaction Survey 2022

*Data as of March 2023

RAPIDLY GROWING INTERNATIONAL NETWORK

1,150+ global touchpoints with 207 Exclusive stores & 950+ MBOs

Developed Markets



	Exclusive Store	Multi Brand Outlet
North America	1	161

Countries with exclusive stores

- USA – 1

Subsidiary - **USA**



	Exclusive Store	Multi Brand Outlet
UK, MEA, Europe,	70	495

Countries with exclusive stores

- UK – 13
- Austria – 2
- Benelux – 3
- France – 15
- Germany – 12
- Italy – 6
- Portugal – 3
- Spain – 9
- EEC – 2
- MEA – 5

Technology Centers – **UK**
Marketing Company – **UK**

Developing Markets



	Exclusive Store	Multi Brand Outlet
APAC	49	106

Countries with exclusive stores

- Australia* – 1
- Indonesia – 6
- Japan* – 1
- Korea – 1
- Thailand – 28
- New Zealand* – 1
- Philippines – 4
- Vietnam – 1
- Other APAC – 6

Assembly Unit – **Thailand**

*Developed Markets



	Exclusive Store	Multi Brand Outlet
LATAM	87	205

Countries with exclusive stores

- Argentina – 18
- Brazil – 23
- Colombia – 20
- Mexico – 15
- Rest of LATAM – 11

Marketing Company – **Brazil**

Assembly Unit – **Argentina, Colombia, Brazil**

SHARE OF INTERNATIONAL REVENUE GROWING

Network Expansion and Touch Points

New Retail formats - Studio stores, Shop-in-shop for apparel, and motorcycle displays to increase customer reach. Network expansion in key developing markets to increase the number of touch points for customers

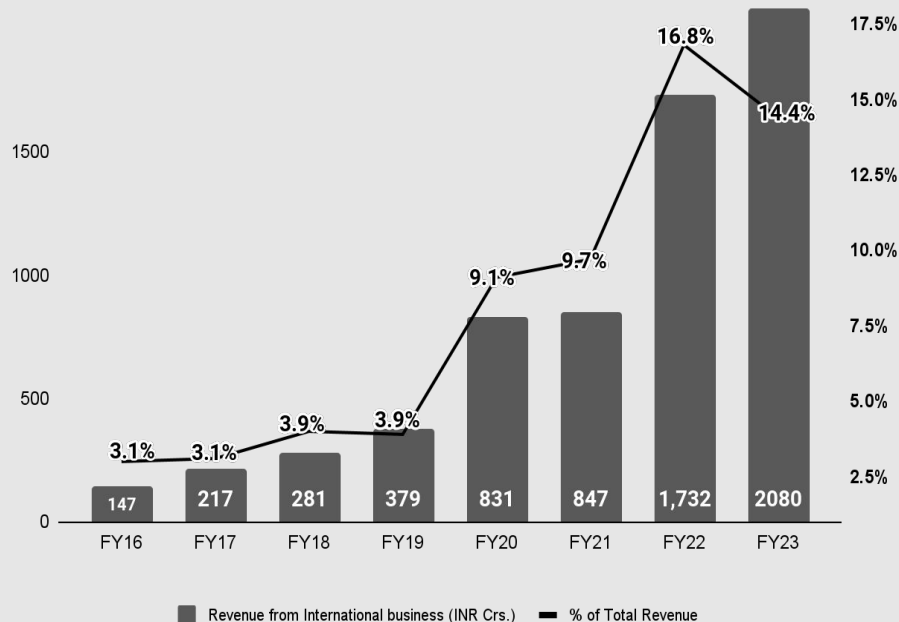
CKD Setup

Evaluating opportunities to set up CKD facility in priority markets in APAC and LATAM regions. Have set-up a CKD facility in Argentina, Colombia, Thailand and Brazil; and crossed the milestone of assembling over 5k units in Brazil

Product Portfolio Expansion

Launch of new products to expand the global product portfolio and presence in new categories. Launched Super Meteor and Hunter 350 in key markets of APAC and Europe.

International Business – Stellar Financial Performance over last 7 years



NON-MOTORCYCLE BUSINESS

Provide frictionless experience for RE Riders

In Store Opportunity



Accessories



Apparel



Explore new revenue pool from adjacencies

In Use Opportunity



Spares



Roadside Assistance

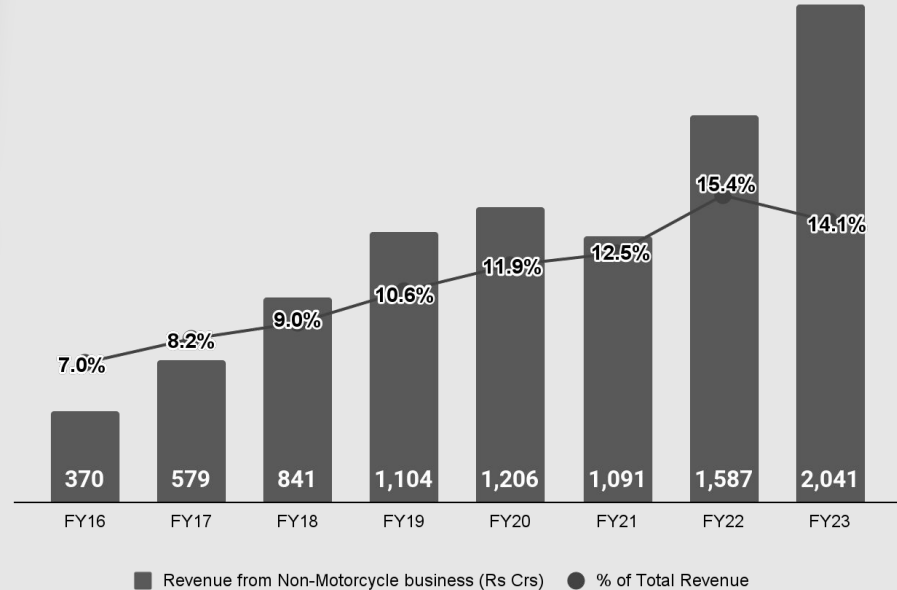


Annual Maintenance Contract



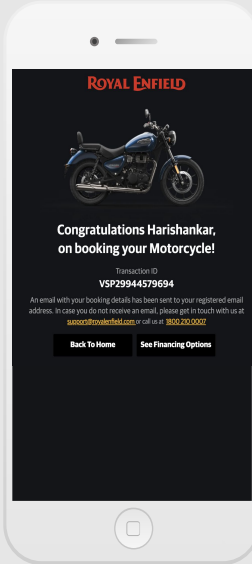
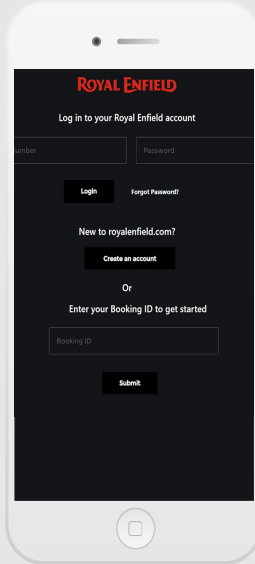
Extended Warranty

Non Motorcycle Business - 4X
Revenue growth over the last six
years in non motorcycle segment



FINANCING: A KEY DRIVER FOR GROWTH

DIGITAL FINANCE MARKETPLACE



**FINANCING PENETRATION
55% IN FY23**

**Multiple financier platform – 4 players
(Pvt Banks / NBFCs / PSU Banks)**

**Hunter 350 Available at an EMI starting ₹1,999/-
On a down payment of ₹4,999/-**

**Longer loan tenures
(Upto 6 years)**

BUILDING CAPABILITIES TO CATER TO A GLOBAL AUDIENCE

Bruntingthorpe, UK

In English midlands with access to global product development capabilities and ecosystem

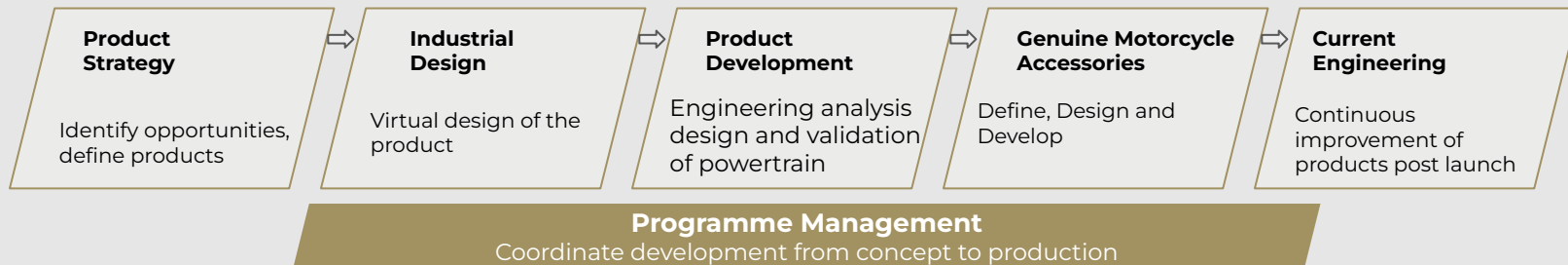
Rs 1,390 cumulative R&D spends in the last 5 years

Chennai, India

World-class facilities with multiple Teams working from concept stage to production Advanced Engineering and EV teams working on future requirements

Total of 500 R&D employees

New Product Introduction (NPI) framework in place to develop best-in-class products in an optimal timeframe
Next five-year product pipeline in place



EML - STARK FUTURE PARTNERSHIP



- 01 Common tenets of long term vision
- 02 Deep understanding of EVs and connected - tech
- 03 Technical Collaboration Agreement - potential for joint development and sourcing
- 04 World class team - Faster product development
- 05 Sourcing relationships for electronics, EV parts
- 06 EML Invested €50 mn with a seat on board of Stark Future

ALL NEW SUPER METEOR 350

“The Super Meteor 650 is now a benchmark for cruisers in the Indian market. The Super Meteor 650 is indeed a very special motorcycle.”



“A solid, attractive, easy and well finished cruiser with an excellent quality-price ratio.”



“Yes the wait for the SM 650 was worth it, it has also worked on a lot of the flaws of the existing 650 Twins, as a cruiser it ticks a lot of boxes.”



“If the success of the Meteor 350 is anything to go by, I'd guess this succession of Super Meteor 650 will be a roaring delight in the UK and further afield”



SUPER METEOR 650 Leading the category searches right from the launch!

TOTAL
EXPOSURES

2000+

REACH

2 Bn+

TOTAL REVIEWS

100+

SOCIAL MEDIA
DROPS

1000+

OPERATIONS OVERVIEW

THIRUVOTTIYUR



No Assembly
operations;
Plating &
Auto buffing

ORAGADAM



600,000
Capacity
motorcycles per
annum

VALLAM



600,000
Capacity
motorcycles per
annum

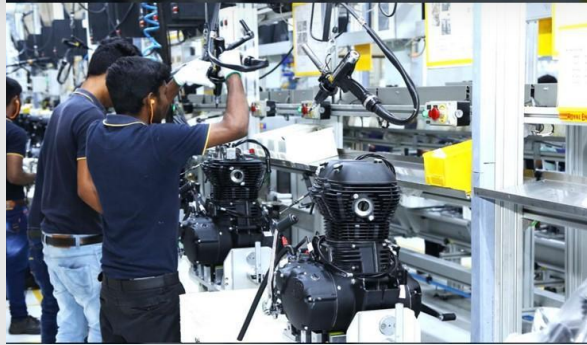
BEST IN CLASS TECHNOLOGY DELIVERING SUPERIOR QUALITY

VEHICLE ASSEMBLY



- Assembly line flexibility - 256 SKUs can be produced (including MiY)
- Number of Poka Yoke (mistake proof) in lines - 49
- Direct Current (DC) nutrunners for safety critical tightening joints
- Road test and dynamometer testing done for 100% of vehicles

ENGINE ASSEMBLY



- Automation of critical sub assembly operations
- 100% of tightening by DC nutrunners with accuracy of $\pm 3\%$
- Number of Poka Yoke (mistake proofing) in the line - 520
- Semi automatic testing of 100% engines to ensure all the critical parameters

SURFACE FINISHING



- 46 robots deployed to achieve superior paint finish and better transfer efficiency
- Corrosion protection - 1000 hours
- Weather resistance (QUV) on painted parts - 500 hours
- Sheen appearance measured by gloss - 90 units @60 deg
- Currently painting 39 colours, capable to add 20 more colour

BEST IN CLASS TECHNOLOGY DELIVERING SUPERIOR QUALITY

MACHINING



- Total no of machining centers across plants - 340
- Process capability index 1.67 minimum for all critical parameters
- Average part cleanliness < 4 mg achieved by deploying 25 robotic washing
- Data capturing of critical parameters by using online SPCs with line interlocking facility

FABRICATION



- Improved ride & handling experience achieved by 100% robotic welding of frames
- 98 robots with intelligent power source for welding results in 99.5% gauge answering
- Latest Laser welding process and robotic washing in fuel tanks fabrication

AUTO BUFFING



- Two stage automated buffing process enhance the aesthetics of plating components
- Provides uniform and consistent finish throughout the component
- Environmental friendly process with engineered dust extraction system

DELIVERING THE PURE MOTORCYCLE EXPERIENCE



Make It Yours - a unique motorcycle personalization initiative



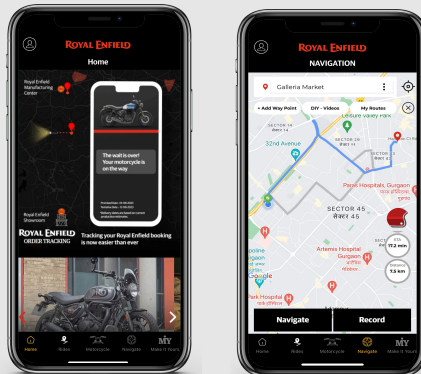
Studio Stores - Unique compact store format with 3S store offerings



Royal Enfield Vintage - Transparent sale and purchase of pre-owned RE motorcycles



Royal Enfield Garage Café, Goa - Catalyst to deepen association with riding enthusiasts & customers



RE App - 3D configurator motorcycle guide for frictionless service experience refreshed with UI/UX improvements



Royal Enfield Custom Programme - Curated to build aspiration & nurture the spirit of customisation

ENHANCING CONSUMER EXPERIENCE

SALES



Store and Online experience

- Sales Process excellence
- Brand retail identity
- Digitization of buying experience, interactive app
- Personnel with technical knowledge and understanding of product line-up
- Auto order implementation for Oil & Royal Enfield essential

SERVICE

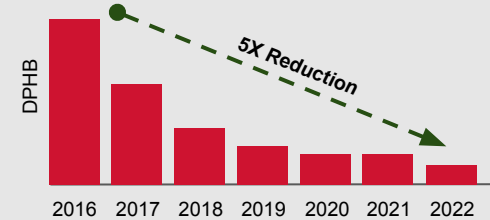


Service on Wheels & Ride Sure

- The Ride Sure programme with a wide range of packages including - extended warranty, annual maintenance options and extended roadside assistance
- Ensuring anxiety-free ownership experiences.
- Doorstep servicing through launch of "Service on Wheels" initiative
- Focus on overall Turnaround time
- Auto replenishment of spare parts in Thailand implemented

PRODUCT

Field Failure – Defects per Hundred Bike



Product Quality Excellence

- Vallam Vadagal facility received "Smart Factory of the Year" in the 18th edition of the India Manufacturing Excellence Awards (IMEA) by Frost & Sullivan
- Certified for Integrated management system by DNV "Det Norske Veritas"
- Effective implementation of SRK methodology result in Fault frequency 50% reduction model by model over the years
- Successful and seamless establishment of Quality systems in CKD facilities

BRAND

1901

The first Royal Enfield motorcycle is produced. Designed by R. W. Smith and Frenchman Jules Gotiet, it has a 11/2 hp Minerva engine mounted in front of the steering head. The final drive is at the rear wheel by means of a long rawhide belt.

**1932**

The legendary "Bullet" motorcycle is born. It is first displayed in November 1932 at the important Earls Court Motorcycle Show in London. Three versions: 250, 350 and 500cc are available with inclined 'sloper' engines, twin-ported cylinder heads, foot operated gear change and high compression pistons.

**2008**

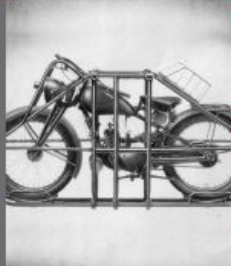
The 500cc Unit Construction Engine (UCE) is launched in India. The retro-styled Classic version achieves cult status immediately and sales grow rapidly.

**2016**

Royal Enfield debuts its first purpose-built motorcycle, the Himalayan. With the all-new LS410 engine, a half-duplex split-cradle frame and steadfast suspension, it promises the ride of a lifetime on all roads and no roads.

**1943**

Royal Enfield produces large quantities of motorcycles and bicycles during the Second World War. The most iconic military model is the 125cc 'Airborne' motorcycle known as the 'Flying Flea'. This 125cc 2-stroke can be loaded into a specially fabricated parachute cradle and dropped with paratroopers behind enemy lines.

**1948**

The 350cc Bullet prototype, with radical swinging arm rear suspension, is previewed in the Colmore Cup Trial of March 1948. Two Bullets form part of the victorious British team in the 1948 ISDT (International Six Days' Trials), held in Italy. Both their riders win gold medals.

**2017**

Production commences at Royal Enfield's third manufacturing facility - a new state-of-the-art factory at Vallam Vadagal, Chennai.

**2018**

After premiering at EICMA 2017, Royal Enfield's most anticipated motorcycles, the 650 Twins - Interceptor & Continental GT are launched across all global markets to rave reviews scalping two prestigious awards - 'The Indian Motorcycle of the Year' & 'The Thailand Bike of the Year'.

**1952**

Madras Motors receives an order from the Indian Army for 800 350cc Bullets. The motorcycles arrive from Redditch in early 1953 and prove to be a great success, being both hardy and easy to maintain. Johnny Brittain wins the prestigious 'Scottish Six Day Trial' on his 350cc Bullet, 'HNP 331'.

**1955**

The Redditch company partners with Madras Motors in India to form 'Enfield India'. Work commences on the construction of a purpose-built factory at Tiruvottiyur, near Madras.

**2020**

Royal Enfield debuts the all-new Meteor 350, a class-leading, thoroughbred cruiser. With an all new ground-up engine and chassis, the motorcycle delivers a supreme riding experience on open highways and is sublime for city rides.

**2021**

In its 120th year, Royal Enfield re-envisioned its iconic motorcycle, the Classic, with the launch of the All-New Royal Enfield Classic 350. The motorcycle adds a new chapter to Royal Enfield's legacy of building authentic post-war era British motorcycles that are loved by enthusiasts around the world.

**1964**

The iconic Continental GT café racer is launched to great acclaim. To showcase its endurance, a team of photojournalists ride it from John 'o Groats to Lands End in under 24 hours. The GT features a racing petrol tank, clip-on handlebars, rear sets, a humped race seat, rev counter and a swept-back exhaust.

**1994**

Eicher acquires Enfield India Limited. The company is renamed Royal Enfield Motors Limited.

**2022**

Royal Enfield launched the Hunter 350, an incredibly stylish, joyful, and compact motorcycle that exudes retro-metro style. The motorcycle has received raving reviews from experts across the globe and has also won the most coveted Indian Motorcycle Of The Year 2023 award amongst the several other awards and accolades.

**2023**

After a stunning debut at EICMA 2022, Royal Enfield launched the most anticipated and thoroughbred cruiser - Super Meteor 650. The motorcycle has received unprecedented love and appreciation across the globe.



MOTOVERSE 2022



After a hiatus of a two years, this year's Rider Mania saw **14,000 riders** and a footfall of 54,000 for the 3 day event.

Themed 'Into The Motoverse', Rider Mania witnessed multi space, multi theme event with New spaces, New faces, New stories, New delicacies, & Newer activities & experiences

The true highlight being the unveiling of the New **Super Meteor 650** in it's all seven striking new colorways exclusively available for pre-launch booking for the registered participants

ART OF MOTORCYCLING



Registrations
30K+



Total Entries*
6000+



Media exposures
40



OTS**
185 M

Art of Motorcycling Season 3 went live with art on street and college activations across the country

3 Prominent Jury Members



Santanu Hazarika
Illustrator (Visual Artist)



Hanif Kureshi
Typographer, Visual Artist

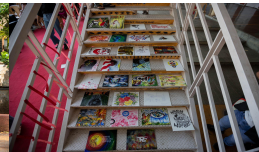


HS Sivakumar
Royal Enfield Industrial Design Head

Art of Street



College Engagement



*Includes college entries
**OTS - Opportunity to See



Royal Enfield X NCW



Himalayan Odyssey



Riders Club Of Europe



Slide School



One Ride



GT Cup - 2022 Finale Round



90° South



The Great Himalayan Exploration



Astral Ladakh



Himalayan Zanskar



Where's The Helmet

‘Digital First’ approach

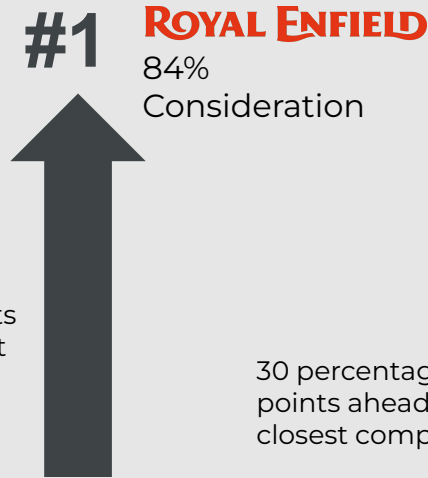
The largest, fastest growing and the most engaged online motorcycle brand community in the world

On-ground and on-line communities together make a vibrant and eager audience

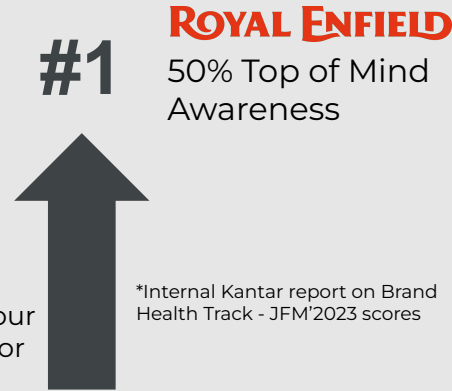


Eastern Escapes

STRONG BRAND EQUITY



31 percentage points
ahead of our closest
competitor



30 percentage
points ahead of our
closest competitor

*Internal Kantar report on Brand
Health Track - JFM'2023 scores

- Among the host of brand health metrics tracked by Royal Enfield, 'Top of Mind Awareness' and 'Top Two Box Consideration' are key metrics.
- Our Top of Mind Awareness (first brand that comes to mind) is the highest in the category of 200cc+ at 50% while the closest competitor is at 20%.
- Our Top Two Box Consideration (purchase intent) is the highest in the category at 84% while the closest competitor is at 53%.

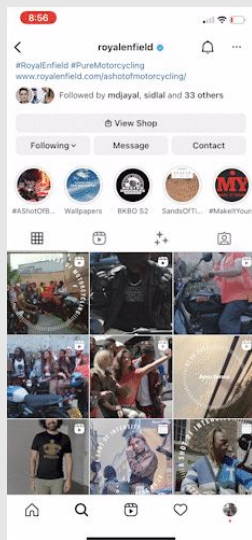
**Mode of Self
Expression**

**Community
Driven**

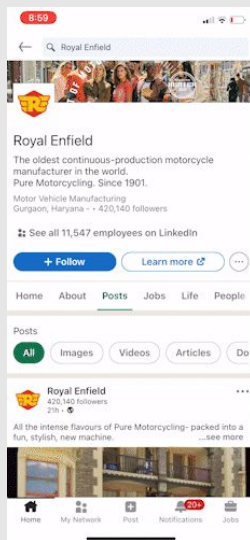
**Culture
Builder**

10.6 MILLION

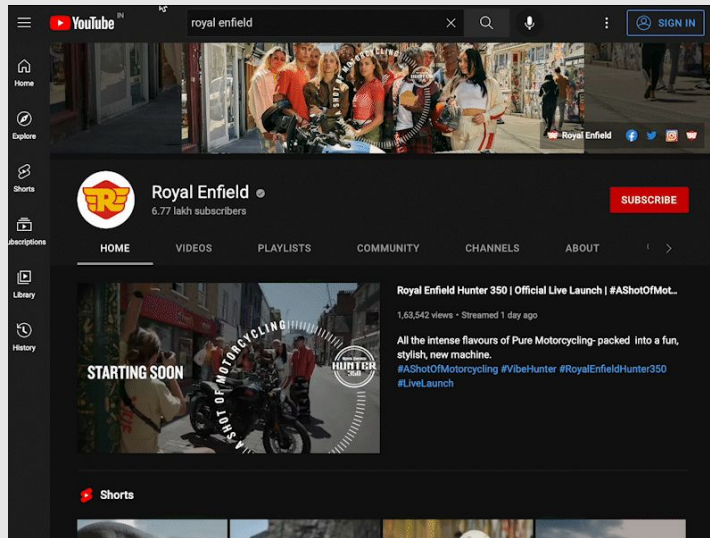
ONE OF THE WORLD'S STRONGEST FULLY ORGANIC SOCIAL MEDIA COMMUNITY



INSTAGRAM



LINKEDIN



YOUTUBE



FACEBOOK



TWITTER

LEADING PREMIUM CONSUMER BRAND

SHARE OF VOICE*

40%

NET SENTIMENT

92%

VS

SHARE OF MARKET

7.1%

*Share of Voice in the Global 2W Space
Royal Enfield's Market Share in the Indian Motorcycle Segment

#TheClassicCollectible

Super Meteor
Launch

CRPF x Royal
Enfield

Art Of
Motorcycling

Total
Reach*
80M

Total
Engagement
5M

Average
Engagement
per Brand post
2823

Royal Enfield
GT Cup

Indian Army
Day,
Holi, Gudi
Padwa

Total Views
36M

Engagement
Rate^
6.18%

The Great
Himalayan
Exploration

New Year Eve

Royal Enfield x
ACS Tornadoes

American
Flat Track

1 Lakh Hunters

SUSTAINABILITY

PILLARS OF SUSTAINABILITY JOURNEY



Environmental

- Become water positive
- Attain Carbon neutrality
- Work towards zero liquid discharge
- Eliminate utilisation of single use plastic
- Focus on increasing share of renewable energy (primarily solar)
- Aim for zero wood usage in operations
- Reducing paper usage through digitisation
- Ensure a greater use of recyclable motorcycle parts



Social

- Ride for a cause
- Disaster relief activities
- Village upgradation programmes
- Road safety and community development programmes
- Vocational training programmes
- Achieve automation of labour-intensive processes
- No engagement of child labour throughout the company's value chain



Governance

- Strategy, execution and monitoring
- Risk management
- Transparency
- Board composition
- Whistleblower policies

GREEN BUSINESS OPERATIONS

Material

Comprising over 90% of recycled aluminum and steel, Royal Enfield motorcycles are among the world's most sustainably designed two-wheelers today.

Environmental Compliance

Consent to establish and operate, Air, Water & Effluent, Quality (1,720 MWh of energy saved accounting to prevention of 64,683 tCO₂e of emissions)

Minimising Impact of Operations

Waste Management

- 4,863 MT of hazardous waste was recycled.
- Generated and disposed of 4,610 MT of non-hazardous waste.

Water and Effluent

Rainwater Harvesting ZLD, Water Efficiency, WASH Pledge (3 Zero Liquid Discharge units; both large plants certified water positive)

Energy and Emissions

22% Reduction in GHG Emissions Intensity (tCO₂e/Motorcycle)

EML KEY FOCUS AREAS

01

Zero waste to landfill

02

Transition to low carbon growth

03

Conservation of natural resources

04

Minimise emission in raw material extraction and production

Alignment to sustainable development goals (SDGs)



PASSION WITH RESPONSIBILITY



Women's Safety and Gender Equality Awareness with the National Commission of Women

- In an attempt to create a safe space and a gender-neutral society, Royal Enfield partnered with **NCW** and State Police Department for a Gender Equality and Women Safety Awareness Ride across four major cities Delhi, Pune, Chandigarh and Bangalore.
- This drive was a huge success in all locations and saw the presence of senior police officials in all regions. **Rekha Sharma, Chairperson of the National Commission for Women** graced the occasion with her presence in Chandigarh.
- 7 media attended the event (Chandigarh); along with 12 hyper-local creators from all three cities.
- **Impact garnered:**
- **9 print** media exposures, **13** online stories & **59** social media drops



Helmet and Road Safety Awareness

- To promote the cause of helmet adoption and road safety through a unique initiative where art is used to promote road safety, Royal Enfield came together with MyFM to conduct a ride across various cities in India.
- The ride saw a participation of more than 360+ riders and over 9000 students from different colleges in Chandigarh, Ahmedabad and Jaipur.
- To leverage this event we invited 7 hyper-local creators to be a part of the ride and support the cause as well as issued a local photo release in the respective cities.
- **Impact garnered:**
- **34** media exposures, **24** social media drops

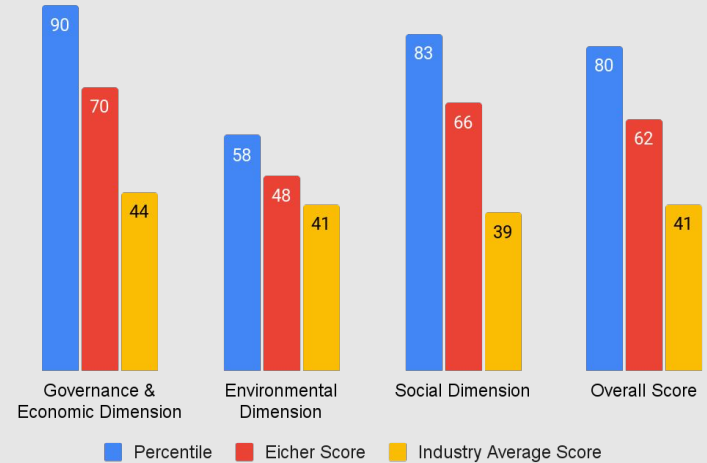
AMONG THE INDUSTRY LEADERS IN SUSTAINABILITY

Member of
**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA

ESG Score
62.0

Eicher Motors is listed in the **DJSI Emerging Markets Index** for the second year in a row, and has maintained its position **among the top 3** automotive sector leaders in India and **top 10 globally**.



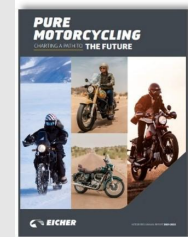
ESG Reporting

Eicher Motors has been reporting on ESG performance and practices since 2018-19

GRI based Sustainability
Report 2019, 2020

Integrated Report
Since 2021

Business Responsibility
and Sustainability Report
in 2022



ESG PERFORMANCE OVERVIEW

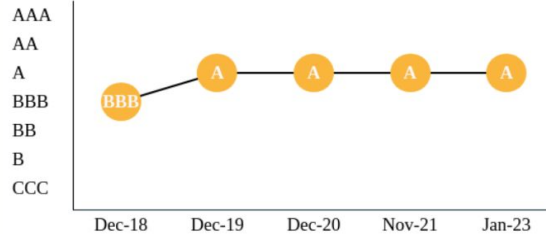
Eicher Motors ranks among the sector leaders in major ESG ratings

Morgan Stanley Capital
International (MSCI)

A

*Among the top 10 auto
companies globally in
MSCI ratings*

MSCI 



Sustainalytics

13.3

*#8 out of 89 in
the Automotive
Industry Group*



ESG Risk Rating **COMPREHENSIVE** ?

13.3 Low
Risk



* Data as on Apr 2023

VOLVO-EICHER COMMERCIAL VEHICLES



VE COMMERCIAL VEHICLES

A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

Joint Venture since 2008: Merging the best of both worlds

VISION AND VALUES

To be recognised as the industry leader driving modernization in commercial transportation in India and the developing world.

VECV's Governance is based on consensus approach and 50:50 shared control.



VOLVO

- Global expertise
- Leadership in product technology
- Well defined processes and controls
- Brand image

EICHER

- Leadership in Light & Medium Duty segments
- Frugal engineering & operations
- After sales infrastructure
- Cost effective operations

VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

Q4 FY 23 - A QUARTER OF MANY 'HIGHEST EVERS'

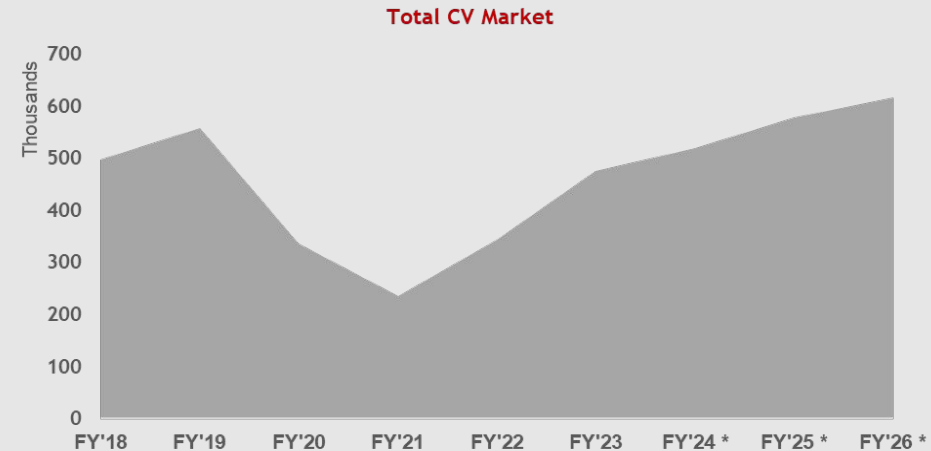
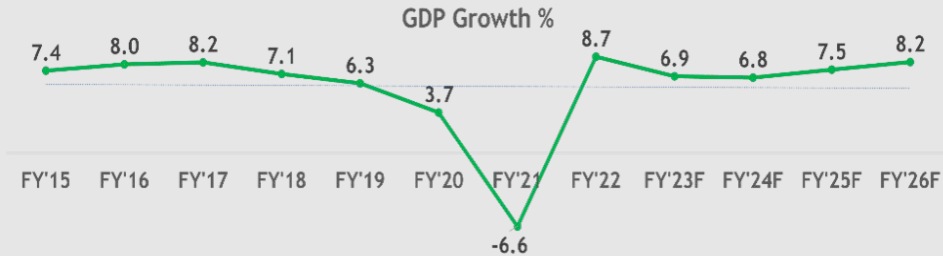
- **Highest ever sales** in a quarter of 26,376 units exceeding previous record of 23101 units in Q4-FY'18
- Highest ever Eicher and Volvo HD trucks sales in a quarter of 8147 units (FY23 Q3 – 5889 units)
- Highest ever Eicher LMD trucks sales in a quarter of 11978 units (FY18 Q4 – 11019 units)
- Highest ever Bus division sales in a quarter of 6008 units (FY16 Q1 – 4219 units)
- **Highest ever quarterly parts business** (combined both Eicher and Volvo) of 472 Cr (29%+ growth over Q4 FY 22)
- **Highest ever quarterly turnover** of 456 Cr by EEC, registering more than 30% growth over Q4 FY22.
- Highest ever quarterly sales of 15632 units by VE Powertrain, registering more than 14% growth over Q4 FY22.
- Highest ever score on VE Attitude (Employee) Survey.

FINANCIAL YEAR '23 - A RECORD YEAR FOR VECV

- Highest ever Eicher Trucks and Buses sales of 77,760 units for the financial year (previous best 71,743 units FY'19)
 - ➔ Highest ever HD Truck sales of 18,965 units (previous best of 13,281 units FY'19) with highest ever market share of 7.7%
 - ➔ Highest ever LMD Truck sales of 38,938 units (previous best of 34,546 units FY'19) with 31.5% market share
 - ➔ Highest ever Eicher Bus sales of 14,924 units (previous best of 12,270 units FY'17) with 23.8% market share, representing strong performances in LMD and Private HD bus segments. With this, Eicher became No.2 in India bus market.
 - ➔ Highest roll-out from industrial system of 78,173 units (previous best of 73,862 in FY'19) and 8,401 Buses
 - ➔ COCOs delivered sales of 11,858 units (previous best 6,603 units FY'22)
 - ➔ Highest ever annual sales in Africa & Middle East regions- 2,798 units
- Highest ever Volvo Trucks sales of 1,710 units (previous best 1,242 units FY'16). 95.1% segment share
- Eicher Parts achieved highest ever sales of 11,662 M INR
- Volvo Parts registered highest ever sales of 5,822 M INR
- VE Powertrain achieved highest ever sales of 53,739 units
- Eicher Engineering Components achieved highest ever sales of 16,008 M INR
- Eicher Power Solutions achieved sales of 6,391 units

INDIAN SCALING UP - CV INDUSTRY RAPIDLY MODERNIZING, AT CUSP OF GROWTH

- **Fastest growing large economy** 3.5 trillion USD in FY'23*
- **Formalization of Economy**; highly successful integrated tax regime. Tax collection growth of 48% in last 3 years
- Policy focus on **Modernization, Make in India** -“Atmanirbhar Bharat”, **Logistics efficiency** –“Gati Shakti”
- **Risks due to externalities**: geo-politics, supply chain disruptions, commodity inflation, global slowdown
- **Robust institutional framework** making India a preferred destination for foreign investments



VECV WELL POISED FOR GROWTH: BUILDING BLOCKS IN PLACE



MODERNIZED PRODUCT RANGE... PREMIUM, VALUE AND BUDGET SEGMENTS, E-MOBILITY

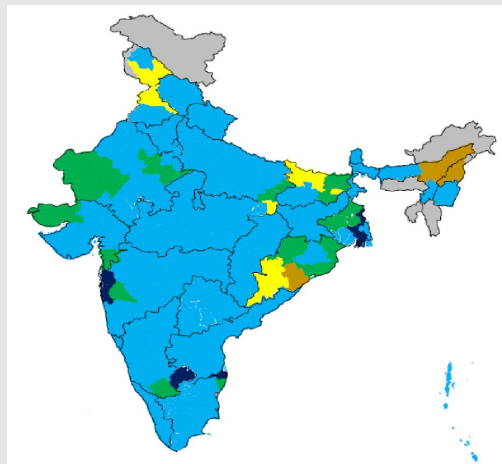


VE COMMERCIAL VEHICLES

A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

STRENGTHENED CREDIBILITY THROUGH RETAIL EXCELLENCE ORIENTED FRONT-END PROCESSES, FOCUS ON UPTIME

800+ touchpoints

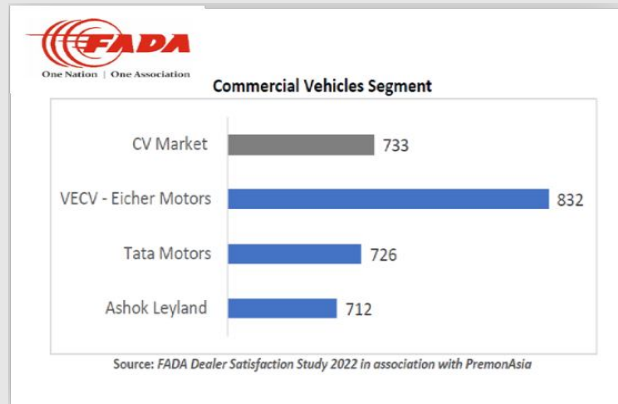


- Pvt Dealer
- Company Owned Company Operated
- Private- in process
- Company Owned locations- in progress

On Site Support



No.1 in Dealer Satisfaction
2nd year in a row



VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

ESTABLISHED INDUSTRIAL FOOTPRINT VPS, IOT 4.0, SUSTAINABILITY DRIVEN

Truck Plant – Pithampur
Capacity 90,000 p.a.



VE Powertrain – Pithampur
Capacity 80,000 p.a.



Eicher Bus Plant – Bagdad
Capacity 12,000 p.a.



New Truck Plant – Bhopal
Capacity 40,000 p.a.



Parts Distribution Center – Pithampur



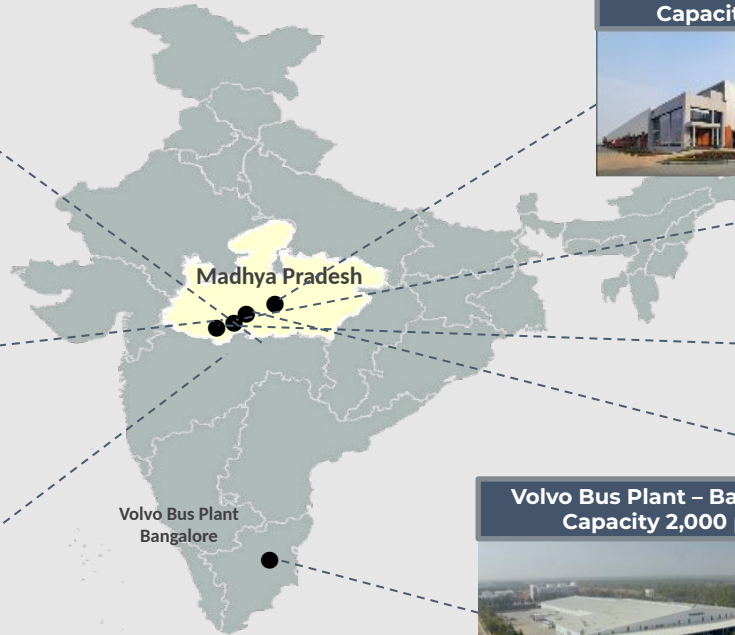
Gear Box Unit – SEZ Pithampur



Volvo Bus Plant – Bangalore
Capacity 2,000 p.a.



Eicher Engineering Component – Dewas



VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

STRONG STEPS IN DIGITIZATION... UPTIME, PRODUCTIVITY AND CONNECTED SOLUTIONS

100% Connected Fleet -Eicher Live



My Eicher App: Fleet Management



Uptime Center*



*Remote Diagnostics | Parts Support | Field Support | On Road Service| Vendor Support | Predictive Diagnostics

AWARDS & ACCOLADES



ENHANCING BRAND SALIENCE: NAYI SOCH AND SMART SUSTAINABILITY



Nayi Soch Nayi Raaste



Auto Expo 2023

VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

VOLVO GROUP SYNERGY... STRONG TRACK RECORD, CELEBRATING 15 YEARS



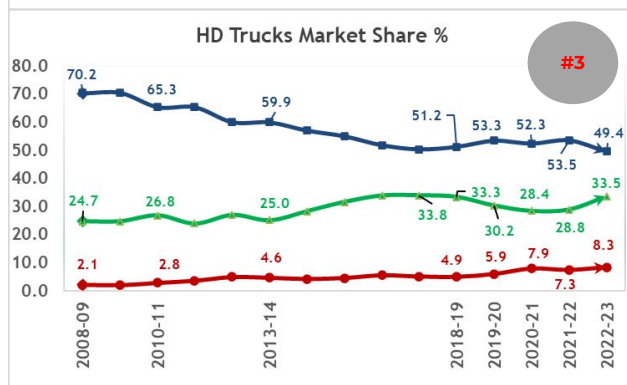
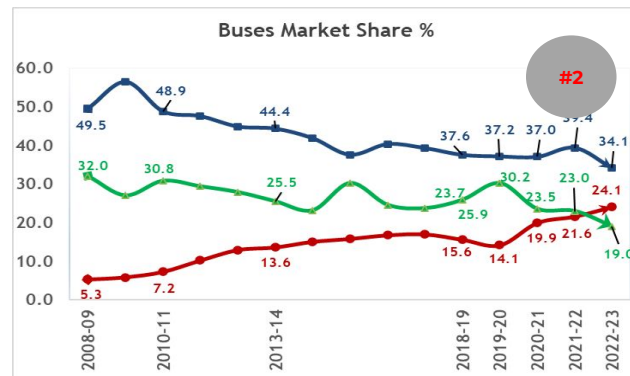
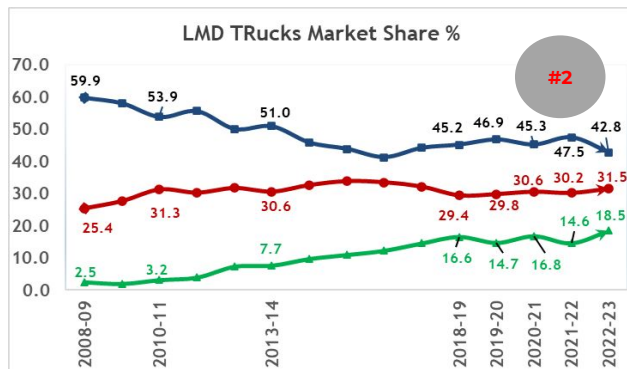
VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

FUTURE-READY PROGRAMS IN PLACE... E-MOBILITY, SMALL CVs, ALTERNATE FUELS



Advanced R&D programs in Hydrogen ICE, Fuel Cells, Batteries, LNG and Bio-blends

STRENGTHENED MARKET SHARE IN ALL SEGMENTS DRIVEN BY MODERNISATION

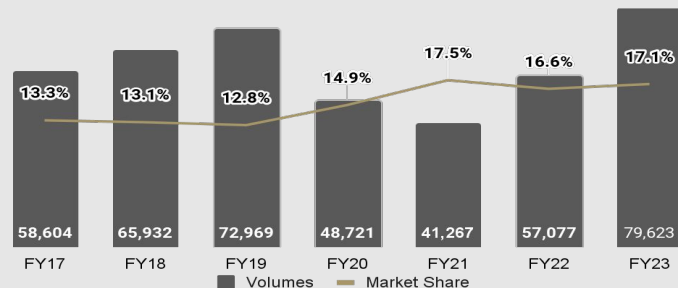


VECV Tata Motors Ashok Leyland

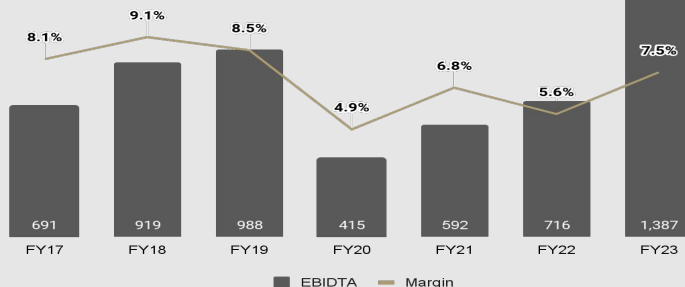
CONSISTENT FINANCIAL PERFORMANCE DESPITE HEADWINDS

Total CV# Volumes and Market Share

(in nos and %)



EBITDA^ and Margins



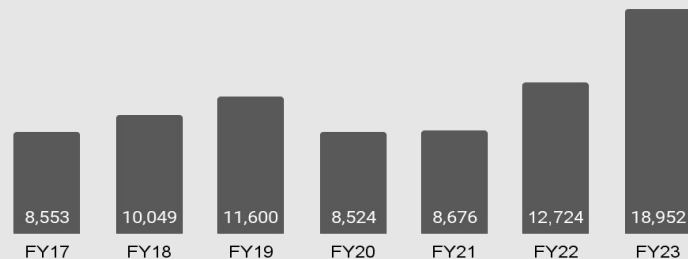
CV# - Commercial Vehicles (Domesic sales)

EBITDA – Earning Before Interest ,Tax, Depreciation and Amortisation

^For the purpose of EBITDA computation, only interest income (part of other income) has been excluded from Total Income

Total Revenue

Total revenue from operations (net of excise duty)



Profit After Tax



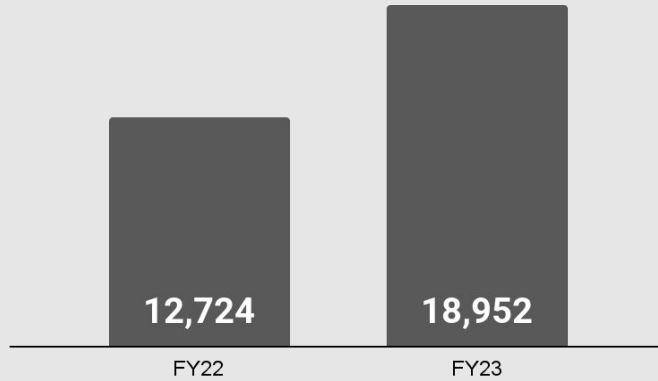
The figures in % indicate EBITDA Margins

EBITDA Margin = EBITDA/Total revenue from operations (net of excise duty)

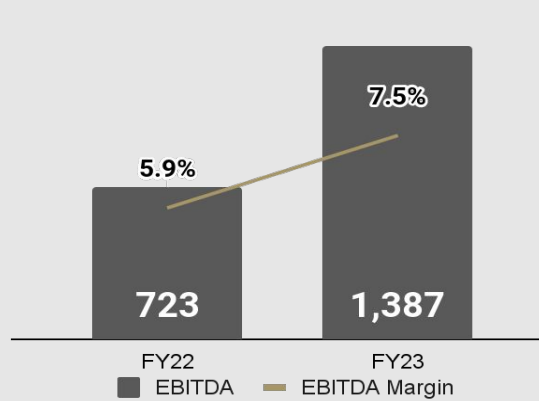
*FY20, FY21 and FY22 volumes were impacted due to COVID 19 pandemic and supply chain constraints

YTD FINANCIAL HIGHLIGHTS

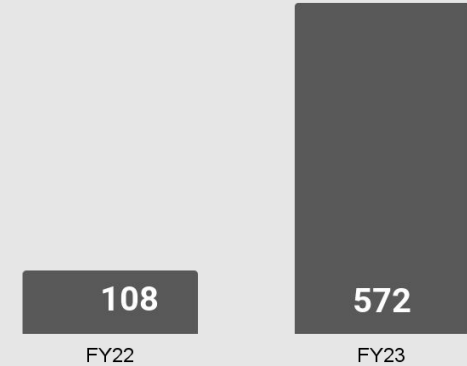
Total Revenue from Operations



EBITDA[^] and Margins



Profit After Tax



EBITDA – Earning Before Interest ,Tax, Depreciation and Amortisation

[^]For the purpose of EBITDA computation, only interest income (part of other income) has been excluded from Total Income

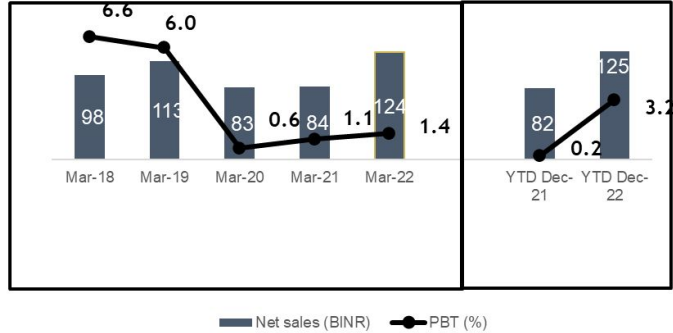
The figures in % indicate EBITDA Margins

EBITDA Margin = EBITDA/ Net Sales

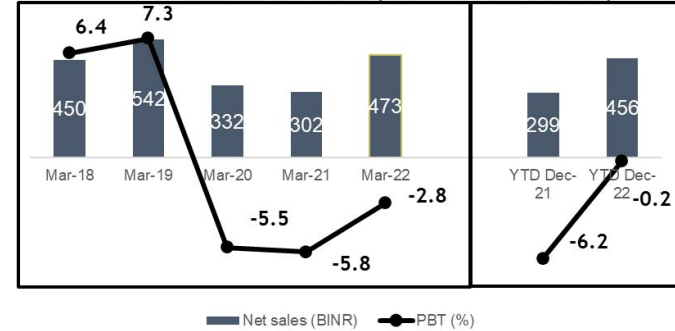
All figures are in INR Crs unless specified

PROFITABLE GROWTH: COMPARISON WITH COMPETITION

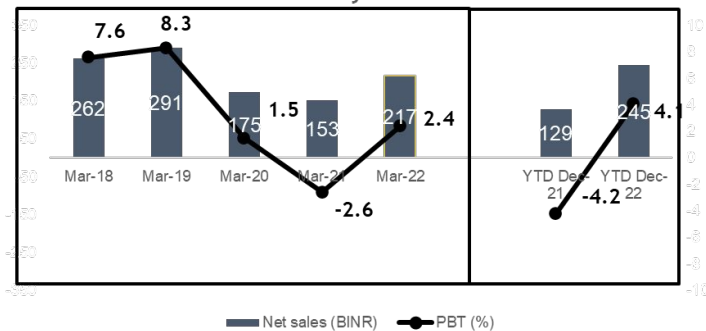
VE Commercial Vehicles Ltd.



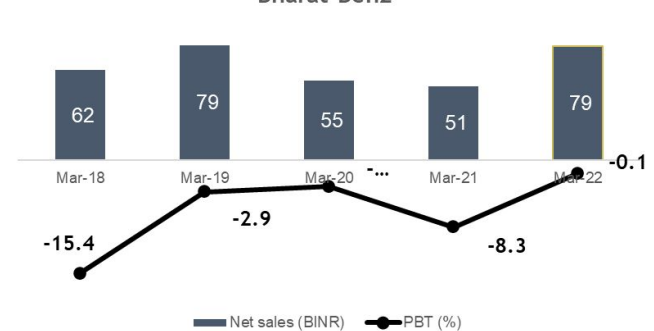
Tata Motors Ltd. (Commercial vehicle)



Ashok Leyland Ltd.



Bharat Benz



VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

Q4 FY 2023 FINANCIAL AND BUSINESS UPDATES

Particulars	Q4 FY23	Q4 FY22	Growth
Net Sales	5,926.75	4,188.08	42%
Revenue from operations	6,199.98	4,307.15	44%
EBITDA	615.14	293.32	110%
EBITDA margin (% of net sales)	10.40%	7.00%	
PAT	315.39	98.96	219%



All figures in Crores

VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

OUR JOURNEY... PERFORMING AND TRANSFORMING



Profitable

Sustainable Products & Operations

Future Ready

VE COMMERCIAL VEHICLES

A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

FINANCIAL REVIEW

INCLUSIVE STAKEHOLDER MANAGEMENT POLICIES

With global operational and retail footprints and social initiatives that span the length and breadth of India and International markets, EML has a diverse stakeholder base



Gunning for Growth

- Rise in utilization of assets
- High incremental return on investments
- Better throughput for value chain



Improving Returns

- Significant value engineering initiatives
- Operating leverage and cash accruals
- Unlocking the profit growth potential



Improving Value Creation

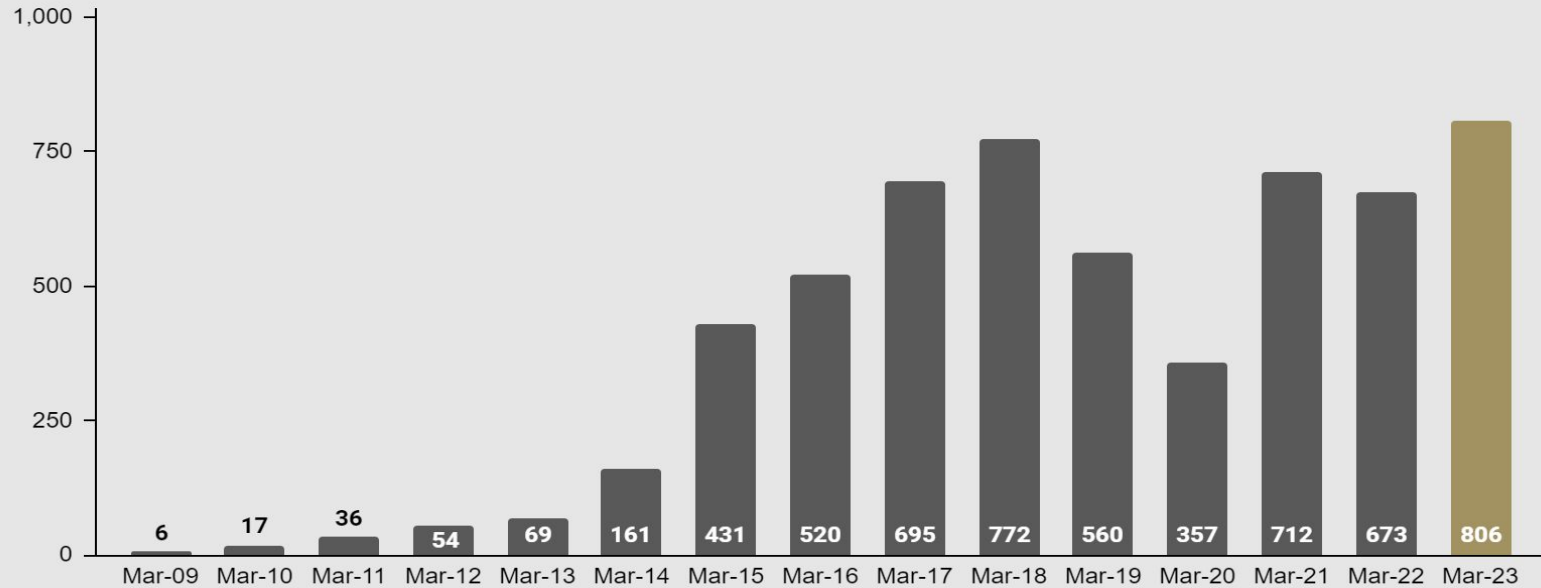
- Rise in absolute profits
- Improvement in holistic returns
- Higher stakeholder value creation

**Customers | Employees | Supplier Partners | Dealer Partners | Financiers | Shareholders |
Regulatory Authorities | Local Communities**

SIGNIFICANT VALUE CREATION FOR ALL STAKEHOLDERS

Market Capitalisation (INR Billions)

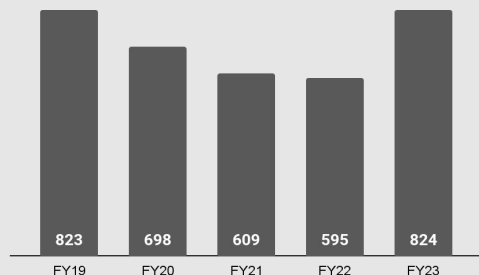
133x returns over last 14 years



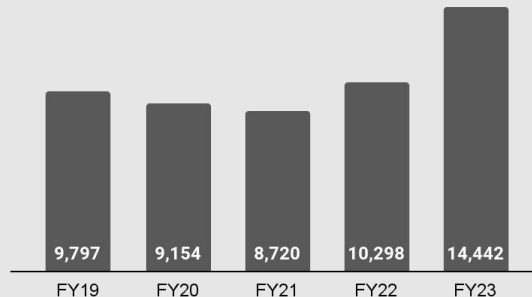
CONSISTENT DELIVERY LEADING TO STRONG CASH ACCRUALS

Total Sales

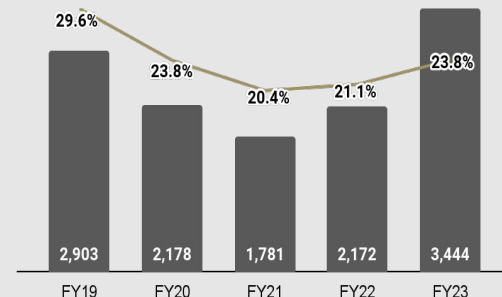
Motorcycle Volumes ('000)



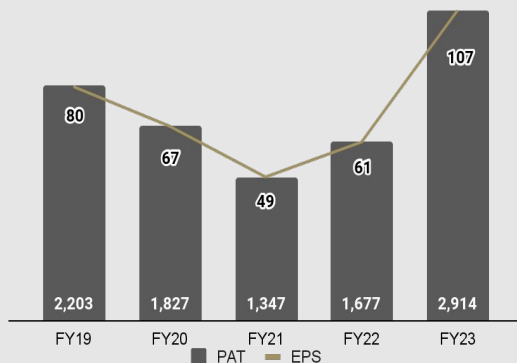
Total Revenue from operations



EBITDA and Margin



PAT

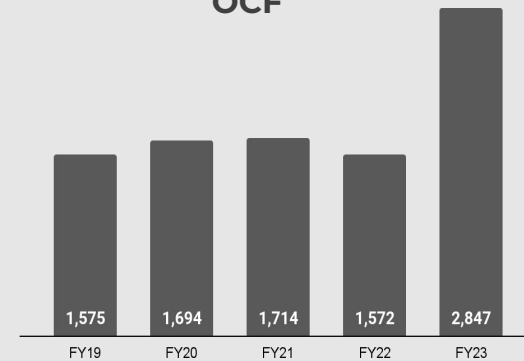


Net Cash



Net Cash = Cash and cash equivalent – Total debt

OCF



All figures are in INR Crs unless specified

PROFIT & LOSS STATEMENT (Consolidated)

Profit and Loss Account	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Sales Volume: Two Wheelers (Nos.)	666,135	820,121	822,724	697,582	609,403	595,474	824,066
Total revenue from operations (net of excise)	7,033	8,965	9,797	9,154	8,720	10,298	14,442
Manufacturing and other expenses	4,859	6,157	6,894	6,973	6,939	8,126	10,999
Earnings before interest, depreciation and tax (EBITDA)	2,174	2,808	2,903	2,180	1,781	2,172	3,444
EBITDA to Net Revenue (%)	30.9%	31.3%	29.6%	23.8%	20.4%	21.1%	23.8%
Depreciation	154	223	300	382	451	452	526
Earnings before interest and tax (EBIT)	2,020	2,584	2,603	1,799	1,331	1,720	2,917
EBIT to Net Revenue (%)	28.7%	28.8%	26.6%	19.7%	15.3%	16.7%	20.2%
Finance Cost	4	5	7	19	16	19	28
Other Income	227	280	443	543	453	441	595
Share of profit / (loss) of joint venture	189	257	258	32	31	60	315
Profit before tax	2,433	3,116	3,297	2,355	1,798	2,203	3,800
Provision for taxation	720	936	1,077	527	452	526	886
Profit after tax and share of profit of Joint Venture from continuing operations	1,713	2,180	2,220	1,827	1,347	1,677	2,914
Discontinued Operations: Share of loss of Joint Venture*	(46)	(220)	(18)	-	-	-	-
Profit After Tax	1,667	1,960	2,203	1,827	1,347	1,677	2,914
PAT to Net Revenue (%)	23.7%	21.9%	22.5%	20.0%	15.4%	16.3%	20.2%

BALANCE SHEET (Consolidated)

Particulars	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Net Fixed Assets (including CWIP and Pre-operative Expenditure)	1,247	1,835	2,324	2,690	2,748	2,929	3,162
Investments	4,987	5,581	4,923	5,749	3,902	7,721	12,101
Other Non Current Assets	260	186	180	102	125	165	252
Current Assets							
Inventories	336	395	633	572	875	1,132	1,278
Debtors	50	68	90	87	158	302	369
Cash and Bank Balances	25	1,212	2,965	2,951	5,830	2,770	857
Other Current Assets	86	227	271	299	921	1,182	1,179
Current Liabilities and Provisions	1,501	2,265	2,098	2,025	2,629	2,957	3,235
Net Current Assets	(1,004)	(345)	1,862	1,884	5,155	2,429	449
Total	5,489	7,257	9,289	10,425	11,930	13,244	15,963
Share Capital	27	27	27	27	27	27	27
Reserves and Surplus	5,318	7,003	7,003	9,954	11,411	12,581	14,963
Net Worth	5,345	7,030	7,030	9,981	11,438	12,608	14,990
Minority Interest	-	-	-	-	-	-	-
Deferred Tax Liability (net)	78	142	274	252	222	220	291
Other Non Current Liabilities and Provisions	66	85	96	192	270	415	681
Borrowings - Current	-	-	-	-	-	-	-
Total	5,489	7,257	9,289	10,425	11,930	13,244	15,963

STATEMENT OF CASH FLOWS (Consolidated)

Particulars	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Profit before tax and after share of profit of Joint venture	2,433	3,116	3,297	2,355	1,798	2,203	3,800
Operating profit before changes in working capital	2,196	2,851	2,941	2,236	1,912	2,172	3,552
Net Changes in working capital	164	438	(457)	86	258	(103)	66
Cash generated from operating activities	2,360	3,289	2,484	2,322	2,170	2,069	3,618
Direct taxes paid	(652)	(807)	(909)	(628)	(457)	(514)	(770)
Net cash flow from operating activities (A)	1,708	2,482	1,576	1,694	1,714	1,572	2,847
Payment for property, plant and equipment	(548)	(749)	(792)	(546)	(555)	(641)	(682)
Net cash used in investing activities (B)	(1,744)	(2,145)	(660)	(1,508)	(1,648)	(1,012)	(2,422)
Dividend paid	–	(272)	(300)	(682)	–	(465)	(574)
Net cash from / (used) in financing activities (C)	25	(262)	(292)	(858)	(15)	(587)	(417)
Net Increase/(decrease) in cash and cash equivalents (A)+(B)+(C)	(11)	75	623	(673)	51	(44)	8
Cash and cash equivalents at the beginning of the period	28	17	93	716	43	94	45
Cash and cash equivalents at the end of the period	17	92	716	43	94	50	53



[Royal Enfield](#)



[Royal Enfield](#)



[Royal Enfield](#)