



ABOVE AND BEYOND

INTEGRATED
ANNUAL
REPORT
2023 - 24



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ABOUT THE REPORT

FY 2023-24 marks Eicher Motors Limited's (EML) third year of integrated reporting, in line with the principles of International Integrated Reporting <IR> Framework of the International Integrated Reporting Council (IIRC), which is now a part of International Financial Reporting Standards.

Through such reporting, we intend to provide a holistic narrative of our value creation, strategic outlook and the key outcomes to our stakeholders. We provide this information using six capitals – Financial, Manufactured, Human, Intellectual, Natural, Social and Relationship, while also considering the externalities, material matters and risks in our operating environment. Such reporting highlights our commitment to sustainable development, towards which we have aligned our business objectives and strategies with the United Nations Sustainable Development Goals (SDGs).

REPORTING PRINCIPLE

This Report has been developed in accordance with the <IR> framework of the IIRC. It is a Global Reporting Initiative (GRI) referenced report and also aligns with the core criteria of the Business Responsibility and Sustainability Reporting (BRSR) requirements of the Securities and Exchange Board of India (SEBI). The financial and statutory data disclosed in the statutory sections of this Report meet the requirements of the Companies Act, 2013 including the rules made thereunder, 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

The quantitative and qualitative disclosures in this Report are for the financial year from April 1, 2023 to



March 31, 2024. It provides overview of EML's operations including the Headquarters in Chennai, its three domestic manufacturing locations in Thiruvottiyur, Oragadam and Vallam Vadagal as well as its technical centre in Bruntingthorpe, UK. The Company's joint ventures and subsidiaries are excluded from the scope of the Report.

APPROACH TO MATERIALITY

The contents of this Report and their presentation are based on issues that are material to EML and its stakeholders. Material ESG issues have been arrived at through a robust process of multi-channel engagement with internal stakeholders followed by prioritisation of topics of importance. EML undertook the last such exercise in FY 2023-24, to evaluate and update the material matters based on various

internal and external analysis. These matters have been incorporated in long-term planning and strategy development to ensure sustainable growth.

EXTERNAL ASSURANCE

The British Standards Institution (BSI) had been appointed to provide independent third-party reasonable assurance on the Business Responsibility and Sustainability Report core parameters included in the Integrated Annual Report. Our assurance report for BRSR core assurance by BSI can be found on page 208.

RESTATEMENTS

There have been a few restatements in the report and they have been adequately mentioned in the section as required.



MANAGEMENT RESPONSIBILITY

The contents of this Report have been reviewed by EML's management team. They ensure the integrity of the information, and to the best of their knowledge, they believe that the report provides a complete picture of the value creation and captures all relevant material issues transparently and accurately.

FEEDBACK

We are deeply committed to listening to the feedback and viewpoints of all our stakeholders. Your comments, enquiries and recommendations on all aspects of our sustainability journey are welcome as these help us improve our performance as well as the reporting of the same.

We look forward to hearing from you and 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.



ABOVE AND BEYOND.

Eicher Motors Limited (EML) has an enduring legacy of shaping the mid-size motorcycle segment and the commercial vehicles (CV) space. FY 2023-24, a game-changing year, marked by innovation, breakthroughs and unprecedented success, was a true reflection of this enduring legacy.

With three spectacular motorcycle launches that went on to earn global acclaim and set new benchmarks, Royal Enfield pushed the boundaries of possibilities. Its bold showcase of electric vehicle ambitions at the world's largest motorcycling event, EICMA, captivated global attention and highlighted its vision for the future of sustainable exploration. The Motoverse 2023 edition became the most spectacular ever, transforming into a global platform for showcasing new launches and attracting the likes of global enthusiasts.

These milestones collectively crafted the narrative of a successful year, exemplifying that EML is not just withstanding the market evolution and competition resiliently, but leading, disrupting and redefining the landscape. It translated into

a year, where EML rose above and beyond to set new performance milestones, deliver record-breaking growth and reinforce its leadership. These achievements are a testament to the Company's solid fundamentals, strategic vision, deep consumer insights and understanding, and the strength of its portfolio.

But this is just the beginning. The momentum gained propels EML into a more exciting future. With category-defining launches on the horizon, relentless innovation, and ongoing unique efforts for the community, the coming years are set to be action-packed and transformative. Sharply focussed on its long-term priorities and goals and progressing forward with confidence and optimism, EML is all set to rise Above and Beyond.







CELEBRATING A YEAR OF ACHIEVEMENTS

RECORD-BREAKING BUSINESS AND FINANCIAL PERFORMANCE



9,12,003

Motorcycle sales

▲ 11% in FY 2023-24
vs 8,24,066 in FY 2022-23

Rs. 16,535.78 CRORES

Revenue from operations

▲ 15% in FY 2023-24
vs Rs. 14,442.18 Crores in FY 2022-23

22.6%

Operating margin (EBIT)

▲ vs 20.2% in FY 2022-23

Rs. 3,987.33 CRORES

Total comprehensive income

▲ 36% in FY 2023-24
vs Rs. 2,922.49 Crores in FY 2022-23

85,560

Commercial vehicle (CV) sales

▲ 7.5% in FY 2023-24
vs 79,623 in FY 2022-23

Rs. 4,326.91 CRORES

EBITDA

▲ 26% in FY 2023-24
vs Rs. 3,443.58 Crores in FY 2022-23

Rs. 447.72 CRORES

Share of profit of JV

▲ 42% in FY 2023-24
vs Rs. 315.17 Crores in FY 2022-23

29.7%

Market share in domestic
motorcycles (>125cc segment)

vs 31.8% in FY 2022-23

17.5%

Market share in CVs

vs 16.9% in FY 2022-23



AMONG THE LEADERS IN SUSTAINABILITY PRACTICES

36%

*Share of renewable electricity
used in operations*

2.6

*Net Water positivity Index for
Royal Enfield plants & HQ*

PLATINUM RATING

*from Indian Green Building
Council (IGBC) for Royal Enfield
headquarters*

FUTURE READY FACTORY OF THE YEAR 2023

to Oragadam plant

6%

*Reduction in water intensity per
motorcycle (L / motorcycle)*

16%

Inputs using recycled materials

0

Waste to Landfill







EML

AT A GLANCE

Eicher Motors Limited (EML) is a global automobile company, headquartered in Chennai, India, and listed on the Bombay and National Stock Exchanges. The Company manufactures a range of Iconic motorcycles (RE); and Modern commercial vehicles (for VECV).

ride, iconic, premium motorcycles are conceptualised at its modern Technical Centres in Leicestershire, UK and in Chennai, India, and brought to life in state-of-the-art manufacturing facilities where these products are handcrafted to excellence.

Alongside, Royal Enfield has established an unprecedented ecosystem that delivers authentic experiences and propels riders to pursue “Pure Motorcycling”. These include an exclusive range of premium apparel and accessories, retail and service network, and globally held community rides and events that enhance connect with motorcycle enthusiasts.

EML’s joint venture with Sweden’s AB Volvo, VE Commercial Vehicles (VECV), spearheads the commercial vehicle operations. With new-generation fleets and a focus on innovative engineering, VECV leads commercial transportation modernisation in India and other developing countries. Its operations include Eicher-branded trucks and buses in India, engine manufacturing and exports for Volvo Group, non-automotive engines and Eicher component business.

EML the listed parent Company of Royal Enfield, an iconic and the oldest motorcycle brand in continuous production. It has a reputation for creating beautifully crafted motorcycles since 1901, distinguished by authenticity, simplicity and an uncompromising blend of tradition and technology, giving it a cult status among motorcycle enthusiasts. Royal Enfield’s premium line-up includes the stylish Hunter 350, the timeless Classic 350, the Meteor 350 cruiser, the iconic Bullet 350, the 650 parallel twin motorcycles – Interceptor 650 and Continental GT 650, Super Meteor 650, Shotgun 650, the adventure motorcycles – all-new Himalayan 450 and the Scram 411. These fun to

Rs. 1,28,043.74
CRORES

*Market cap of EML as of
June 30, 2024*

**Business
segment****MOTORCYCLES****ROYAL ENFIELD**

- Legacy of building handcrafted, timeless motorcycles since 1901
- A global leader in the mid-size motorcycle segment (250cc - 750cc) with portfolio across diverse categories
- Motorcycles conceptualised across two modern technical centres in India and in the UK and handcrafted and manufactured in India
- Present in 65 countries with 2,000+ retail touchpoints

Portfolio

- Motorcycles: Classic 350, Bullet 350, Meteor 350, Hunter 350, Scram 411, Himalayan 450, Interceptor 650, Continental GT 650, Super Meteor 650, Shotgun 650
- Apparel (men and women): Protective riding apparel, urban casual wear, and riding accessories
- Motorcycle accessories: Protective, functional and style-enhancing accessories

**PERFORMANCE
FY 2023-24****9,12,003**
*Motorcycles sold***88.5%**
*Market share in India's
mid-size (250cc-750cc)
motorcycles segment*



Joint Venture

COMMERCIAL VEHICLES



VE COMMERCIAL VEHICLES

- Modernising modern commercial transportation in India and the developing world
- Best-in-class, fuel-efficient trucks and buses with superior uptime and groundbreaking features to enhance productivity and profitability
- Market leading position in the Light and Medium Duty vehicle segment
- A first-of-its-kind state-of-the-art Uptime Centre ensuring maximum vehicle efficiency
- Premium luxury buses from Volvo India
- Front-runners in Electromobility solutions

Portfolio

- Eicher-branded Light Duty Trucks (3.5-5 tonnes), Light and Medium Duty Trucks (5-18.5 tonnes), Heavy Duty Trucks (≥ 18.5 tonnes) and Buses (12-62 seats)
- 100% connected vehicles powered by connected vehicle solution – Eicher LIVE
- Volvo-branded trucks and buses
- Engineering components and aggregates
- Medium-duty base engines for Volvo Group's Euro VI requirements

PERFORMANCE FY 2023-24

85,560

Commercial vehicles sold

100%

All trucks and buses sold in India connected via advanced telematics

34.6%

Market share in India's light & medium duty (3.5 to 15 tonnes) CV segment

21.6%

Market share in bus segment



**Royal Enfield
global
network**

MANUFACTURING AND PRODUCT DEVELOPMENT

3 facilities in Chennai including two modern manufacturing plants at Oragadam and Vallam Vadagal, and adjunct facilities at Thiruvottiyur

2 Technical Centres – Leicestershire, UK and Chennai, India

5 CKD units across Nepal, Argentina, Brazil, Colombia and Thailand

RETAIL

2,000+

Retail outlets in India (1,102 – exclusive stores, 901 studio stores)

1,085

retail outlets
in 65+ countries

North America: USA

UK, Europe, MEA: Austria, Belgium, France, Germany, Italy, Israel, Morocco, Netherlands, Portugal, Qatar, Spain, Turkey, UAE, UK

APAC: Australia, Cambodia, Indonesia, Japan, Malaysia, Mongolia, New Zealand, Philippines, Singapore, South Korea, Thailand, Vietnam

LATAM: Argentina, Bolivia, Brazil, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Mexico, Peru



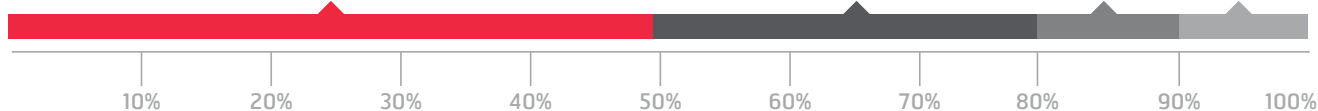
Group operating structure

Promoter Group
49.1%

Foreign Institutional Investors
29.7%

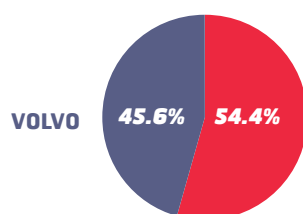
Domestic Institutional Investors
11.2%

Others
10%



EICHER MOTORS LIMITED (EML)

Joint Venture



VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

Business Unit



ROYAL ENFIELD (RE)

Royal Enfield North America Ltd

Royal Enfield Canada Ltd

Royal Enfield (Thailand) Ltd

Royal Enfield UK Ltd

Royal Enfield Brasil Comercio de Motocicletas Ltd

Royal Enfield Europe BV (Netherlands)





MESSAGE TO THE SHAREHOLDERS

SIDDHARTHA LAL - MANAGING DIRECTOR & CEO, EML

DEAR SHAREHOLDERS,

FY 2023-24 has been a remarkable year for Eicher Motors Limited, marked by exceptional all-round performance across the board. During the year, we grew from strength to strength each quarter, to deliver phenomenal new milestones in our business and financial performance, and made solid progress towards our long-term vision and goals, both at Royal Enfield and VE Commercial Vehicles.



WITH EIGHT CONSECUTIVE QUARTERS OF GROWTH, OUR REVENUE FROM OPERATIONS SURPASSED THE PREVIOUS HIGHS, GROWING BY 14.50% TO Rs. 16,536 CRORES

The robust business performance, combined with a good recovery in the domestic market and our sustained growth in international markets, resulted in the best-ever performance across the board by your Company. With eight consecutive quarters of growth, we registered our highest-ever Revenue from Operations, EBITDA, and Profit After Tax this year. Our Revenue from Operations surpassed the previous highs, growing by 14.50% to Rs. 16,536 Crores. EBITDA was at Rs. 4,327 Crores, up by 25.65%, and PAT was at Rs. 4,001 Crores, up by 37.31%.

This is a true testament to the strategic approach, robust business fundamentals, technical prowess and excellence, and most importantly to the driven, dedicated and committed teams, both at Royal Enfield and VE Commercial Vehicles.

At Royal Enfield, FY 2023-24 was marked by outstanding achievements. This was particularly significant as last year saw aggressive action in the premium middleweight (250 - 750cc) motorcycle segment with several formidable European and American brands entering the Indian market in partnership with Indian OEMs. We continued to ride ahead on our near and long-term plans and stayed focussed on the customer without obsessing about the competition. We have overcome this onslaught by playing to our strengths, and have continued to forge ahead. Our spectacular performance this year - marked by three big launches, and our best-ever business performance - is a clear outcome of the rich experience we have of having created this segment over decades, our deep insights about our customers, and of course, the strength of our product portfolio.

At VE Commercial Vehicles as well, we delivered record performance across all our business areas. We had highest-ever sales of Eicher trucks and buses, Volvo trucks, VE powertrains, Components, and Power Solutions. Our modern, connected, and efficient products, backed by our Uptime Promise, have been well received by customers looking to modernise logistics. As a result, we have made remarkable market share gains across segments.

ROYAL ENFIELD

FY 2023-24 was a game-changing year for Royal Enfield, with three spectacular motorcycle launches, a superb show of our EV ambitions at EICMA, and an absolutely stunning edition of Motoverse that is soon becoming a community-first showcase for some of our new motorcycles. We registered our best-ever performance with sales of 9,12,003 motorcycles, up 9% from the previous year, and maintained dominance in the middleweight segment. Our performance this year has beaten our pre-Covid growth levels, and has also outshined the overall motorcycle segment growth and the two-wheeler industry growth levels. As for our non-motorcycling business, we recorded our the highest-ever revenue, driven by our expanding service reach, robust growth in accessories, and widening range in apparel.

Overall, our performance this year is a confident reiteration of our strengths as a company - we have a strong portfolio of motorcycles, an aspirational brand that millions of riders connect with, robust business approach and product strategy, and last but not least, a cohesive and motivated team.

During the year, we had some category-defining launches, and the response from global customers, media, and experts has been incredible. In September 2023, we launched the



most celebrated and longest-running motorcycle model in the world, the Bullet 350 in an all-new avatar, followed by the launch of the all-new Himalayan on the new Sherpa 450 platform in November. The new Himalayan is absolutely superb and purpose-built for the mountains. In January, we launched the Shotgun 650 – a very special motorcycle designed for – custom-by-custom.

These new motorcycle launches enhance our already strong product portfolio, making it the most well-rounded in the middleweight motorcycle segment globally. The success of these motorcycles testify to the resilience of our product strategy and development, our manufacturing prowess, and our testing and quality processes. This is even more evident from the fact that perhaps the world's best cruiser and the world's best adventure motorcycle are in our portfolio today. The Super Meteor 650 has been awarded the Best Cruiser by several global publications, and the Himalayan has been adjudged the Best Adventure Tourer and even won the most prestigious Indian Motorcycle of the Year 2024 (IMOTY); our fourth IMOTY in the last six years.

Just as our motorcycles have been finding immense appeal among global customers, our business in markets outside India has grown considerably as well. Despite a weak macro backdrop in global markets, our retail sales remained on a steady growth track across regions in FY 2023–24. As a result, we have maintained our market share in the middleweight segment across regions and, in fact, have been able to grow our market share in the UK. The UK and Europe are very important markets for Royal Enfield, and this year, we set up a new wholly-owned subsidiary in the Netherlands to better cater to our growing customer base in the region; we also forayed into Turkey, which is a growing market for leisure motorcycling and set up our fifth CKD (Completely Knocked Down) unit outside India, in Nepal. There is huge headroom for growth outside India, and we will continue working towards fortifying our retail network and CKD operations in chosen markets across the globe in FY 2024–25.

While we continue to solidify our existing business, we also have a sharp eye on the future. This year, we accelerated on our electric vehicle journey with a comprehensive product plan and clear roadmap, supported by robust engineering teams in

Chennai and the UK. We are making steadfast progress on our EV plans and have also established a dedicated commercial team, with the objective of building a focussed new business and commercial strategy for electric motorcycles including brand, distribution and other functions, all based on deep customer insights. With an aim to create an absolutely distinctive line-up of EV offerings, we showcased our first-ever electric vehicle design concept, the Electric Himalayan Testbed, at the EICMA Motor Show 2023. This concept not only represents a new expression of future sustainable exploration but also gives a glimpse of what a future electric adventure tourer from your Company could look like.

FY 2023–24 was also special as we made huge progress on our Sustainability efforts, on our Social Mission and our CSR journey. During the year, we achieved significant milestones for our Green Business operations. This includes – increasing share of renewable energy, improving net water positivity and achieving Zero Liquid discharge from our facilities. Our Social Mission's most ambitious project went live this year – The Himalayan Hub – a comprehensive learning, experimentation and fellowship programme for sustainable solutions. Our first Hub at Theog in Himachal went live in February, and the programme already has 25 'fellows' who are learning to use film as a medium towards environment conservation and social change. We also launched another milestone project during the year, the Himalayan Knot. A unique and interesting programme, the Knot aims to strengthen indigenous heritage textile practices of Himalayan artisans and communities and bring them closer to urban designers, social organisations, and the rider community. We concluded the 2nd Edition of the Great Himalayan Exploration in partnership with UNESCO to conserve and document Intangible Cultural Heritage. This year, we documented 45 Intangible Cultural Heritage (ICH) practices across eight states in the Eastern Himalayas.

VE COMMERCIAL VEHICLES

Turning to VECV, our joint venture with Volvo Group for trucks and buses, we achieved record-breaking sales during FY 2023–24. Eicher trucks and buses alongside Volvo trucks, saw remarkable success. We registered our highest-ever annual sales of 85,560 units, growing 7.5% over the 79,623 units sold last FY, and outpacing industry growth of about 4% in the relevant segments. Our progress in light and medium-duty vehicles has been notable. From being a distant second in the segment a decade ago, we achieved the top position for four months this year, a testament to the significant strides we've made in our business. Our heavy-duty buses and Volvo trucks have also shown remarkable progress, and with the market picking up, Volvo buses are re-emerging strongly. Eicher Engineering Components and Eicher Power Solutions also recorded their highest deliveries during the year. Our VE Powertrain division, that delivers the 5 and 8 litre engine range used by Eicher trucks and Volvo Group's global automotive business, delivered a record year – a tangible example of our commitment to Making in India for the World.

**WE LAUNCHED
THREE SPECTACULAR
MOTORCYCLES, THE
HIGHEST-EVER IN A
SINGLE YEAR, IN LINE
WITH OUR AMBITION TO
BE A GLOBAL PREMIUM
MOTORCYCLING BRAND
FROM INDIA**



VECV delivered robust financial performance in FY 2023-24. Revenue from operations was Rs. 21,868 Crores, up by 15.4% over the previous year's revenue of Rs. 18,952 Crores. EBITDA for FY 2023-24 was Rs. 1,715 Crores, 25.2% higher than Rs. 1,369 Crores during the year. Profit after tax stood at Rs. 823 Crores, up 42% from Rs. 579 Crores this year.

In the realm of EV's, we supplied over 230 Eicher Skyline Pro electric buses and launched India's first 5.5 tonne electric truck - the Eicher Pro 2055, 75 of which were delivered during the year. We firmly believe that a mix of LNG, hydrogen, and electricity will fuel commercial vehicles in the future and we currently are working on alternate fuel technologies covering Compressed and Liquified Natural Gas, Electrics, Hydrogen Fuel Cell and Hydrogen Internal Combustion (H2ICE) engines. In parallel, we partner with like-minded customers to test and introduce these future-ready and environmentally sustainable solutions, scalable for India and the developing world.

On the Volvo business, we started customer trials for the Volvo FM electric tractor suited for regional heavy haulage. With this, Volvo Trucks is the only international brand offering diesel, CNG and electric solutions.

In addition to all this, our Small Commercial Vehicle (SCV), showcased at Bharat Mobility Global Expo in January 2024, will mark a new growth segment for VECV in the large 2.5T - 3.5T last-mile category. The electric variant of this product will be launched first followed by CNG and Diesel powertrains, and advanced real-world customer trials are underway.

VECV's efforts to deliver industry-leading value to our customers were recognised by stakeholders as we ranked #1 in the Dealer Satisfaction Survey conducted by FADA for a third year in a row and won the prestigious CV Maker of the Year at the 2023 Apollo CV awards. With a strong Indian economy, backed by solid government investment in infrastructure and modernisation, we see tremendous growth potential in the period ahead.

LOOKING AHEAD

FY 2024-25 promises to be an action-packed year, with some big initiatives in the pipeline. As we maintain a razor sharp focus on our long-term priorities and goals, we have an exciting year ahead with a slew of what will be category-defining launches. I am confident that we will continue to grow, and see tremendous opportunity for us to redefine motorcycling in this new era while maintaining our focus on delivering joy and excitement with every ride.

Our strong legacy and deep understanding of motorcycles and our customers have been the cornerstone of our success, and our ability to remain fiercely unique sets us apart. We are aware of trends and competition, but we do not obsess over them or attempt to replicate what works for others. This differentiated approach has given our brand a unique character and distinct position. Moving forward, we will continue to embrace this approach, boldly taking the road less travelled as we set new standards and benchmarks in motorcycling.

The future of mobility is poised for significant change and innovation. Electric vehicles, alternative fuels, and internal combustion engines will need to coexist over the coming years. Our success will depend on strategically balancing our portfolio to serve existing markets while remaining agile to adapt to change. Both Royal Enfield and VECV are well-positioned to navigate this transition. We are making considerable investments in lieu of our long-term plans, and to continue to adapt to changing market trends. Our investments combined with confident and focussed management and highly motivated teams both at VECV and Royal Enfield will ensure continued success.

**Ride on,
Sid Lal**



PURE MOTORCYCLING WITH ROYAL ENFIELD

We keep riding pure. We just love the feeling of riding out on an Enfield, plain and simple, and our purpose is to preserve that feeling. While the world moves fast, we go at our own pace, living the moment, riding further, going deeper. We're the guardians of what's authentic and real, for people who are trying to explore and discover themselves. We have covered a lot of ground over the last 123 years, and we'll keep riding for a while yet. Filling a rider's life with real, authentic experiences is what we call Pure Motorcycling.





PURE

A fundamental experience of life – authentic and real. Connecting at a sensorial level with your innermost self and your surroundings. Not being dependent on approval or endorsement from others. Steering clear of the artificial, the superficial, the superfluous and the contrived.

MOTORCYCLING

Motorcycling includes riding, owning, maintaining, caring and workmanship as an active pursuit. Focussing on the essentials and not the excess. Not transforming, but reconnecting with the purity of the experience.



QUARTERLY HIGHLIGHTS



ROYAL ENFIELD PARTNERED WITH THE INDIAN ICE HOCKEY TEAM

Royal Enfield partnered with the Indian Women's Ice Hockey team to strengthen their Olympic ambitions, extending partnership with UT Ladakh to develop winter sports in the region.

Royal Enfield is supporting the training of the 20-member Indian Ice Hockey squad, including 5 debutants, which will be coached by Canadian Darrin Harrold with Tsewang Gyaltsen and Amit Belwal assisting him.

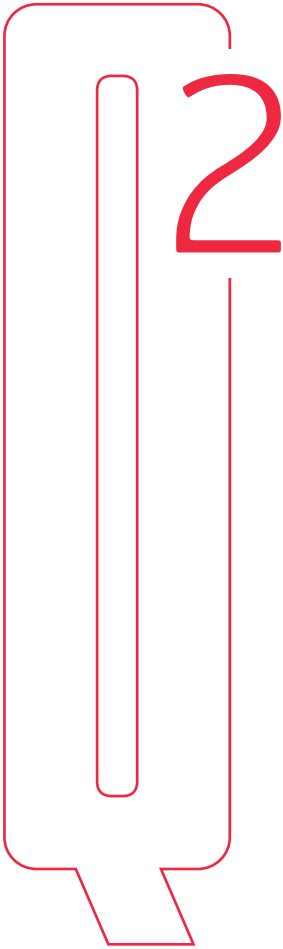
#ARTOFMOTORCYCLING SEASON 3 CULMINATED

Royal Enfield's community-led campaign #ArtOfMotorcycling, which saw over 54,000 country-wide registrations concluded with a terrific response. Bringing together artists from various crafts and adjacencies under one creative umbrella, the campaign gave them a rewarding canvas to share their love for art and motorcycling. A new initiative, Art on Street, which integrated mural art with a first-of-its-kind Augmented Reality-powered display for the larger community, received widespread appreciation.



EXPANDED GLOBAL FOOTPRINT WITH FORAY INTO NEPAL MARKET

Royal Enfield announced the commencement of operations of its exclusive local assembly unit and CKD facility in Nepal, aligned with its plans of expanding outside India. Spread across 1 Lakh sq ft, this facility will have an assembly capacity of 20,000 units. To begin with, it will engage in local assembly of the Classic 350 and the Scram 411, and make the motorcycle purchase process seamless while nurturing the growing middleweight segment in Nepal.



ROYAL ENFIELD ANNOUNCED CONTINENTAL GT CUP - SEASON 3

Royal Enfield announced the opening of registrations for the Royal Enfield Continental GT Cup Season 3, India's uniquely inclusive motorcycle racing championship. Continuing with the 'Pro-Am Series' format, allowing Amateur and Professional riders to compete on the same grid, aspiring racers from across India to participate in thrilling racing competition.

CONDUCTED 19TH EDITION OF HIMALAYAN ODYSSEY

Royal Enfield kicked off the 19th edition of the Royal Enfield Himalayan Odyssey from Delhi, with 75 riders embarking on a thrilling 18-day adventure covering over 300 km to reach Umling La, the world's highest motorable pass. This iconic journey served as a tribute to the undying spirit of exploration and motorcycle adventure, alongside encouraging riders to become more environmentally conscious and responsible on the journey. As part of 'Responsible Travel' initiative, throughout the ride event, efforts were made to preserve the delicate Himalayan environment by fostering the adoption of sustainable travel practices within the riding community.

HUNTER 350 CROSSED 2 LAKHS SALES MILESTONE IN UNDER A YEAR

Royal Enfield Hunter 350 crossed the 2,00,000 sales mark for its compact and stylish roadster. Launched in August 2022, the Hunter touched the 1 Lakh sales mark in February 2023 - and has completed the next 1 Lakh sales milestone in just five months since. Developed from the ground-up, and retaining Royal Enfield's character in a fresh and appealing compact design, the Hunter 350 has been instrumental in attracting new set of consumers into the Royal Enfield community, as evident in its growing acclaim.

LAUNCHED THE PIONEERING SUSTAINABLE RIDING JACKET STREETWIND ECO

Royal Enfield launched the first-ever sustainable riding jacket, setting a new benchmark in the riding gear segment. Promoting reusability, the Streetwind Eco Riding Jacket ensures greater environmental sustainability. The jacket offers the utmost comfort, safety, quality and style while prioritising sustainability, each being made by repurposing 75 plastic pet bottles and integrating materials such as polyester shell fabric, polyester mesh fabric and nylon Cordura, all 100% recycled.





ANNOUNCED TRACK SCHOOL IN INDIA TO NURTURE RACING CULTURE

Royal Enfield launched Royal Enfield Track School in India. Strengthening its 'Pure Sport' initiative, Royal Enfield aims to make racing and motorsports more accessible for aspiring racers and track enthusiasts looking to hone their racetrack skills. After the immense success of the Royal Enfield Continental GT Cup, this initiative further aims to nurture the racing culture in the country and encourage passionate young racers to take up track racing. Coimbatore, Bengaluru, and Thrissur are some of the places where the track schools have been conducted.



CELEBRATED THE 12TH EDITION OF ONE RIDE

Cities across the world echoed with the sound of Royal Enfields as 28,000+ owners celebrated the 12th edition of Royal Enfield's global marquee ride, One Ride 2023. First hosted back in 2011, One Ride celebrates the passion of motorcycling, and in its latest edition, Royal Enfield enthusiasts from 58 countries rode together to celebrate the camaraderie and their love for motorcycling.

LAUNCHED ROYAL ENFIELD RENTALS, A NEW PATH TO DISCOVER PURE MOTORCYCLING

Royal Enfield launched Rentals, a unique partnership with over 40 motorcycle rental operators across 25 cities in India. With this, travellers and motorcyclists can easily and instantly have access to over 300 Royal Enfield motorcycles across these cities to rent, ride and explore.

LAUNCHED THE ALL-NEW BULLET 350, BLENDING TIMELESS HERITAGE AND SOPHISTICATION

A symbol of limitless resilience and endurance in motorcycling and automotive history, the Royal Enfield Bullet 350 continued its legacy in a new avatar as Royal Enfield announced the launch of the all-new 2023 Bullet 350. The Bullet is now powered by the modern, globally acclaimed 349cc air-oil cooled single cylinder engine that also powers the Meteor, Classic and Hunter. The Bullet is available in three distinct editions Military Red and Military Black; Standard in Black or Maroon and Black Gold across India





3



KICKED-OFF THE GREAT HIMALAYAN EXPLORATION'S SECOND CHAPTER

Following the success of the inaugural edition of UNESCO x Royal Enfield: The Great Himalayan Exploration last year, UNESCO and Royal Enfield announced the Second Chapter of this unique initiative. The second chapter was unveiled with a curated exhibition - Journeying Across the Himalayas II at Bikaner House, showcasing the 21 cultural practices of Meghalaya, Assam and Arunachal Pradesh that were documented by 25 rider-researchers in the first edition.

METEOR 350 INTRODUCED IN STRIKING NEW COLOURWAYS

Royal Enfield announced the launch of a new range of features and colourways on the globally awarded easy cruising motorcycle, the Meteor 350. Inspired by the colours of the sky and the horizon, the Meteor 350 gets a new range, Aurora, in addition to the existing Fireball, Stellar and Supernova variants.

MOTOVERSE 2023 DELIVERED THRILLING EXPERIENCES WITH NEW MOTORCYCLE LAUNCHES

An exhilarating combination of music, adventure experiences and custom culture made Royal Enfield's Motoverse 2023, a haven for motorcycle enthusiasts and riders. Over three power-packed days, this most anticipated festival attracted over 15,000 attendees and motorcyclists from around the world.

The event featured two exciting motorcycle launches. The all-new Himalayan was officially launched at Motoverse 2023, and made available for bookings, test rides and retail at a special introductory price. Additionally, the stunning, custom-inspired Bobber Royal Enfield Shotgun 650 made its global debut in Goa, with a special Motoverse Edition, which got sold out within 48 hours.





INTRODUCED WINGMAN TO ELEVATE THE CONNECTED RIDER EXPERIENCE

Royal Enfield introduced the Wingman, a rider-centred connected vehicle system in India. It integrates vehicle connectivity via the Royal Enfield GRID team, offering proactive support and motorcycle information. Compatible with Android and iOS, this feature was made a standard on the Super Meteor 650 for an additional Rs. 6,500; existing owners could obtain it by purchasing the device for nominal fitment cost.

ANNOUNCED INTRODUCTION OF REOWN

Royal Enfield announced the introduction of Reown, a new company-operated, pre-owned motorcycle business initiative to enable existing and prospective customers to buy or sell their Royal Enfield motorcycles, and exchange their motorcycles and upgrade to a Royal Enfield with ease.

LAUNCHED HIMALAYAN KNOT COLLECTION, PROMOTING INDIGENOUS TEXTILE PRACTICES

Royal Enfield launched the Himalayan Knot, a large collaborative effort, that brought together multiple stakeholders to protect and strengthen indigenous heritage textile practices. Royal Enfield collaborated with various partner organisations to engage weavers and embroiders from Assam, Ladakh and Lahaul and help nurture their skills. Three capsule collections were launched through these collaborations including Ladakh sheep wool, Assam Eri silk and Assam Bodo Cotton collections.



ROYAL ENFIELD CONTINENTAL GT CUP SEASON 3 CONCLUDES

Royal Enfield's Continental GT Cup Season 3 concluded with intense racing at Coimbatore's Kari Motor Speedway. Spread over three months, the championship featured 25 top racers competing in three rounds with eight races, all racing on the Royal Enfield Continental GT-R650. This series promotes track racing accessibility for newcomers and experienced racers, reflecting Royal Enfield's 'Pure Sport' philosophy and commitment to India's racing community.

ALL-NEW HIMALAYAN AND ELECTRIC HIMALAYAN TESTBED SHOWCASED AT EICMA

Royal Enfield unveiled two exciting motorcycles at the EICMA Motor Show 2023 in Milan, Italy – the all-new Himalayan and the Electric Himalayan Testbed, its first-ever electric vehicle design concept. Both motorcycles draw inspiration from the iconic Himalayan region and Royal Enfield's legacy of pure motorcycling. The Electric Himalayan Testbed represents the brand's sustainable vision for the future of adventure touring, marking an exciting new chapter in its 123rd year history. It aims to reduce rider and environmental stress, fostering exploration and adventure for future generations.





4



ROYAL ENFIELD SIGNS MOU WITH THE GOVERNMENT OF TAMIL NADU FOR PROPOSED INVESTMENT OF RS. 3,000 CRORES

Royal Enfield signed a non-binding Memorandum of Understanding (MoU) with the Government of Tamil Nadu at the Global Investors Meet 2024, in Chennai. Under the MoU, EML proposed to invest ~Rs. 3,000 Crores for setting up greenfield and brownfield projects in the state over the next eight years. This investment will be majorly used for new products development including EVs (product development and capacity building) and for any ICE capacity enhancement, whenever required. This investment is anticipated to create up to 2,000 employment opportunities, both directly and indirectly.

LAUNCHED THE HIGHLY ANTICIPATED SHOTGUN 650

Royal Enfield launched the much-anticipated Shotgun 650. Built on Royal Enfield's globally proven 650-Twin platform, the Shotgun 650 is a tribute to the culture of customisation and blends retro-futuristic design with modern features. The motorcycle was made available in the European and the UK markets in February 2024, while India bookings started in January 15, 2024 followed by test rides and deliveries from March 2024. Americas and APAC launch was planned for spring 2024.

HUNTER 350 INTRODUCED IN TWO NEW COLOURWAYS

Royal Enfield announced the introduction of Royal Enfield Hunter 350's two new colourways: Dapper O and Dapper G. The Hunter 350 is renowned for its style, performance and versatility, and these fresh colour options bring a burst of energy and excitement to the lineup to resonate deeply with the Hunter's dynamic community of riders.





LAUNCHED TWO NEW COLOURWAYS FOR THE BULLET 350

Launched in September 2023 on Royal Enfield's super-smooth and globally awarded J-series engine, the new Bullet 350 was made available in two new iconic hand-painted silver pinstripes colour schemes: the Military SilverBlack and Military SilverRed variants.

ROYAL ENFIELD FORAYS INTO TURKEY

Royal Enfield announced its foray into the Turkish market through a partnership with K-Rides Motosiklet ve Bisiklet San. ve Tic. A.S., a subsidiary of Kibar Holding. The collaboration is aimed at strengthening Royal Enfield's presence in Turkey's mid-size motorcycle segment, with plans to open a flagship store in Istanbul and making available its diverse portfolio for retail.

SUPER METEOR 650 CELEBRATES ONE YEAR OF CRUISING WITH ITS COMMUNITY

Royal Enfield celebrated Super Meteor 650's one year of pure cruising in India, with over 2,000 owners from 41 cities enthusiastically participating in the celebratory ride. Since the start of sale in February 2023, the Super Meteor 650 has captivated riders worldwide with its design language, geometry, refinement, and the gorgeous 650-Twin engine. Crafted for the long-distance riding enthusiast, the motorcycle offers a thrilling ride experience, perfectly suited for traversing vast stretches of asphalt with unmatched comfort and style.







BULLET 350

THE WORLD'S
OLDEST
MOTORCYCLE
IN CONTINUOUS
PRODUCTION
LAUNCHED IN
AN ALL-NEW
AVATAR





A gleaming symbol of limitless resilience and the most enduring name in motorcycling and automotive history, the Royal Enfield Bullet 350 continues its legendary legacy in its all-new avatar. The longest-running motorcycle model in continuous production anywhere in the world - the Bullet 350's prowess over the toughest terrain, success in service with the Indian armed forces and subsequent move to production in Madras in 1955, kickstarted its rise to prominence on India's roads for decades. The all-new Bullet continues to make an indelible mark on the riding community across the globe.



2023 BULLET 350

A LEGACY TRANSCENDING TIME AND GENERATIONS

The all-new 2023 Bullet 350, powered by the super-refined J-series engine platform, continues to be the embodiment of more than 90 resilient aesthetics and craftsmanship and a symbol of the vibrant culture that Bullets have catalysed and the character it represents. And now this most practical, dependable motorcycle takes its unique heritage, majestic stance, all metal build, torquey engine and signature thump, into an exciting new epoch.



The legendary Royal Enfield Bullet 350 is one motorcycle that has stood the test of time. First unveiled in 1932, Bullet marked the beginning of a new era with its advanced features and pioneering motorcycle design. By 1948, it underwent radical updates with the introduction of innovative swinging arm rear suspension that revolutionised the motorcycle industry and was soon followed by all manufacturers.

1955 saw a pivotal year that marked Bullet's unparalleled rise. The transition of production to Madras, combined with its prowess over the toughest terrain and success in service with the Indian armed forces, saw Bullet's ascent into becoming the king of India's roads, for decades to come. In 2010, the Bullet was reinvented with Royal Enfield's seminal UCE engine, blending modern performance with its storied legacy and ensuring its continuity as a motorcycling and cultural icon aspiration.

Versatility at its best

Bullet's journey through the decades has been one of awe and inspiration. With little that cannot be done with them, Bullets have an enduring legacy of excelling in every task imaginable.

From championing in trials and the International Six Days Trials competition to setting lap records on the Isle of Man; from conquering the highest mountain passes to being a trusted companion on every kind of trip (weekend getaways to round-the-world adventures);



from being a dependable and hardy everyday motorcycle to more than a million loyal and passionate riders globally to being a platform for customisation; and from going into battles to being embraced in peace with unflinching reliability.

This truly makes Bullet a symbol of innovation and adventure, and a cultural icon.

A part of India's social fabric

Bullets hold a special significance in India. Emerging as a loyal companion to adventurers and patriots alike, it

soon became part of its social fabric. It is an heirloom handed down from generation to generation, nurturing a robust community that spawns more than 1,200 riding clubs. The recently launched song Bullet Meri Jaan

('Bullet Is My Life / Soul') aptly captures this spirit, being a powerful symbol representing authenticity, stoicism, dependability and individuality.

SINCE ITS DEBUT IN 1932, THE BULLET HAS BEEN MORE THAN A MOTORCYCLE. CONTINUALLY SETTING NEW STANDARDS IN DESIGN, FEATURES, PERFORMANCE, RUGGEDNESS AND PERFORMING EVERY POSSIBLE TASK, BULLET WENT ON TO BECOME A CULTURAL PHENOMENON THAT FLOURISHED OVER 90 YEARS.



THE 2023 BULLET 350: A BLEND OF TRADITION AND MODERNITY

The 2023 Bullet 350, while retaining the limitless resilience associated with Bullet, adds a contemporary touch to carry forward its legendary legacy. It is powered by a modern, globally acclaimed 349cc air-oil cooled single-cylinder engine, based on the J-Series engine platform that delivers strong, low-end grunt and super smooth power for a refined and invigorating ride.

It comes with a primary balancer shaft that cuts down vibrations, an optimised 5-speed gearbox for crisp and smooth gear shifting, a redesigned chassis for better handling and manoeuvrability and large diameter 41mm front forks and wider section tyres. All of this results in a superlative riding

experience. Its new take on the single bench seat, combined with the suspension ensures a more comfortable and plusher ride.

The motorcycle comes in three distinct editions, all handcrafted with a premium finish and equipped with unique features including the elegant hand-pinstriped body-coloured tanks and components as well as chrome and gold badges. It all features the iconic teardrop tank, traditional Royal Enfield casquette housing a new headlamp along with the signature 'tiger eyes' - pilot lights, an enduring feature of Royal Enfield since 1954. Contemporary features include a new digi-analogue instrument cluster, LCD information panel and a USB charging point.





GLOBAL MEDIA RECEPTION



It has all the qualities that the legendary brand stands for – the thumping engine feel, a wide-chested riding stance, and a timeless design. In fact, the new model does everything better than its predecessor with top-notch engine refinement, better acceleration, stronger brakes, comfier ride quality, sturdier build, and more features.

– Bikewale



The Bullet has even served its time in the Indian armed forces, so it really is a national icon. And looking at the high number of Classic 350s flying about the place, riding a Bullet 350 is a bit more than just standing out from the crowd, it's like being a part of that rich pride and heritage that helped build Royal Enfield to the powerhouse it is today.

– Overdrive



With its timeless appeal, the new Bullet 350 has once again proved that sometimes what matters are the simple pleasures, like the signature thump of a 350cc Bullet, or the relaxed, slow pace of a motorcycle ride, taking in the sights and sounds. After all, the journey itself is more important than the destination.

– Carandbike



Characteristically speaking, this version is closest to the Classic 350 in most ways. The brand has walked the measure with the styling of the new Bullet. Unless told, one may find it difficult to differentiate the current one from the model it replaces. And I quite like it. An ageless modern classic stance peppered with chunks of chrome, the Bullet carries forward squared-off fenders and round halogen headlights. Importantly, build quality seems better.

– Dainik Jagran



You can filter through traffic rather easily, and this makes commuting easy. The Bullet was never designed to go corner hunting, but if you want to, it can handle fast corners in a more confident manner than its predecessor. Apart from the new frame, the fatter and grippier tyres give you extra confidence.

– Acko Drive



It goes to show how much the Bullet 350 has improved as a motorcycle and it is nice to see that its legacy still lives on after all these years. With an extremely refined and tractable motor, comfortable ergonomics, and stable ride quality, Royal Enfield have got the formula right yet again and we hope to see the new Bullet 350 being appreciated by many enthusiasts.

– Bike India



There is little doubt that the Bullet 350 has emerged as a brilliant upgrade. It is smoother to ride, still looks retro, and yet offers most of the modern amenities.

– India Today



They've moved the Bullet 350 story on in fine style. It still offers the simple thrill of riding and is loaded with Brit-popping character, but it's smoother and more refined than ever. Performance is unashamedly modest, but the power delivery is friendly, there's lots of real-world grunt and it's frugal, but you need a positive shift to keep it in top gear. It goes exactly where you point it through corners with little fuss and it's plush and comfortable on the long haul. Best of all is its superb build quality and attention to detail for such little money."

– MCN



HIMALAYAN 450

BUILT BY THE
HIMALAYAS, FOR
THE HIMALAYAS



The newest avatar of the all-new Himalayan has set the benchmark in the adventure motorcycling world. Built by the Himalayas and for the Himalayas, the motorcycle is capable of taking on any terrain - all roads and no roads. Embracing the equilibrium between man, machine, and terrain, the all-new Himalayan is designed to excel, providing riders with the power to conquer peaks and the flexibility to navigate diverse landscapes. Its capable and versatile yet unimposing characteristic makes it an ideal companion for both seasoned adventurers and riders new to the off-road experience. Among some very prestigious awards, the motorcycle has also won the most coveted Indian Motorcycle of The Year 2024.



HIMALAYAN 450

THE ULTIMATE ADVENTURE TOURER

Himalayan 450, powered by Royal Enfield's first liquid-cooled engine Sherpa 450, is an engineering marvel and epitomises the pinnacle of adventure touring vehicles. Retaining the crucial elements of the Himalayan DNA and adding new evolutionary features, the new Himalayan is purpose-built for the Himalayas. With its capability, the motorcycle effortlessly adapts to various terrains making it perfect for discovering new horizons.



MADE IN INDIA FOR THE WORLD

The new Himalayan represents an evolution, thoughtfully shaped by genuine rider needs, including globetrotters, explorers and athletes as well as the brand's own journey in the Himalayas. This makes it a true global motorcycle which has set new standards in the adventure touring category worldwide. Capable but not intimidating, the motorcycle easily adjusts to different types of terrain, making it a perfect partner for experienced

off-road riders as well as beginners. With increased power and torque, the new 450cc Sherpa engine from Royal Enfield offers exceptional performance. Powered the first liquid-cooled engine, the new six-speed transmission with enhanced power provides the best possible power and torque distribution for rough terrain.

The inverted Showa cartridge fork provides excellent suspension that enables maintaining the bike's preferred course over the roughest

terrain. Improved ergonomics with low seat height configuration make the motorcycle accessible and comfortable for all riders, irrespective of their height. Its four riding modes and ride-by-wire technology further empower riders to adjust the response to suit the terrain and their mood while ensuring better fuel economy. Adding to the adventure riding experience is the new TripperDash, TFT screen, Google navigation and over 30 exciting new Genuine Motorcycle Accessories.



SPECTACULAR SHOWCASE AT EICMA 2023

EICMA Motorcycle Show held in Milan, Italy is amongst the world's largest motorcycling events. Royal Enfield made an impressive exhibit of the all-new Himalayan 450 at EICMA 2023, unveiling the motorcycle for the first time to global audiences, and received a spectacular response from consumers and motorcycling experts globally.





GLOBAL MEDIA RECEPTION



The new Himalayan will replace the old one and that may upset some purists. In my opinion, Royal Enfield has had the greatest turnaround of any automotive manufacturer in the last decade, and they have absolutely earned the right to make modern and exciting motorcycles like this while still retaining their essence of 'pure motorcycling'.

- Autocar India



The Royal Enfield Himalayan 450 is a 'HUGE' step up over the outgoing bike and is definitely the sort of evolution we were hoping to see. A properly modern engine and chassis setup, all the capabilities of the previous bike plus so much more. All the while staying friendly and easy to approach. The six-odd years that it has been in development for really show and this has the potential to be yet another global commercial success for Royal Enfield.

- Evo India



The 450cc engine churns out good performance – on and off-road. Plus, on the highways, the Himalayan does 120kmph easily – something all of us have been waiting for from the Himalayan 411. The bike is agile on corners, can lean in quite a bit, and also adapts to quick direction change. Further, the off-road performance is awe-inspiring as it can take ruthless beatings.

- Bikewale



The new Royal Enfield Himalayan is like a loyal friend, ready to support you through thick and thin. It's forgiving, easygoing, and a motorcycle that anyone can pick up and ride on any terrain. It's challenging not to admire this bike for retaining the simplicity that made the original Himalayan special. In conclusion, it's a significant upgrade to an already excellent motorcycle. The first Himalayan had its share of issues, but this new iteration may change your perspective on Royal Enfield's initial production batches.

- Zigwheels



The new Royal Enfield Himalayan 450 has improved in every aspect, be it performance, be it handling, or be it off-road capability. It's a completely transformed adventure bike which has no comparison with its predecessor, having taken its performance, capability, refinement and tech several notches higher. In my book, as a versatile adventure bike, the new Himalayan 450 completely nails it, and nearly makes the cut as the almost perfect adventure bike right now, in India, and around the world! Yeah, high praise, I know. But that's how impressive this two-wheeled Himalayan Sherpa is!

- Carandbike



The older motorcycle was good off road but Royal Enfield has made small changes to make this one better. I would put my money down for the new Himalayan as a machine to do everything, including urban use, touring, and exploring the unbeaten path. The new Himalayan is a beautiful motorcycle, one that is a joy to ride. A lot of research and development has gone into it, so it may not be as accessible as it once was.

- Bike India



After two fairly solid days of riding the new Himalayan, I'm overall impressed with what Royal Enfield has done for this new model. The on and off-road ability has been boosted significantly over the previous model, and with more power and usable torque (which will be better felt at sea level) the new bike should be a big hit with existing and new owners.

- Visordown

Like so many owners of the current-gen Himalayan will tell you, the bike isn't about the high-performance and high-tech bling that comes with high price tags. This bike is more about functionality. And while the new 2024 model is actually full of modern technology and refinement, the purpose remains the same, to offer simplicity and function in the same way Kawasaki's KLR650 or Honda's XR650L have for decades. Although the Himalayan trumps those bikes in many ways.

- Cycle World

It's still an Enfield Himalayan, a bike so robust you can roll it on its side, throw into a ditch, bounce over the roughest of terrain and still it will keep plodding along. But now it's far more appealing and stylish, and its step up in performance should make all the difference once we test the bike somewhere near sea level.

- Bennets

AWARDS WON



IMOTY 2024
Indian Motorcycle Of The Year



Autocar Awards 2024
Bike Of The Year



Car&bike Awards 2024
Bike Of The Year



Car&bike Awards 2024
Adventure Motorcycle Of The Year



Acko Drive Awards 2024
ADV Of The Year



Motoring World Awards 2024
ADV Of The Year



BBC Topgear India Magazine Awards 2024
ADV up to 500cc



Motor Vikatan Awards 2024
Bike Of The Year



FASTER Awards 2024
Bike Of The Year



ABP Live Auto Awards 2024
Off-roader Of The Year



Team-BHP Awards 2023
Two-Wheeler Of The Year



Bike India Awards 2024
Two-Wheeler Of The Year



Bike India Awards 2024
Adventure Bike Of The Year



2024 MotorBeam Awards
Viewers' Choice Bike Of The Year



CarBike 360 Awards
Adventure Bike Of The Year



SHOTGUN 650

INSPIRED BY
CUSTOM, FOR
CUSTOM





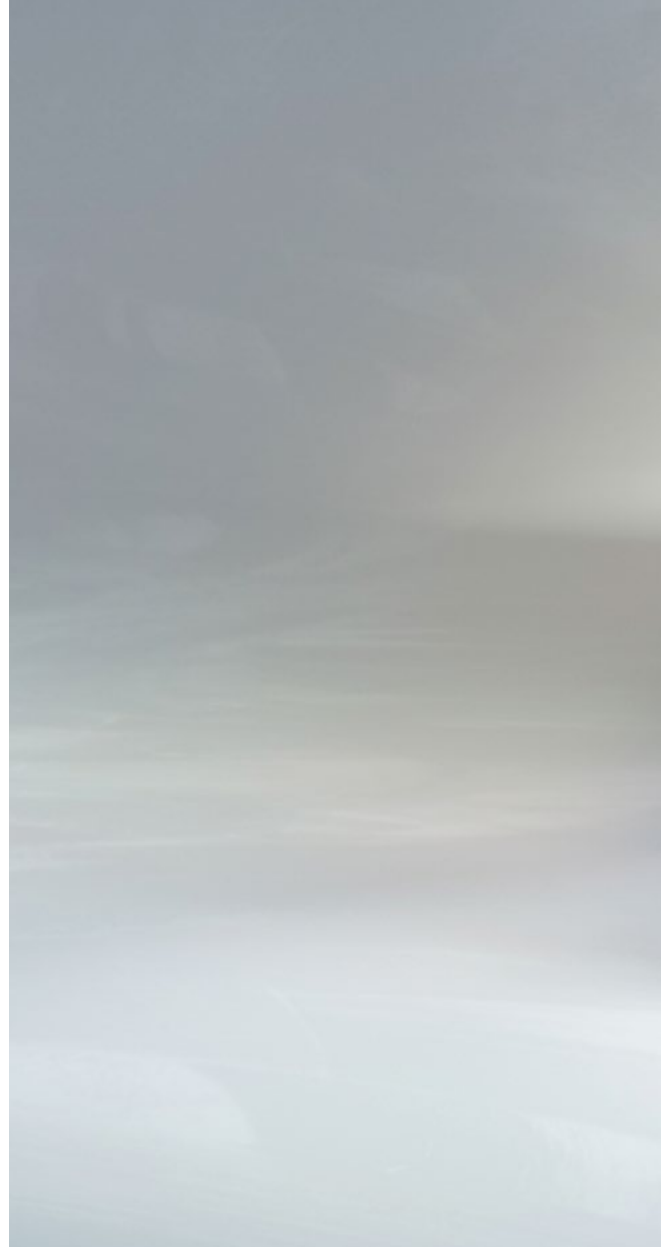
Built on Royal Enfield's globally proven 650-Twin platform, the Shotgun 650 is a tribute to the culture of customisation. Drawing inspiration from the work of Royal Enfield's custom community and its years of collaboration with them, this motorcycle is a testament to individuality. It is in every sense a retro-futuristic interpretation of a factory-custom motorcycle with authentic Royal Enfield DNA.



SHOTGUN 650

BORN OUT OF RAW CREATIVITY

A stunning, one-of-its-kind motorcycle, Shotgun 650 is born out of raw creative energy, coupled with custom culture and Royal Enfield DNA. Effortlessly transforming from a playful city motorcycle to a stable highway machine, the motorcycle is fun to ride with confidence-inspiring ride ergonomics.



Introduced on the globally award winning 650 twin platform, the Shotgun 650 is a double barrel of fun. It is ergonomically optimised, with a mid-set foot position, a low seat height and an intuitive handlebar position ensuring superior control and comfort for the rider. Its specially-tuned suspension system, high wheelbase and low centre of gravity ensure seamless adaption to different riding conditions be it in traffic, on highways or down twisty back roads.

It also sports a modular design that enables switching between three modes – from single seater to double seater to luggage-carrying tourer, offering ultimate flexibility.

The Shotgun 650 blends retro-futuristic design with modern features, uplifting aesthetic appeal and functionality. This includes an LED headlamp, USB charging ports and a digi-analogue instrument cluster equipped with the

Tripper navigation system. The newly launched Royal Enfield Wingman – a new, in-app feature that keeps riders updated with live location, fuel and engine oil levels, service reminders and more in a button's touch makes the Shotgun 650 even more special. It also comes with a range of customisation and personalisation features including a range of apparel.



SHOTGUN 650 MOTOVERSE EDITION UNVEILED

Community is Royal Enfield's biggest strength. Motoverse, the brand's flagship festival uniting its community in a celebration of shared passion, is a perfect platform for strengthening the connection. Embracing this spirit, Royal Enfield exclusively debuted the Shotgun 650 Motoverse Edition for its community, receiving an overwhelming response.





GLOBAL MEDIA RECEPTION



Fit and finish are impressive, with the paintwork gleaming in the early-morning California sun like obsidian, and the chrome detailing glinting deliciously. It is a great blend of vintage aesthetics, satisfying performance, and playful handling.

- **Motoring World**



I did not expect to have that much fun, especially on the canyon roads on a bike like this.

- **Living It Up**



Gone are the hub wheels and all the chrome elements because all internal aesthetic bits of the Shotgun are completely blacked-out. Royal Enfield has travelled a long way to get here in terms of fit and finish, which shows in the Shotgun as well.

- **Topgear**



The brilliant engine, coupled with a pleasing sound, makes it a great option for city commuting with improved styling, catering to riders who appreciate a delightful riding experience.

- **Carandbike**



Lots of bikes can take you to lots of places, but if you're a rider who wants to feel more connected to both your bike and the road, the Shotgun 650 is a pretty solid option. Most manufacturers release a slew of OEM accessories for their new bikes, but Enfield is particularly keen on the customisation potential of the Shotgun 650; hence the blank-slate nature of the stock bike.

- **Rideapart**



Royal Enfield has launched a retro fashioned, swanky looking Shotgun 650 with three variants and various customisation options.

- **The New India Express**



The Shotgun's slick gearbox is smooth-shifting, and both newbs and vets will love the equally smooth throttle with excellent (but not snatchy) response and dialed-in fuelling. The semi-attack riding position provides better opportunity for more responsive inputs, and while the 31.3-inch saddle might feel tall to some, for this 5-foot-6 rider, the triangle was great, offering all-day comfort with a semi-easy reach to the bar and a mellow bend at the knees.

– Cycle World

There isn't really another A2-ready cruiser on the market that rides as nicely as the Shotgun 650, especially not at this price point.

– Visordown

Our performance test began in downtown Los Angeles – where everyone's in a hurry and traffic is dense, but several interstate highways are less than a mile away. It's loud and it's hectic, but the Shotgun fits in perfectly. The bike picks up off of its kickstand easily and carries its weight well, feeling nimble and relatively light while manoeuvring out of our hotel parking lot and into city traffic.

– Bikeexif

The bottom line is that this is a very, very good motorcycle which provides an unexpectedly high level of performance coupled with the ability to be individualised as your inclination and bank balance allow. In its standard guise it's a sleeper, a Q-bike whose pleasing but unremarkable styling disguises the – well, not so much a lion as a puma, being only a 650, that's lying beneath.

– Motorcycle.com



ELEVATING MOTORCYCLING WITH FRESH, NEW EDITIONS

Royal Enfield constantly improves and refreshes its product portfolio to keep upgrading its motorcycles to suit the evolving needs of the customers; be it from vibrant new colourways, essential functionalities to advanced product improvements that make the ride experience better.



METEOR 350 GOES RETRO

Royal Enfield Meteor 350 is a recognised thoroughbred easy cruiser, offering a super smooth and refined ride in cityscapes or on longer cruises. Setting new benchmarks in the mid-size motorcycle segment, it has resonated deeply with long-distance riders and motorcycle enthusiasts, quickly growing into a community of over 3 Lakh riders across more than 60 countries.

Taking its appeal to customers looking for a retro-looking 'easy cruiser' and yearning for less city and more horizon, Royal Enfield introduced the new Aurora range with striking new colourways that are inspired by the shades of the sky. These include Aurora Blue, Aurora Green and Aurora Black, complementing the nature and character of the easy cruiser. The new range comes with a unique blend of retro-inspired elements such as the spoke wheels, tube tyres, and chrome-finish parts including the engine, exhaust system and components. It also sports features like a deluxe

touring seat, Tripper navigation, LED headlamps, and aluminium switch cubes. This new range offers riders an opportunity to elevate their view and embark on unforgettable journeys inspired by the ever-changing shades of the sky.

The existing range also received new features and upgrades. While LED headlamp and aluminium switch cubes were added to the top-of-the-line Supernova range, the Stellar range got the Tripper navigation device and Fireball an elegant Black colour.



HUNTER 350 GETS PEPPIER AND MORE STYLISH

The Royal Enfield Hunter 350, with its cool styling, dynamic performance and metro charm, has solidified its position as a preferred motorcycle in the mid-size segment globally. Deeply resonating with the youths as a symbol of their motorcycling expression, it has gained immense popularity worldwide.

Adding more style and zing, two new colourways have been introduced in the Dapper series – Dapper O (orange) and Dapper G (green). These peppy and vibrant colourways are set to bring fresh energy and excitement to the customers, giving youths more reason to ride in style.



UNLEASHING SELF-EXPRESSION WITH MOTORCYCLE RIDING GEAR AND APPAREL

Royal Enfield's apparel business continued its growth trajectory with a solid 22% growth in FY 2023-24 over the last year, primarily driven by a healthy mix of dealerships and the third-party e-commerce channels. In FY 2023-24, Royal Enfield formed new collaborations with the industry leading companies such as REVit, TCX and Alpinestars and provided world-class gears and riding equipment with Royal Enfield's rich heritage to its customers.



**STREETWIND ECO - INDIA'S FIRST
SUSTAINABLE RIDING JACKET**

STREETWIND ECO

The Streetwind Eco is India's first sustainable riding jacket. Crafted from recycled plastic bottles, this stylish jacket combines comfort and sustainability without compromising performance. It is light in weight, high in ventilation, and equipped with CE level 2 protection provided by Royal Enfield's Ergo pro-tech armours. Each jacket is made by recycling 75 plastic bottles and so far we have recycled up to 4,15,200 bottles.

STREETWIND V3 AND STREETWIND PRO

Introduced the StreetWind V3: the ultimate companion for urban adventures. Designed with your safety in mind, this jacket features Royal Enfield Ergo Pro-Tech CE Level 2 armours. Ride beyond the ordinary with #StreetwindPro and let the thrill of discovering new paths be your constant companion. Gear up with CE-certified Royal Enfield Ergo Pro-Tech armour protection and breathable 90% mesh for unparalleled comfort and security.



KIDS HELMET

Royal Enfield Kids Helmet is designed for young riders riding with their parents, this helmet offers a snug fit and a cool look giving every parent the comfort to know that their kid is safe and protected. In an effort to address the needs of young riders who accompany their parents on motorcycle adventures as well as promoting safer riding culture overall.

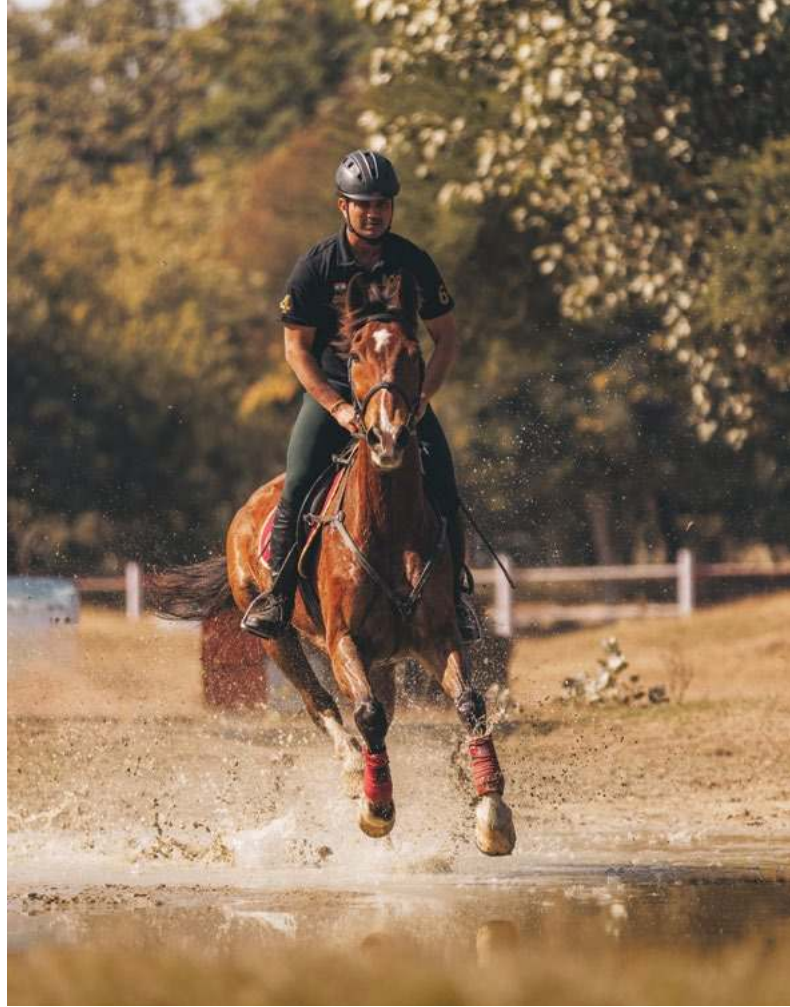


WINDFARER V2

The Windfarer V2 Jacket is a jacket meant for exploring the cityscapes. Wherever the journey takes you, its protective & stylish features will follow you around. The jacket features a two-layer construction, made of a mix of high abrasion-resistant polyester mesh and 600D polyester fabric.

EXPLORER V4

Introducing the all-new EXPLORER V4 riding jacket, with D30 CE Level 2 armours at shoulders & elbow, and Ergo protect CE Level 2 armours at the back. The jacket is constructed with 600D polyester and gets 610D Cordura fabric at the elbow and the shoulders.



COLLABORATIONS

Royal Enfield Apparel has always celebrated the spirit of adventure and tradition, forging connections that resonate with its core values. Brand's collaborations embodies the ethos, bringing together a rich tapestry of history, craftsmanship, and culture.

61ST CAVALRY

A coveted collaboration with the only active horse-mounted cavalry regiment in India. The 61st Cavalry Regiment has long symbolised strength, valour, tradition and equine prowess. Notably, it is one of the world's last operational non-mechanised cavalry units. The Cavalry's legendary service record and stellar contribution to the highly demanding sport of Polo led to this collaboration.

As part of this collaboration, Royal Enfield released an exclusive collection of limited edition 61st Cavalry x Royal Enfield polo jerseys, a collectable tribute to the cavalry's dedicated service across battlefields and, more recently, winning performances on Polo fields.



HIMALAYAN KNOT

Announced the "Himalayan Knot" textile conservation initiative as a tribute to the inherent artistic talent and enduring legacy woven throughout the Himalayan region.

Royal Enfield launched three remarkable collaborations to honour and preserve traditional craftsmanship while fostering sustainable practices. In partnership with studio EKA for the Looms of Ladakh, we presented a collection integrating traditional sheep wool techniques with heritage-inspired hues and fresh silhouettes, supporting

400 women artisans. In Assam, designer Sonam Dubal collaborated with The Action Northeast Trust to create an Eri silk collection for Royal Enfield riders, blending progressive twists on tradition and empowering local women weavers. Similarly, designer Sushant Abrol merged ancient Bodo weaving motifs with modern motorcycle culture in a collection with The Ant, creating new opportunities for the community. Together, these initiatives celebrate heritage crafts and create sustainable livelihoods for artisans.

**ROYAL ENFIELD
LAUNCHED THREE
REMARKABLE
COLLABORATIONS
TO HONOUR
AND PRESERVE
TRADITIONAL
CRAFTSMANSHIP
WHILE FOSTERING
SUSTAINABLE
PRACTICES.**



MOTOVERSE 2023

ACTION-PACKED
ADVENTURES,
ELECTRIFYING
MUSIC, TONNES OF
MOTORCYCLING AND
ALL THINGS CUSTOM





Taking forward Royal Enfield's quest to forge a fascinating new-age, pop-cultural space, the 13th edition of Motoverse unfolded over three power-packed days offering an exhilarating combination of music, adventure experiences and custom culture.

Providing an exciting and kaleidoscopic gateway into the vibrant world of motorcycling, Motoverse 2023 welcomed nearly 15,000 attendees, and motorcyclists from across the world. The highlight was the official launch of the all-new Himalayan and the surprise unveiling of the custom-inspired Shotgun 650 Motoverse edition exclusively for the attendees. With the community at the centre of all the action, for the first time, Motoverse hosted Shed Builds – a designated space to celebrate the imagination and creativity of the community, featuring the very best of the custom-built world.





ENGAGING MOTORCYCLING EXPERIENCES

MOTOVERSE 2023

Motoverse is the biggest and most anticipated annual motorcycling festival and the largest aggregation of the Royal Enfield community anywhere in the world. The 13th edition of Motoverse, attracted nearly 15,000 attendees and motorcyclists from across the world, eager to immerse themselves in the exhilarating world of Royal Enfield over three power-packed days. The Motoverse 2023 was nothing

short of extraordinary and took the community into a whole new world of thrilling experiences. From action-packed motorsport experiences to electrifying music and dance, from sharing inspirational motorcycling experiences to celebrating the love for creativity and custom, Motoverse captivated every true Royal Enfield enthusiast.

MOTOVERSE 2023 IMPACT

15,000+
Attendees

76%
New participants

57%
Rode to motoverse



BASECAMP: BRINGING THE HIMALAYAS TO GOA'S BEACHES

The Himalayas is the spiritual home of Royal Enfield and its community, the biggest strength. Bringing these two together, Royal Enfield made Motoverse 2023 special with the Basecamp that gave the community a glimpse of the Himalayan culture through culinary insights, local brews, music and talks by inspirational figures from the region. 'A Plate from Kharu', Himalaya-inspired cocktails and artists from Arunachal and Ladakh awed the audience with their fusion of traditional folk and rock music.

PURE MOTORCYCLING ZONES MotoThrill: where thrilling sporting action unfolds

MotoThrill, the pure sporting arena at Motoverse, saw thrilling action and electrifying motorsport experiences, becoming an adventure festival in itself. Motorsport enthusiasts experienced some of the most exciting and popular activities including the flagship dirt track, a curated class for the all-new Himalayan, an obstacle course and more.

Motorsport enthusiasts were thrilled to experience another first, Hunter Hood, an experiential ride through a curated course that highlighted the Hunter 350's agility and magnificence. Entry-level riders The Slide School, Trail School and Ace The Hill were avenues which provided riders of various capabilities an opportunity to upgrade or polish their skills on the motorcycle.

**Motosonic: a haven for Audiophile**

The Motosonic stage became the pulsating heart of Motoverse, captivating and keeping the community grooving with an electrifying lineup of artists from across regions and genres. Celebrated artists such as acclaimed multi-lingual singer Benny Dayal, indie-pop duo Ranj & Cliff, up-and-coming artists Oaff x Savera and experimental Indian electronica artists, Tech Panda x Kenzani kept the spirits high with their entertaining performances. The lineup of artists on Day 2 was curated for the 50 years of Hip-Hop celebrations across MotoSonic and MotoShop stages alike, offering the Motoverse participants to choose the music which resonates with an individual. Other fan favourites included Parikrama, Seedhe Maut, Midival Punditz Ft. Karsh Kale and Kutle Khan.

Another first at the Motoverse, was the Culture stage that celebrated the spirit of discovery by showcasing new and emerging talents, offering them a chance to shine and connect with an enthusiastic audience. Talents from across the world such as the South American band 'All yellow' and local artist 'Gala Soler' delivered an unforgettable atmosphere of unity and excitement.

MotoReel: a place to share inspiration and stories

The world of motorcycling is full of excitement with new stories, expeditions, rides, races and rally, customs and record-breaking achievements. MotoReel yet again was home to these stories of grit, adventure and great feats, inspiring visitors and motorcycle enthusiasts equally. This year's



MotoReel featured talks by rally pilot and adventurer Vanessa Ruck, explorers Jacqui Furneaux, Jack Groves, Abhijit Rao, adrenaline chasers like base-jumper extraordinaire Sajid Chougale, Sports Athlete and TEDx speaker Rizza Alee, Mountain Biker Vijay Menon, and motorcycle rally stars Ashish Raorane and CS Santosh.

The 2023 edition saw two spaces for MotoReel talks laying focus on Adventure motorcycling and Custom bike building. The Custom MotoReel space saw audiences tune into gripping stories from trailblazing Flattrack Racing stars Gary Birtwistle and Jhonny Lewis, along with some of the most popular names from the world of





Custom Bike Building today Cristian Sosa of Sosa Metalworks and Robert Nightingale of Malle London.

MotoShop: where style and innovation elevates every ride

Royal Enfield experiences go incomplete without unique accessories and gears. Embracing this passion for pure riding, Royal Enfield launched an exquisite collection to enrich automotive experiences. These included a range of helmets designed specifically for children, delivering both safety and style, and Eternity Sunglasses, a range of eyewear that combines superior craftsmanship with Royal Enfield's distinctive design sensibilities. Embodying the essence of every motorcycle created by the brand, these designs are a perfect mix of vintage and futuristic.

Shed Builds: for the love of creativity and custom

Motoverse became special for the custom community, as for the first time ever it hosted a designated space for custom-built motorcycles called Shed

Builds. The motorcycles showcased were crafted by individuals who built their motorcycles as a product of their passion and hobby. The Pro Builds custom motorcycles are meticulously built by professional builders specialising in the art of customisation. Legacy Builds commissioned by Royal Enfield's custom programme showcased custom motorcycles which exhibited the brand's journey encapsulating the spirit of timeless design and propelling the legacy forward.

The showcase featured the very best of the custom-built world. Engaging the Royal Enfield global community, 23 of the most exceptional builds were selected through a crowdsourced digital campaign.

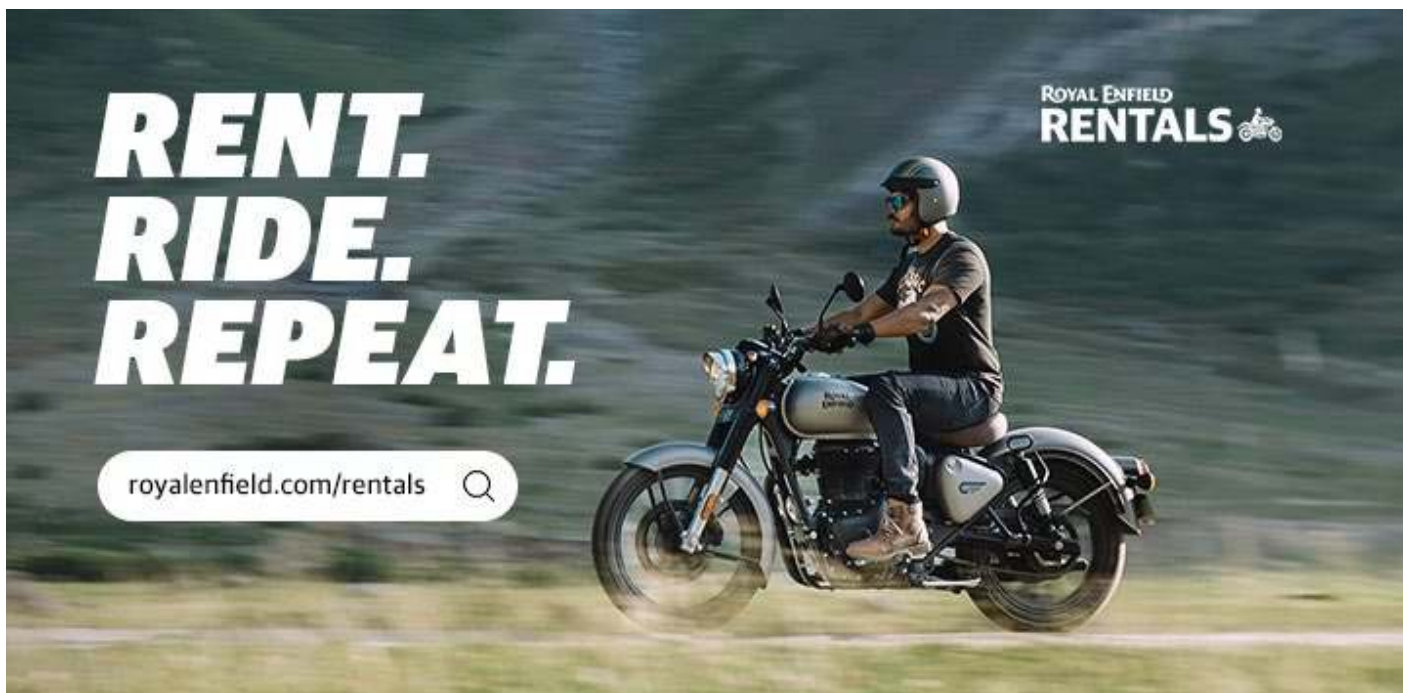
Celebrating the imagination and creativity of the community, this space presented enthusiasts and custom builders the opportunity to showcase their creativity embedded into creating unique motorcycles at the Royal Enfield's largest gathering.



RENT. RIDE. REPEAT.

BROADENING ACCESS FOR MOTORCYCLING EXPLORERS

Royal Enfield is dedicated to delivering brand-led differentiated consumer experiences, ensuring each touchpoint and interaction is smooth and seamless. Be it renting or buying new or preowned motorcycles, each of the journeys has been made frictionless with industry-defining initiatives, encouraging more enthusiasts to join the Royal Enfield community. These efforts make Royal Enfield a more aspirational brand and notch up customer experiences.



ADVANCING PURE MOTORCYCLING WITH ROYAL ENFIELD RENTALS

India's rich diversity of cultures and landscapes, make it a prime destination for adventurers and leisure enthusiasts. Simple, uncomplicated, evocative and fun to ride Royal Enfield motorcycles have for decades been their trusted companions for a superlative experience.

Motorcycle rental and tour operators, independent mechanics and custom-builders, forming a part of Royal Enfield's extended family, have been critical in ensuring that each journey is seamless and enjoyable. They have helped further the brand's vision of allying every rider's journey of exploration as well as building wider access and aspiration for Royal Enfield motorcycles.

The unique Royal Enfield Rentals programme is designed to make this

journey even more unrestricted. Under it, more than 40 motorcycle rental operators have been partnered across 25 locations in India to provide explorers and enthusiasts instant and easy access to a fleet of over 300 high-quality and well-maintained Royal Enfield motorcycles to rent, ride and explore. This ensures convenience, reliability and peace of mind throughout their journey. Serving a diversity of purposes, be it road trips, adventures, trail explorations or expeditions, the initiative is poised to ignite the passion for riding.



PIONEERING INITIATIVES WITH ASSURED BUYBACK PROGRAMME

Royal Enfield prioritises the customer and their experiences, ensuring this across all stages, from motorcycle conception and development to designing in-store and in-use experiences.

The Assured Buyback Programme, a first-of-its-kind in the motorcycle industry, is yet another initiative in this direction in collaboration with OTO Capital. The programme offers buyers facilities like flexible tenures, lower EMIs and guaranteed buyback. Further, at the end of the tenure, they have the option to either upgrade to a new Royal Enfield motorcycle, retain, or return their motorcycle. This reduces the overall cost of ownership, eases entry barriers and incentivises buyers with cashback at the tenure's end, enhancing accessibility and easing upgrades to Royal Enfield motorcycles. To begin with, this programme has been made available across dealerships in 12 cities and will be expanded to more cities in future.

REVOLUTIONISING PRE-OWNED EXPERIENCES WITH REOWN

The aspiration for Royal Enfield motorcycles is ever-growing among riding enthusiasts and with it the market for its pre-owned. Recognising the challenges of accessibility and trust in pre-owned, Royal Enfield has ventured into this segment with the Reown programme. This one-stop solution enables customers to buy or sell their Royal Enfield motorcycles, and exchange their motorcycles and upgrade to a Royal Enfield with complete trust, convenience and brand assurance.

The entire operation is enabled by Royal Enfield's wide retail network and ecosystem of collectors and workshops. It enables bringing together an array of pre-owned Royal Enfield motorcycles and ensures 200+ quality checks to guarantee brand assurance. Each

ROYAL ENFIELD RENTAL ECOSYSTEM

40+

*motorcycle rental
operators partnered*

25

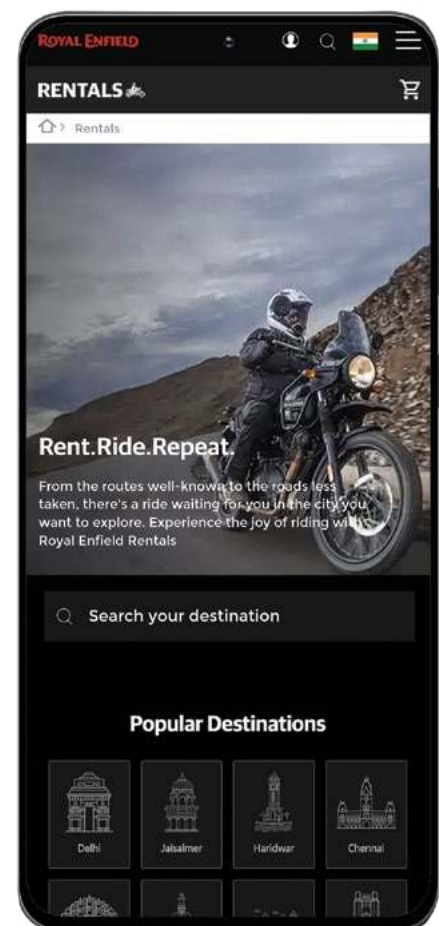
*cities and destinations
across India covered*

300+

*High-quality and well-maintained
Royal Enfield motorcycle access*

motorcycle is refurbished with genuine Royal Enfield motorcycle parts and comes with a brand warranty plus two free services, ensuring peace of mind. This service is available both in-store and online, and includes the support of a dedicated relationship manager to guide customers through the entire process.

Further, partnerships have been entered to offer attractive financing options, doorstep evaluation, upgrades from other brands and easy discovery. The initiative will help overcome ownership barriers, and enable Royal Enfield to tap into newer markets and customer segments. Customers benefit from a smooth experience, fair pricing and hassle-free documentation support.

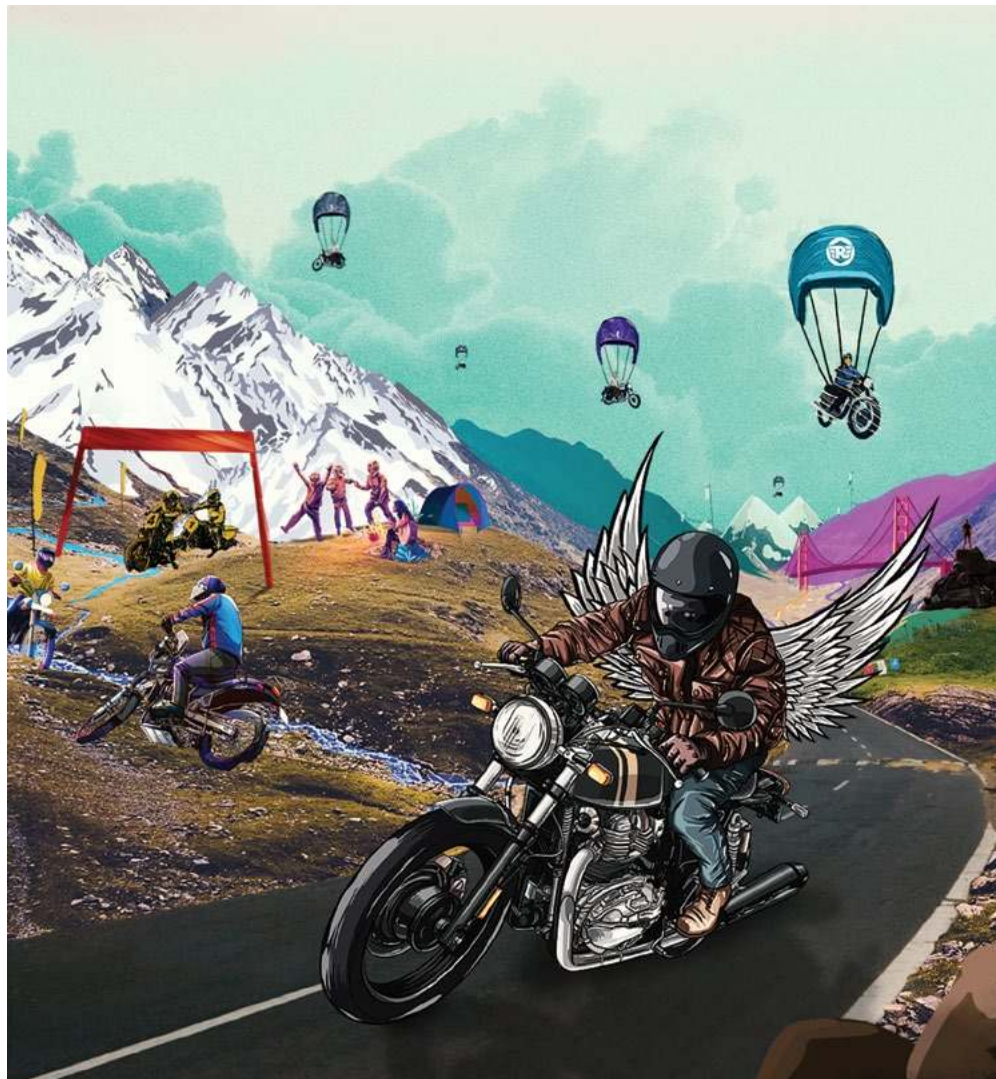


NURTURING THE MOTORCYCLING SUB CULTURE

At the core of the Royal Enfield brand lies a commitment to fuelling the passion for pure motorcycling and exploration among its community. By ideating and curating innovative adventures, the brand is creating newer avenues to enable self-expression and foster deeper connections. In a bid to empower every rider to discover fresh, exhilarating ways to nurture their spirit of motorcycling, driving their love for riding to new heights, the brand announced a slew of initiatives for riding community.

ARTOFMOTORCYCLING SEASON 3

The ArtOfMotorcycling provides a platform for creators to showcase their love for the motorcycling way of life, encouraging the community to freely express their passion for riding and self-expression. Royal Enfield, has fostered the creative spirits of the community by supporting various art projects over the years. The third edition of its #ArtOfMotorcycling campaign brought together over 54,000 artists, including those from Tier 2 and 3 cities, to share their unique illustrations and inspiring stories. This initiative, featuring augmented reality-powered murals in major art districts, has evolved into a tremendous showcase of creative energy, embodying Royal Enfield's ethos of exploration and self-expression.





FROM STREET TO TRACK

Royal Enfield GT Cup Season 3

The adrenaline-pumping Royal Enfield Continental GT Cup, a testament to the brand's 'Pure Sport' philosophy, has been at the forefront of enhancing track racing accessibility in India.

Into its Season 3, the Continental GT Cup continued to build on the previous success, attracting a diversity of novice riders and professional racers with its Pro-Am format. This season witnessed more than 200 entries with the final grid featuring the top 25 riders, 15 amateurs and 10 professionals. The growing popularity of the GT Cup and the evolution of this race over the years highlight the abundance of racing talent in India and their grit on the race track.



Royal Enfield Track School

Royal Enfield Track School is yet another effort by the brand to strengthen its 'Pure Sport' philosophy and further popularise track racing and motorsports in India, in tandem with Continental GT Cup and other sporting initiatives. Track School will likely 'fuel' this passion and popularity, while also serving as a stepping stone for racers who desire to compete in it.

The Track Schools will work towards enhancing the accessibility of these races for aspiring racers and track enthusiasts alongside supporting them in honing racetrack skills. Through proficient Royal Enfield GT650 twin-cylinder motorcycles and trained race specialists, train riders to enhance their motorcycling skills, overcome challenges and push limits in a supervised environment. This enhances their riding skills, making them better and safer motorcyclists both on the racetrack and on the road.





UNITING RIDING COMMUNITIES

CELEBRATING THE JOY OF RIDING TOGETHER

Royal Enfield's riders and enthusiasts form a vibrant and passionate community, united by their shared love for motorcycling. The motorcycle enthusiasts live every ride, cherishing each journey's story, celebrating their experiences and the camaraderie that flourishes among them. Royal Enfield is dedicated to fostering these bonds through thoughtfully curated rides targeting their specific interest and love for motorcycling, in turn reinforcing the brand's aspiration.



HIMALAYAN ODYSSEY 2023

Himalayan Odyssey is one of the oldest and most celebrated annual marquee rides of Royal Enfield, an ode to its undying spirit of exploration and motorcycling adventure in its spiritual home, the Himalayas. The Odyssey celebrates the lineage and pedigree of Royal Enfield motorcycles each year giving riders a chance to ride up to the

hallowed grounds of Ladakh, a mecca for ardent Royal Enfield travellers across the world.

The 19th edition saw 75 riders embark on an 18-day adventure ride and travel 3,050 km to reach Umling La, the highest motorable pass in the world. The edition was flagged off from Delhi in a traditional Ladakhi ceremony with

blessings from Buddhist lamas and took riders through some of the most breathtaking terrains.

ONE RIDE 2023

One Ride is India's largest cause-led and Royal Enfield's marquee global ride. It unites a diversity of motorcycling enthusiasts for a ride that is inclusive and unique and encourages them



to become the change agents for protecting the local ecosystem and addressing community challenges. The 12th edition of One Ride united over 28,000 Royal Enfield owners across more than 420 cities in 58 countries to take the road for celebrating the Pure Motorcycling philosophy. The ride continued with the theme **'One Mission | One World | One Ride'**, promoting safe and responsible riding practices among riders.

HIMALAYAN ADVENTURE ZANSKAR

The Himalayan Adventure Zaskar is a uniquely curated ride taking the riders across the captivating Zaskar Valley nestled in the majestic Himalayas in India's Ladakh region. The journey weaves through the valley's ancient monasteries, quaint villages and stunning landscapes, offering riders an opportunity to discover this relatively unexplored terrain. With the Royal Enfield Himalayan as a trustworthy companion, this ride takes the adventure to the next level for an unforgettable experience.



HIMALAYAN ADVENTURE CHANGTHANG

The marquee Himalayan Adventure Changthang is tailored to bring out the explorer in the rider. It takes riders through the badlands of Changthang, engaging them in a true exploration journey marked by navigation exercises and checkpoints with a mix of sand surfing and carving routes in desolate

landscapes. The ride positions itself in a spectrum that screams true adventure and discovery.

UNCOVER NORTH EAST

The Uncover North East ride is a perfect blend of culture, music and riding, specifically curated for the Meteor 350 keeping in mind its highway cruising characteristic and ability to navigate through broken roads. Held in October 2023, the ride took Royal Enfield Meteor owners who have combined passion for adventure and are music lovers and cultural enthusiasts wanting to explore the North East.

COSMIC CARAVAN

Bringing back the Astral Ride, now known as Cosmic Caravan, this Royal Enfield riding extravaganza blends cultural exploration and astrophotography. The riders were taken through the sublime Rann of Kutch, delivering a unique and unforgettable experience for motorcycling and astrophotography enthusiasts in exploring the region's rich cultural heritage while capturing stunning images of the night sky.



HIMALAYAN KNOT





The Himalayan Knot is an exclusive capsule apparel collection by designers from the Himalaya - a tribute to the intrinsic artistry and timeless heritage embedded in the fabric of the Himalayas. It embodies our dedication to safeguarding heritage, empowering communities, and sharing the unique artistry of the Himalayas with the world. We introduced exciting new collaborations with local textile communities and global practitioners in fashion design purpose built keeping the rider and explorer sensibilities in mind.





RIDING FOR A BETTER WORLD

The Indian Himalayan Region is home to Royal Enfield, and the brand is committed to building resilience in communities and nature in this iconic landscape. Through conceptualising unique rides and programmes, Royal Enfield aims to partner with 100 Himalayan communities by 2030 to empower them to adapt and thrive even in the face of climate change. Royal Enfield also aims to catalyse a global movement of one million riders to explore sustainably and become active stakeholders in the mission.

SAFEGUARDING INTANGIBLE CULTURAL HERITAGE WITH THE GREAT HIMALAYAN EXPLORATION 2.0

'The Great Himalayan Exploration', a joint initiative by UNESCO and Royal Enfield, is an endeavour to preserve the

Himalayan region's Intangible Cultural Heritage (ICH). Engaging the Royal Enfield riders-researchers, this initiative blends heritage preservation and positive tourist behaviour promotion with thrilling motorcycle adventures. This offers a unique platform for celebrating India's living treasures.

The second edition started with an immersive capacity-building session for the rider-researchers and a creative showcase of the Himalayan region's ICH, titled 'Journeying Across the Himalayas II'. The showcase spotlighted the practices and beliefs of Royal Enfield's partner communities through



community to protect and strengthen indigenous heritage textile practices from the Himalayas.

Royal Enfield has partnered with various entities to achieve impactful outcomes. The brand has collaborated with Looms of Ladakh to engage 200 women weavers from Ladakh's Changthang and Kargil communities, and with Action North East Trust (Assam) to engage 145 weavers and embroiderers from five Assamese communities. Further, in collaboration with Pata Society, 40 women from two remote villages of Lahaul are being trained in traditional carpet weaving skills, including pattern design, knotting techniques and quality control.

In November 2023, Royal Enfield held a launch event in Mumbai which drew over 600 attendees, including Himalayan

community members and the press. The event featured exhibitions, panels, culinary experiences and cultural performances showcasing Ladakh and Assam's textile traditions.

Further, three capsule collections, purpose-made for the Royal Enfield rider were also unveiled at the event. This included the Ladakh sheep wool collection presented by the collaboration of Studio EKÁ and Looms of Ladakh. Designer Sonam Dubal and label Countrymade teamed up with The Action North East Trust to present Assam's Eri Silk and Bodo Cotton collections respectively. These collections were available for pre-ordering on the Royal Enfield apparel page, with all proceeds going back to the local communities.

an art exhibition and cultural immersion. The event saw over 700 visitors and 17 articles being published, and garnered over 170 conversations on social media that reached over 3,00,000 accounts.

The edition took a total of 80 rider-researchers, including influencers and journalists, across 12 explorations. The team successfully documented 45 ICH practices across the Eastern Himalayan states of Arunachal Pradesh, Assam, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and West Bengal. Over 15 Himalayan communities were engaged in the process, including the Wancho, Rai, Mizo, Ao Naga, Gurkha, Adi and Galo were engaged.

THE HIMALAYAN KNOT TEXTILE CONSERVATION PROJECT

The Himalayan Knot, a large collaborative effort, brings together artisanal Himalayan communities, urban designers, creative practitioners, social organisations and the traveller





TAKING PURE MOTORCYCLING TO THE WORLD



The EICMA Motorcycle Show in Milan, Italy is a global trade show focussed on motorcycles and two-wheelers, and Royal Enfield has been participating year-after-year with the showcase of our latest motorcycles for the world. Royal Enfield's spectacular showcase included the Electric Himalayan Testbed and the all-new Himalayan at EICMA 2023.

In the past few years, the Himalayan has not only established a new category but also sparked a global movement of adventure touring. A motorcycle born in the mountains, in less than a decade since its inception, has become synonymous with the legends of the Himalayas, and the all-new Himalayan is only taking that legacy forward. The Electric Himalayan Testbed on the other hand was a representation of Royal Enfield's future goals and a sneak peek at what the brand's electric mobility blueprint entails.





UNLOCKING SELF EXPRESSION THROUGH CUSTOMISATION

Royal Enfield motorcycles have always been a perfect canvas for imagination and self-expression. Every year, the Royal Enfield Custom Programme team collaborates with some of the world's leading companies and custom builders to showcase their creativity and express their love for the brand.



ROLAND SANDS DESIGN BUILD

Created as part of the sustenance programme for Super Meteor 650, this custom-built rendition, the Royal Enfield 650 Super Meteor Chopper is designed to take the rider back, and at the same time forward. While giving the vibes of coming out of a classic American Chopper series, it also takes the riders back in time to the golden days of cruising. The motorcycle looks stunning and its anatomy makes it even better. From the narrow front clamp to the gold cerakoted alloys, this Chopper is a testimony of what cruising with creativity feels like.



KING NERD HUNTER 350

London-based artist, designer and engraver Johnny Dowell, known as King Nerd, has a cult following for his distinctive style of combining old and new aesthetics. As a lifelong motorcycle fan, it was the Royal Enfield Hunter 350 that resonated with him more than others. The urban HNTR350 mirrored his ethos of classic-meets-contemporary and was designed for the very streets he grew up in.

Notching up the Hunter 350's city-focussed design even further, the HNTR x King Nerd project pulled all of Johnny's inspirations into five unique



machines united by a common theme. Manufactured in-house by Royal Enfield's Custom World division, these King Nerd x HNTR350 bikes have been redesigned with numerous special touches from the mind of King Nerd.

SHOTGUN 650: MOTOVERSE EDITION

A truly unique motorcycle born out of raw creative energy, mixed with anarchic custom culture and thoroughbred Royal Enfield DNA. Showcased at Motoverse, won by one lucky winner.



INTEGRATED REPORT





BUSINESS MODEL

ABOVE AND BEYOND WITH A SHARP AND FOCUSSED APPROACH AND BUSINESS MODEL

INPUTS



FINANCIAL CAPITAL

- Rs. 12,886.90 Crores net worth as at March 31, 2023



MANUFACTURED CAPITAL

- 3 world-class manufacturing sites in Chennai, India
- 12 Lakhs annual manufacturing capacity
- 5 CKD (assembling units) across global market
- % of recycled or reused input material to total material
 - Recycled steel: 4%
 - Recycled aluminium: 12%
- Rs. 807.96 Crores capex spent for enhancing efficiency, safety and reliability of operations
- 21,000+ Kaizen journey initiated



INTELLECTUAL CAPITAL

- 2 world-class research and development (R&D) centres in Chennai, India and Bruntingthorpe, UK
- Make it Yours (MiY) for customisation and enhancing ownership experience
- 350+ dedicated engineers for R&D
- Rs. 463.67 Crores spent on R&D (3% of revenue)
- Continual innovations aligned to dynamic market trends
- Development of local parts for CKD markets



HUMAN CAPITAL

- 5,249 permanent employees
- 624 new hires
- ~1,00,000+ hours of training conducted to enhance skills for achieving organisational goals



SOCIAL AND RELATIONSHIP CAPITAL

- ~ Rs. 37 Crores spent on community development projects
- Partnerships with 200+ non-profit and Government organisations
- 901 studio stores and 1,102 dealerships
- Supported dealers through various learning programmes to enhance the skills of dealership staff and empowering them
- Progressed on our ESG assessment of supply chain partners



NATURAL CAPITAL

- 5,61,865 GJ of energy used in three manufacturing sites and HQ (1,23,858 GJ through renewable energy - solar)
- 1,91,734 KL of water consumption
- 13 MW offsite-solar power plant
- Commitment towards efficient operations resulting in reduced environmental footprint
- Promoting responsible travel practices

Production

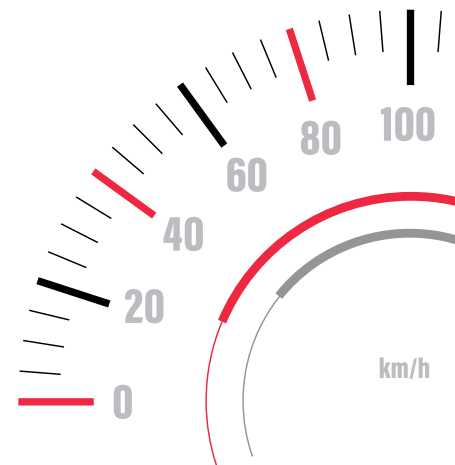
- Technology-driven, eco-efficient and safe manufacturing facilities
- Focus on human rights and freedom of association
- Expert workforce with ability to cater and contribute to brand reputation
- High quality of product

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



MLG

STRATEGIC OBJECTIVES



Royal Enfield's philosophy of Pure Motorcycling has always been about a constant search for balance between people, machine and terrain



Create an agile, resilient, & timeless business



Sales and distribution

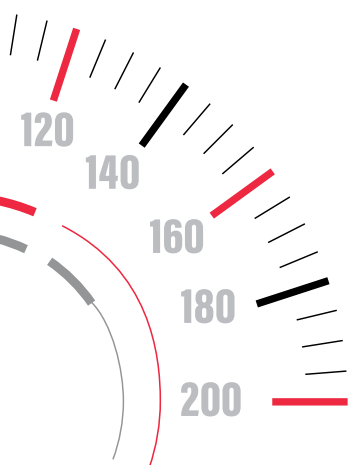
- Strong global sales network
- Accelerated customer service through dealership collaborations
- Top-line growth
- Market expansion

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

End-of-life

- Future-ready for End-of-Life Vehicles (ELVs) management
- Proactive measures striving for effective recoverability and recyclability
- Endeavour to design for enhancing ELV optimisation



1901



Becoming global leader in mid weight motorcycles

OUTCOMES

FINANCIAL CAPITAL (STANDALONE)

- Rs. 15,693.58 Crores net worth
- Rs. 16,078.16 Crores net revenue
- 27.2% EBITDA margin
- Rs. 3,845.11 Crores operating cash flows
- Delivering sound financial performance, creating sustained value for stakeholders

MANUFACTURED CAPITAL

- 9,28,263 motorcycles produced
- 9,12,003 motorcycles sold (consolidated volumes)
- Maintained highest product quality standards to meet customer expectations and also reducing the cost of ownership

INTELLECTUAL CAPITAL

- 3 new motorcycles (New Bullet 350 and Himalayan 450, Shotgun 650) launched
- Launched upgraded / refreshed variants for other motorcycle models
- Reduction in product development cycle
- Improved quality resulting in reduced warranty costs and cost of ownership, while enhancing user experience
- Compliant with latest regulatory norms in India and abroad

HUMAN CAPITAL

- 6% gender diversity in permanent employees
- Lost time injury frequency rate: Nil
- Zero fatality
- Trained and skilled employees
- Happy, healthy and engaging working environment; 93% engagement score

SOCIAL AND RELATIONSHIP CAPITAL

- 71% procurement from local vendors
- 50+ communities empowered
- Pioneer enriching experiences while creating shared value for a positive impact on people and planet

NATURAL CAPITAL

- 58,522 tCO₂e of Scope 1 and 2 emissions released
- 386 MT of hazardous waste recycled
- 1,185 MT hazardous waste co-processed
- 716 MWh of energy saved
- All units zero liquid discharge; 6th consecutive year of water positive operations
- Integrated pillars of sustainability right from design to consumer end use phase to mitigate the negative impacts on ecosystem



OPERATING ENVIRONMENT

NAVIGATING CHALLENGES IN A DYNAMIC LANDSCAPE

The global automotive industry is shifting gears amidst the evolution towards energy transition, premiumisation and feature-rich riding experiences. With a market-leading position and a sharp focus on executing strategy, EML is well-positioned to stay on the leading edge of the transforming landscape.



RESPONDING TO THE TRENDS SHAPING THE INDUSTRY

Rising demand for premium, feature-rich motorcycles

The Indian motorcycling industry is experiencing a shift towards the premium segment. Rising income levels, aspirations for high-end, performance-oriented motorcycles and evolving consumer expectations for advanced features, high-quality components and technology are driving this transition. This shift is evident in the growing share of mid-sized (250-750 cc) in the domestic motorcycle market.

EML strategic response:

With a market share of 29.7% in the 125cc and more motorcycle segment, Royal Enfield is by far the leading player in India's premium mid-weight motorcycling segment. A strong brand following combined with an extensive premium distribution network and ongoing innovation to make its motorcycles feature-rich and of global

appeal continues to strengthen its market position. In FY 2023-24, Royal Enfield launched three differentiated motorcycles that have been witnessing immense traction and further have a robust pipeline.



Inclusive and accessible mobility

Globally, there is a huge, unmet demand for mid-sized motorcycles. With few operational brands in this segment, whose motorcycles are comparatively higher priced and often inaccessible, there is a lack of value proposition for consumers. This has resulted in a significant market gap, with consumers increasingly seeking across both matured and developing markets increasingly seeking a brand that can offer premium yet accessible motorcycles.

EML strategic response:

Royal Enfield has significantly evolved over the years from being India-focussed to a premium global brand from India. This change is driven by its internalisation strategy, including a sustained focus on launching a global line-up of motorcycles, widening the global distribution network, and brand building to promote its rich British roots and accessibility. At the same time, it continued to enhance the value proposition of motorcycles with high-quality components, premium features and other accessories. These have

contributed to Royal Enfield witnessing sustained growth and market share gains in key markets.

In FY 2023-24, while international business was a bit subdued due to a weak macro-scenario, Royal Enfield continued to expand its presence with a new CKD unit in Nepal and entry into Turkey to strengthen its Middle East presence. The brand's focus remains on scaling this business by launching its robust pipeline of products, penetrating existing markets and targeting newer ones.

Environmentally responsible motorcycles

The rising instances of climate-led disruptions have created an urgency to make products more sustainable. The automobile industry is in focus, with countries worldwide making emission norms more stringent, incentivising e-mobility and even introducing a carbon tax. However, a complex and fragmented regulatory landscape with a lack of standardised guidelines is a challenge that the industry must navigate.

EML strategic response:

All Royal Enfield's motorcycles meet the most stringent emissions norms including those in the developed nations. Besides, these motorcycles are manufactured most sustainably alongside sustainable sourcing from the supply chain, ensuring a lower footprint right from material procurement to product use. Royal Enfield continues to invest in R&D to

further make its motorcycles more efficient and sustainable. The brand also has an e-mobility blueprint in place, having made strategic investments in an electric motorcycle company. In FY 2023-24, it launched its first-ever electric design concept, the electric Himalayan Testbed, and has several projects ongoing.

Experiences beyond daily commute

Adventure, leisure and racing motorcycling subcultures are gaining immense popularity worldwide, with a growing community of passionate motorcyclists. The growing love for travel, experiences and balancing professional-personal life among youths is further fuelling these cultures. These are driving demand for motorcycles purpose-built to deliver these unique and differentiated experiences.

EML strategic response:

Royal Enfield's core purpose is to deliver pure motorcycling experiences. Through the years, it has been at the forefront of building motorcycling cultures in India by arranging unique rides and motorcycling events and festivals, building a large community of Royal Enfield loyalists. The brand is further taking these experiences to various global markets, addressing their

aspiration for motorcycling experiences and building a larger global community. The brand remains committed to exploring innovative ways to deliver unique experiences to its ever-growing community.

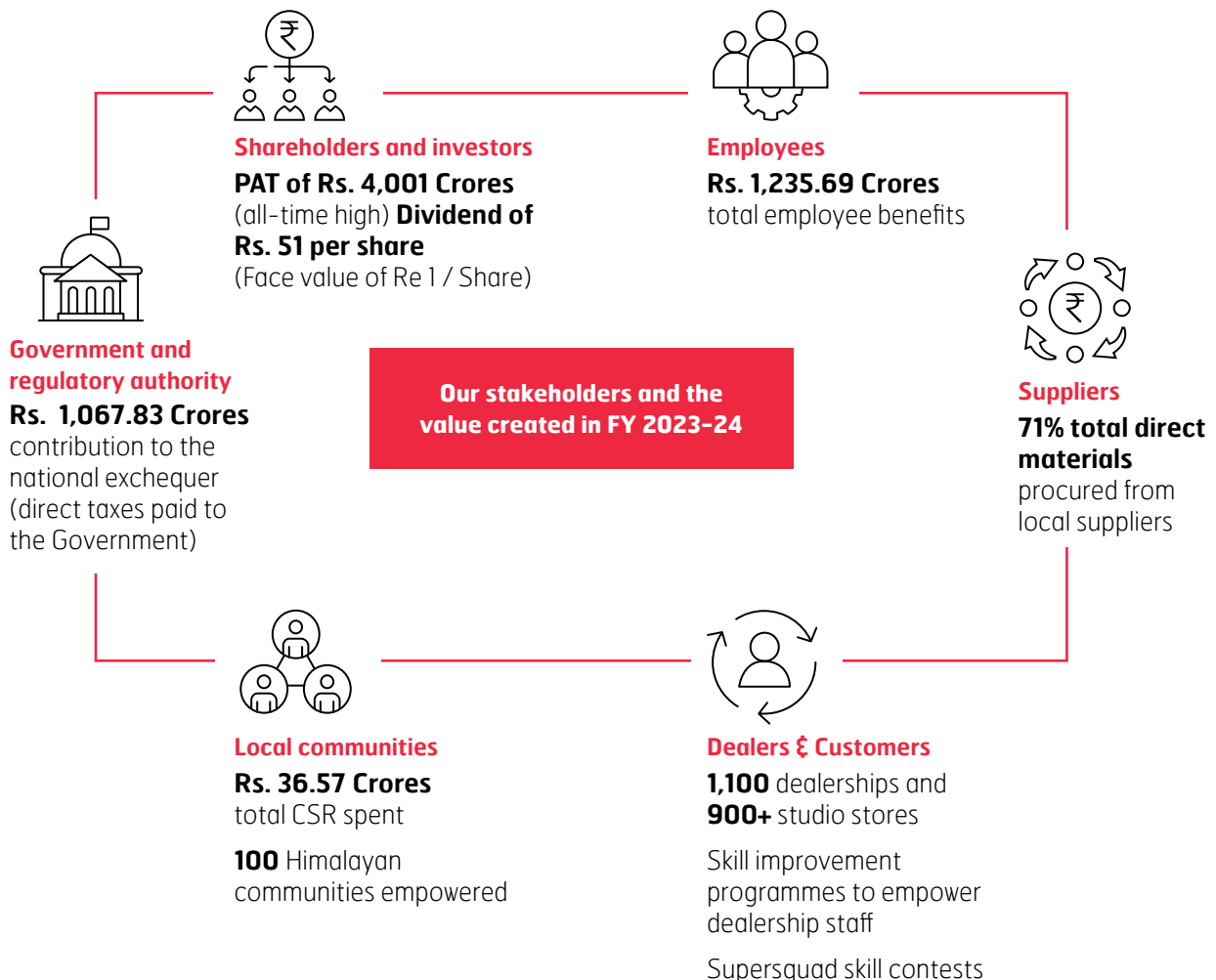


STAKEHOLDER ENGAGEMENT

TOGETHER WE WIN

STRONG STAKEHOLDER RELATIONSHIPS BASED ON MUTUAL TRUST, CONFIDENCE AND STRENGTH

Stakeholders are integral to EML's business, sustainability efforts and core strategy. EML ensures mutually beneficial, long-term connections with its customers, suppliers and communities by addressing matters relevant to them, implementing innovative measures and leveraging technology. These efforts positively impact the stakeholders and maximise value creation for them, while contributing to EML's long-term success.





Stakeholder group	Engagement channels and frequency of engagement	Their expectations	Actions by EML in FY 2023-24
 Employees	- Awareness/shop floor/ learning and development training - Townhalls - Annual satisfaction surveys and performance appraisals - Grievance redressal mechanism - Newsletter Frequency: Continuous	- Personal development and growth opportunities - Health, safety and well-being - Rewards and recognition - Engaging, satisfying and conducive work culture	- Development programmes focussed on leadership and people management - Promoting gender diversity by championing women in the workplace and prioritising women-focused hiring - Simplifying processes and enhancing employee engagement and experience through Project Speed - Boosting employee engagement through initiatives like RESmiles, fitness activities, and sports events
Capitals impacted:   			

 Customers	- Product launch events, rides and other events - Customer satisfaction and market surveys - Website, social media and apps Frequency: Continuous	- Products with superlative performance and experiences - Quality, delivery, safety and service reliability - Product customisation capabilities - Complaint resolution	- Launched three new motorcycles and introduced variants in existing ones - Conducted marquee rides and events - Introduced new initiatives like Rentals, Buyback and Reown - RE app for all needs and MiY app for customisation
Capitals impacted:  			

 Suppliers	- Supplier meets, site visits and tech shows - Supplier risks and ESG assessments - Training, capacity building and awareness programmes - Pre-onboarding Frequency: Continuous	- Effective planning and execution strategy - Consistent communication on orders and forecasts - Fair contracts and timely payments - Innovation and product development - Co-creation of new technologies	- Ensured ongoing engagements through diverse platforms 100% direct material suppliers assessed - Categorised and prioritised key suppliers - ESG assessment of suppliers by Royal Enfield
Capitals impacted:  			



Financial Capital



Manufactured Capital



Intellectual Capital



Human Capital

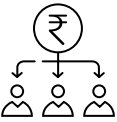
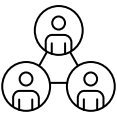


Social and Relationship Capital



Natural Capital



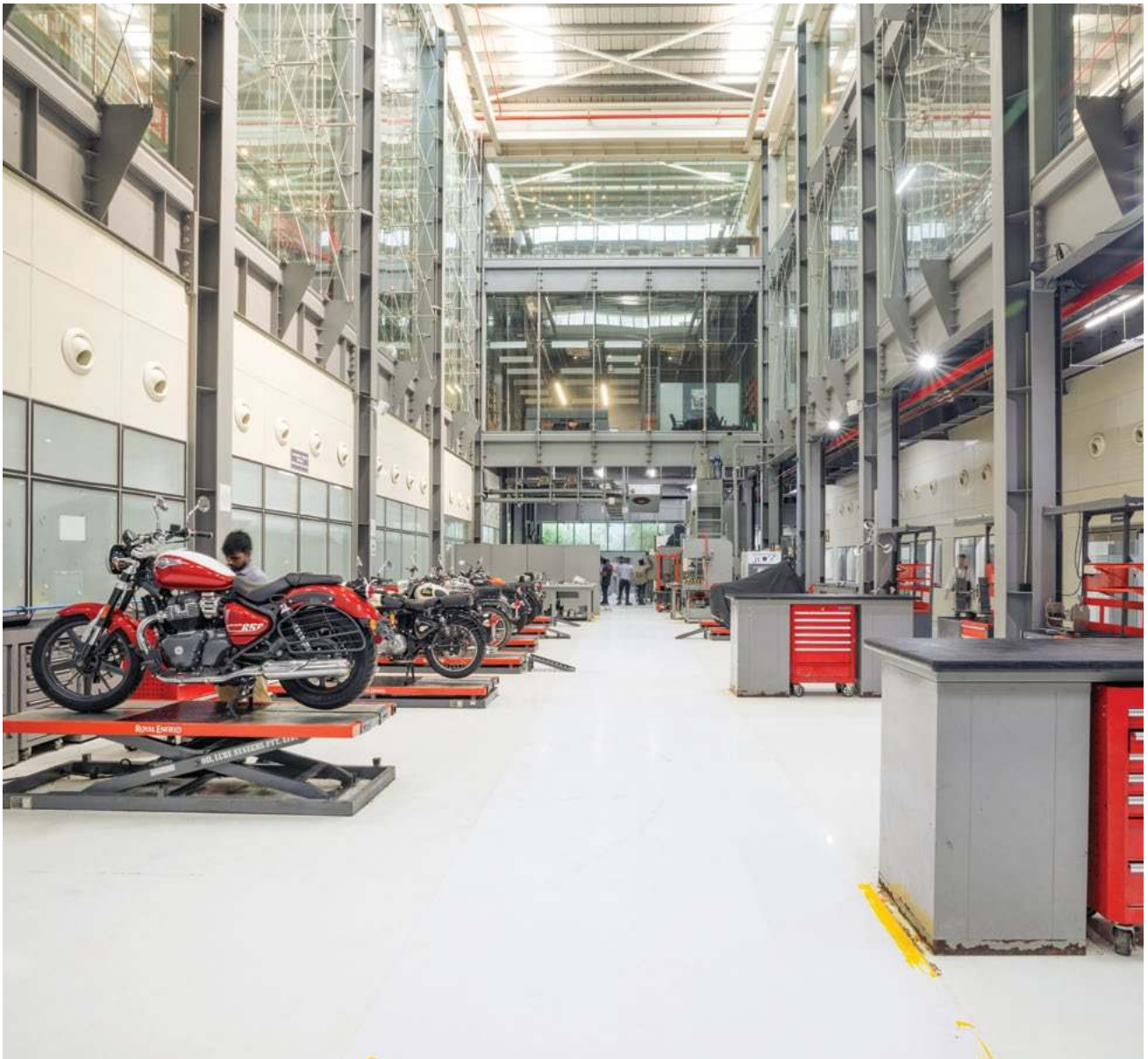
Stakeholder group	Engagement channels and frequency of engagement	Their expectations	Actions by EML in FY 2023-24
 Dealers	■ Dealer meets and collaborative initiatives ■ Marketing, website and digital communications ■ Training and ongoing support ■ Feedback mechanism Frequency: Continuous	■ Sales and marketing plan ■ Consistency in product availability, quality and new launches ■ Incentives and rewards ■ Enhancing customer experience ■ Training, education and technical support	■ Operating experiential training hub ■ HRMS/LMS to support and empower dealer manpower
Capitals impacted:  			
 Investors	■ Press releases, publications and website ■ Investor meets and quarterly earnings call ■ Annual General Meeting ■ One-on-one meeting Frequency: Continuous	■ Financial performance and prudent fiscal management ■ Future approach and projects ■ Updates on new launches ■ ESG consideration	■ 37% PAT growth and 400 basis points margin expansion ■ 20% year-on-year increase in market capitalisation and 5,100% dividend ■ Advanced REBALANCE strategy and strengthened leadership to drive profitable long-term growth ■ Improved ESG performance
Capitals impacted: 			
 Local communities	■ Community outreach programmes ■ Press releases and publications ■ Surveys and site visits Frequency: Continuous	■ Community development initiatives including education, skill training and healthcare access ■ Sustainable operations	■ Launched several flagship projects, including Himalayan Hub as a core of all social mission ■ Programmes to empower Himalayan communities, including skill development and livelihood creation, marine species conservation, education and winter sports, and road safety ■ Rides to promote sustainable and responsible travel behaviour
Capitals impacted: 			
 Government and regulatory authorities	■ Mandatory compliance reports ■ Onsite inspections ■ Participation in industry forums ■ One-on-one meeting Frequency: Continuous	■ Compliance with regulatory, environmental and social mandates ■ Job creation, community development and contribution to national growth	■ Zero instances of non-compliance ■ Non-binding MoU with TN Government to invest Rs.3,000 Crores in eight years
Capitals impacted: 			



MATERIALITY

ADDRESSING CORE CHALLENGES FOR SUSTAINABLE GROWTH

EML proactively identifies and addresses priority material matters to minimise their impact on stakeholders, strengthen business resilience and ensure sustained value creation. In FY 2023-24, EML refreshed its material topics through extensive engagements with stakeholder groups and leadership team, positioning it to channelise resources and actions in the most urgent areas for long-term sustainability.





REFRESHING ESG PRIORITIES

Sustainability priorities define how EML operates, interacts, and invests – ensuring alignment with the maturing expectations of stakeholders and resilience amidst shifting market dynamics. The determination of top priorities at EML is rooted in considering the expectations of customers, regulators, suppliers, community partners, and employees. Through this, the Company ensures leaving a

legacy behind that is planet-friendly and positively impacts society in the long run.

In FY 2023-24, EML embarked on an exercise to refresh ESG priorities. Building on the current and emerging trends in sustainability, EML engaged with critical stakeholders – online and offline – gathering firsthand inputs on which of the 23 ESG priorities should

be focussed on. Seven stakeholder groups were identified and surveyed, including Royal Enfield employees and leadership customers, investors, community partners, suppliers and distributors. Leaders were also engaged to understand the potential impact of sustainability matters on the bottom line and its probability of occurrence.

THREE-PRONGED APPROACH TO IDENTIFY ESG PRIORITIES

Step 1

Identifying a shortlist of ESG topics

Identified 23 ESG Priority areas through referring international frameworks like the Dow Jones Sustainability Index (DJSI), Sustainability Accounting Standards Board (SASB), and Morgan Stanley Capital International (MSCI) along with peer review.

Step 2

Prioritise

Conducted online and offline stakeholder consultations using customised stakeholder group-specific questionnaires to understand their key priorities and influences. Over 469 responses were gathered and analysed.

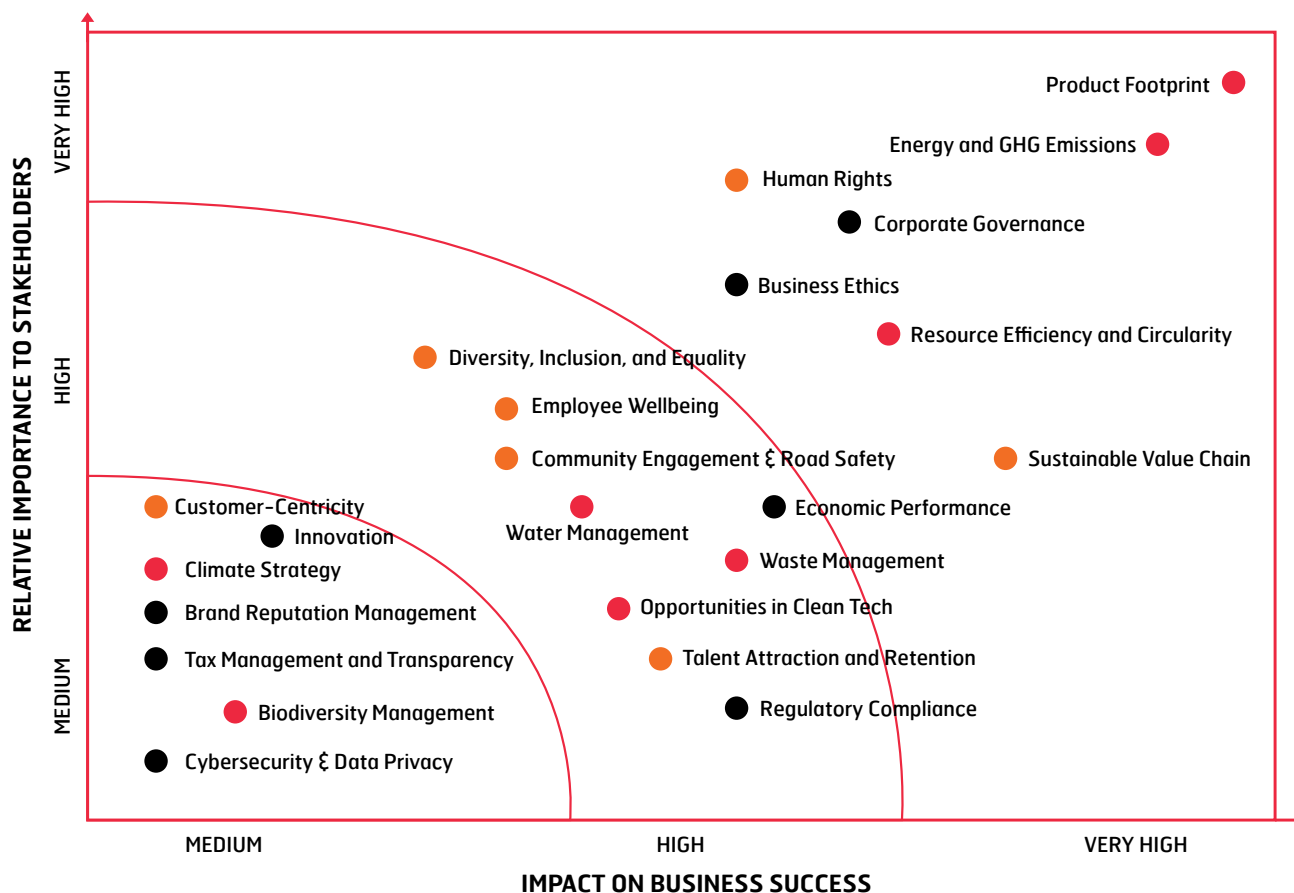
Step 3

Validate and Refresh

Analysed primary and secondary consultation responses, applying a weighted average methodology to rank the ESG priorities across all stakeholder groups, including frameworks and peers. A leadership consultation workshop helped finalise and develop 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 Wellbeing
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, Customers



High priority matters

PRODUCT FOOTPRINT

Introducing initiatives to reduce the environmental impact of Royal Enfield motorcycles throughout their lifecycle through responsible use of raw materials and switch to cleaner fuels.



Capitals impacted:



How EML is addressing the matters

- Implemented best-in-class manufacturing practices and use of modern technologies for efficient material use
- Integrated sustainable practices in new product development; R&D efforts dedicated to refining and making engines more efficient, enhancing fuel efficiency and exploring alternative fuels
- EV roadmap in place; introduced a concept EV motorcycle in FY 2023-24 and other programmes ongoing
- Completed Reusability, Recyclability and Recoverability (RRR) study; all 350cc and 650cc platform models certifying to AIS 129 requirements. Conducted Lifecycle assessment on Classic 350

ENERGY AND GHG EMISSIONS

Enhancing the usage of electricity generated from solar, wind, and hydrogen reduces greenhouse gas emissions. Additionally, employing energy optimisation measures further mitigates environmental impact.



Capitals impacted:



- Implemented ISO 50001:2018 energy management system alongside undertaking ongoing measures to optimise energy consumption
- Ongoing measures to drive efficiency in processes, upgrade to energy-efficient equipment and reduce fossil fuel consumption
- Invested in solar energy (13 MW), switched to clean liquefied natural gas in paint shops and implemented laser welding

HUMAN RIGHTS

Defining human rights policies to ensure fair wages, prevent child and forced labour, eliminate discrimination, and provide favourable working conditions for all employees and workers.



Capitals impacted:



- Upholding and safeguarding the rights of all stakeholders throughout the entire value chain
- No instances of human rights policy violation

CORPORATE GOVERNANCE

Having in place the right system of rules, practices and processes to ensure accountability, transparency and ethical decision-making from the Board and the employees.



Capitals impacted:



- Robust governance framework supported by an experienced and independent Board, with 63% independent directors



High priority matters

BUSINESS ETHICS

Ensuring all parties are aligned to the Royal Enfield's code of ethics policy, including anti-corruption, anti-bribery fair competition practices.



Capitals impacted:



How EML is addressing the matters

- Code of Conduct followed by all employees and the entire supply chain, with zero tolerance for any unethical practices
- Well-established systems, processes and policies in place, ensuring transparent operations, tackling corruption and managing risks

RESOURCE EFFICIENCY AND CIRCULARITY

Achieving zero input material waste through a closed-loop system during production by optimising responsible input use, minimising waste and reusing whilst complying with waste-related regulations.



Capitals impacted:



- Following circular economy principles including deploying effluent and sewage treatment plants across all units
- Effectively managing wastes including co-processing in cement kilns and alignment with Extended Producer Responsibility norms for plastic management
- Water positivity through rainwater harvesting, recycling and reuse and water efficient systems
- End-of-life (ELV) vehicle management, including designing products to enhance ELV optimisation and measures to enhance recoverability and recyclability of products

SUSTAINABLE VALUE CHAIN

Policies and processes to identify, manage and mitigate supply chain risks and disruptions. Collaborating with value chain partners to create a responsible and sustainable supply chain.



Capitals impacted:



- Sustainable procurement of raw materials and ESG aspects integrated into the supply chain framework
- Prioritising local procurement with 71% direct materials sourced from suppliers in proximity to plants
- 62 direct material suppliers, representing 55% of purchase value assessed on ESG practices aligned with SEBI's mandates for value chain ESG disclosures



RISK MANAGEMENT

MITIGATING RISKS RESPONSIBLY

At EML, a robust risk management framework is integral to long-term success. It enables proactive identification of potential risks and devising effective strategies to mitigate their potential impact on business. Through this, the Company stays ahead of emerging threats and safeguards its strategic imperatives to consistently create value.

KEY RISKS AND MITIGATING ACTIONS

SUPPLY CHAIN DISRUPTION RISK

Capital impacted



Risk

Shortage of semiconductors (microchips) and rise in commodity prices including oil can impact production and input costs, lowering profitability.

Dependence on single-source vendors or certain countries for key components/raw materials can lead to concentration risk.

Material issues

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

Mitigating action

- Adequate measures taken to mitigate raw material shortage impact on supply chain and manufacturing output.
- Focus on alternate vendor sourcing, inventory build-up and optimising variant-feature mix to ensure sustained raw materials and component availability.
- Undertaken cost reduction programmes, accelerated value engineering and product price increases to offset input price rise.

CONCENTRATION RISK

Capital impacted



Risk

The Company's manufacturing is concentrated in a single location – Chennai. This exposes it to risks associated with geopolitical crises and natural disasters which may cause operational disruption, shutdown or production cuts, project delays, supply chain hurdles, and increased construction costs.

Material issues

Economic performance, manufacturing efficiency

Mitigating action

- Established vendor relations across diverse locations, diversifying and enhancing the resilience of the supply chain and minimising material delay risks.
- All plants have been kept separate, yet they are built with a flexible/modular design. This enables flexibility in manufacturing any model, allows efficient resource allocations and agility to swiftly shift production across units.
- Five CKD (assembly) units have been established in strategic locations outside India, each designed to serve a local cluster of nearby countries, diversifying manufacturing operations globally.



TECHNOLOGY OUTDATING AND CHANGING CONSUMER PREFERENCE RISK

Capital impacted



Risk

- Reliance on ICE and outdated features along with sensitivity to changes in consumer sentiment and market segmentation can make the brand outdated.
- With consumer preferences shifting towards electric mobility, unpreparedness to react or not having an appropriate product line to stay ahead of change can pose a risk.

Material issues

Customer-centricity, Innovation management

Mitigating action

- Making concerted efforts to strengthen connections with youths worldwide to inspire and enable them to experience Royal Enfield's tactile, deliberately old-school Pure Motorcycling pleasures in its current form. Every facet of the brand's customer experience is also being optimised and modernised to attract, engage and retain customers and community members.
- Established a robust technology-driven product pipeline with a focus on pure motorcycling expressions. Key efforts undertaken include:
 - Collaborating closely with the Spanish company Stark Future, experts in electric motorcycles, to gain technological know-how and strengthen our own EV development platform focussed on leisure motorcycling through strategic investment.
 - Developed a long-term, consumer-centric EV strategy for product introduction.
 - Formed a dedicated team to continually track the global environment and new trends.
 - Unveiled at the EICMA Motor Show its first-ever electric vehicle design concept, the Electric Himalayan Testbed, an imaginative rendition of what a Royal Enfield electric adventure tourer could look like.
 - Progressing on the technology advancements with a dedicated product pipeline under development.



REGULATORY RISK (EMERGING RISK)

Capital impacted



Risk

Sudden policy changes and stricter regulations on EVs, ICE vehicles, and environmental and legal regulations across operational markets can impact the business and sales. Adequate knowledge and preparedness are a must to ensure compliance.

Ambiguity in regulatory requirements or failure to meet compliance deadlines, such as for BS6, OBD2B and alternate fuel requirements, can impact sales.

Material issues

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

Mitigating action

- Track record of managing high-volume transitions and scheduled execution of statutory projects. The transition of the entire motorcycle portfolio to J-Series engines better positions the Company to mitigate operational performance risk from changing regulations.
- Robust compliance monitoring and risk management framework ensures active monitoring of regulatory changes across all operational regions, identification of potential business risks and timely recommendations for adaptation. Quarterly compliance verification of all applicable rules and regulations is carried out at the global level, and a compliance certificate is generated.
- Technical know-how on the global emissions and engine management system, managed by an experienced team overseeing homologation in critical markets. Further, quarterly updates are taken from Idiada Spain on future regulations and all compliances of newer geographies are integrated into the existing compliance tool. EY has been empanelled to revamp the compliance tool and provide information on changes in laws.
- The Company is a part of ACEM and SIAM for discussions on EU and India future regulations. It also has a Dedicated Advanced Engineering team to exclusively work on future requirements and a flexible development process to fast-track critical projects.
- Established a focussed approach to continue building excitement among enthusiasts globally regarding Royal Enfield's unique take on motorcycling in new formats such as EVs; this will be achieved through sustained concept launches and pre-launch campaigns.

PROFITABILITY RISK

Capital impacted



Risk

High raw material costs and low selling prices of associated with EV business in India can impact the consolidated business profitability.

Material issues

Economic Performance

Mitigating action

- Undertaking proactive measures to ensure profitability in both ICE and EV space.
- A working group studies and analyses critical material costs and frames plans to optimise them through alternate sourcing and value engineering. Strategies also include determining the right product mix, optimum pricing and global market penetration to offset higher input prices.



CYBER SECURITY AND DATA PRIVACY RISK

Capital impacted



Risk

Threats from cyber-attacks, privacy breaches and new data privacy laws have raised information security hazards. This necessitates end-to-end security of IT assets and systems to prevent cyber security threats, data breaches, and potential disruption of business operations.

Material issues

Ethical business practices/corporate governance

Mitigating action

- Deployed dedicated defence mechanisms including firewall routers and anti-virus security to avert potential cyber-attacks and protect data and systems.
- Practising periodic backups of critical data across different sites.

HUMAN RESOURCE RISK

Capital impacted



Risk

Shortage of skilled people, high attrition, or skill gaps can disrupt operations, productivity, and growth prospects and damage brand reputation. Lack of succession planning for critical positions and critical talent/workforce attrition can further pose risks.

Additionally, the inability to train employees on emerging technologies, like EVs, can pose redundancy risks. EV-related aspirations can be impacted by difficulty in attracting niche skilled talent and lengthy recruitment lead times.

Material issues

Attraction and retention of talent

Mitigating action

- Undertaking various initiatives to attract and retain the best talent and enhance employee engagement. Capability development and capacity augmentation activities are being undertaken to ensure adequate availability of right skilled employees.
- A succession planning framework has been developed for key roles, involving identification of high potential internally and undertaking external hiring in select cases. This also helps retain critical talent through Long Term Incentive Plan (LTIP), positioning them for bigger roles.



Financial Capital



Manufactured Capital



Intellectual Capital



Human Capital



Social and Relationship Capital



Natural Capital





FINANCIAL CAPITAL*

GROWTH AND VALUE CREATION WITH PRUDENCE

At EML, a prudent capital management strategy, fiscal discipline and ongoing focus on cost optimisation ensure profitable growth over the long term. The Company further adeptly balances investing surplus funds in growth opportunities and retaining them to strengthen its financial foundation. Through this, it has ensured sustained value creation for stakeholders while strengthening its resilience to external challenges.

It drives our ability to generate surplus to fund business growth and maximise value for stakeholders across market cycles, while minimising financial risks.



* Financial capital is based on standalone financial statements of the Company



PURSUE VALUE ACCRETIVE GROWTH

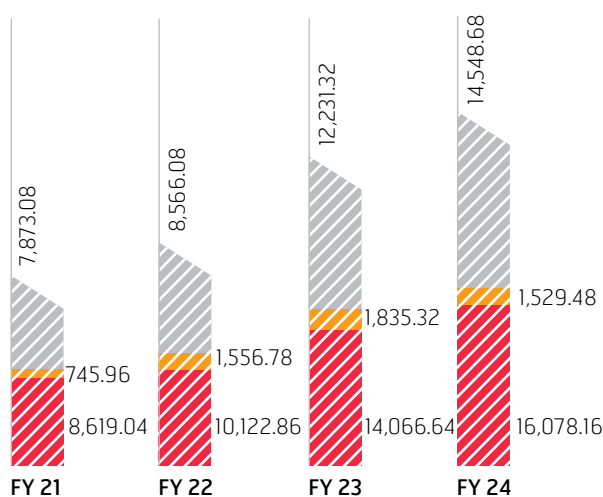
In FY 2023-24, EML delivered a record financial performance on the back of sustained new product launches and branding activities, resulting in a strengthening brand reputation. In the last three years, the Company's net revenue from operations grew by a CAGR of 23.1%, EBITDA by 34.84% and PAT by 41.28%, with all reaching all-time highs in FY 2023-24.

With strong performance and prudent financial management practices, the Company further strengthened its balance sheet foundation. EML committed a capital investment of Rs.807.96 Crores (Standalone) in FY 2023-24 in various strategic endeavours including enhancing the business ecosystem, brand building, seizing new opportunities and strengthening its position in the mid-sized motorcycling segment,

all through internal accruals. This ensured maintaining a net-debt-free status. The Company generated a healthy operating cash flow of Rs.3,845.11 Crores, a 38.03% growth over the previous year. This helped improve liquidity position, with total cash and cash equivalent at Rs.13,063.96 Crores. The net worth of the Company increased by 21.78% to Rs.15,693.58 Crores.

Net revenue from operations

(Rs. Crores)



Net revenue from operations

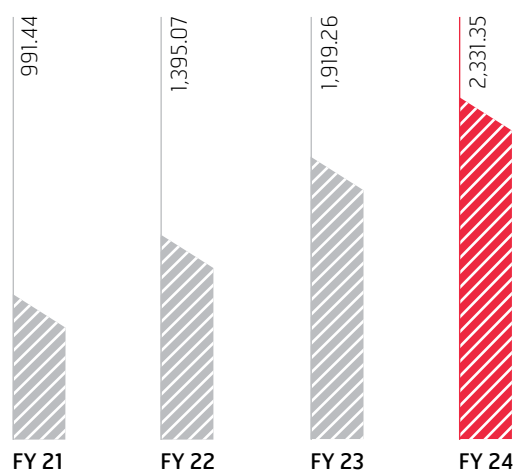
Revenue from International business

Revenue from India business

Net revenue from operations increased by 14.30% to Rs.16,078.16 Crores in FY 2023-24. Revenue from Indian operations grew by 18.95% supported by the growing traction in the midweight motorcycling segment in India which resulted in strong demand and volume growth. Revenue from international operations declined by 16.66% to Rs. 1,529.48 Crores due to weak global macro-economic factors which impacted demand.

Revenue from non-motorcycling segment (sale of spares, apparel and services)

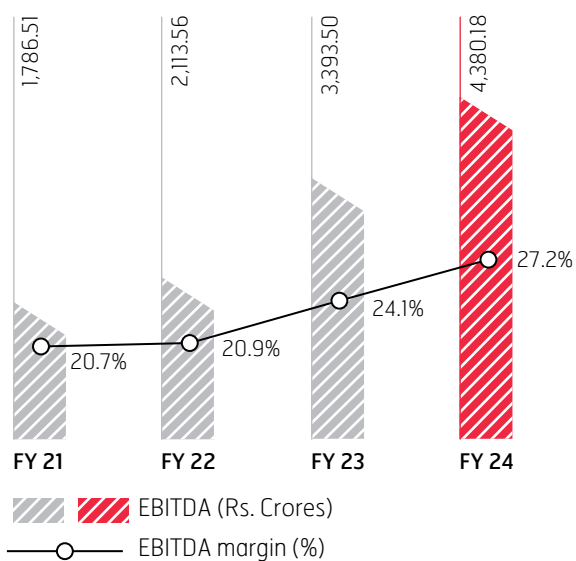
(Rs. Crores)



Revenue from the non-motorcycling segment grew by 21.47% to Rs. 2,331.35 Crores in FY 2023-24. The growth was driven by rising acceptance and penetration of aftermarket parts and services and apparel along with greater availability of genuine motorcycle accessories. These form an important part of Royal Enfield's pure motorcycling experiences, self-expression and personalisation and are witnessing increasing traction. There were no political contributions or lobbying-related spends made in financial year 2023-24.



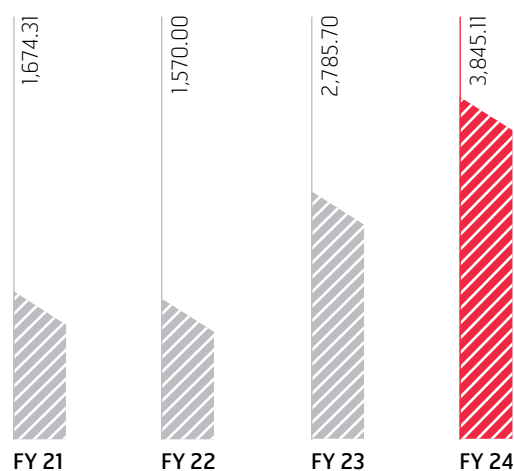
EBITDA & EBITDA margin



EBITDA increased 29.08% to Rs. 4,380.18 Crores despite a rise in commodity prices during H1 FY 2023-24 supported by a healthy product mix and a strong focus on cost reduction and value engineering.

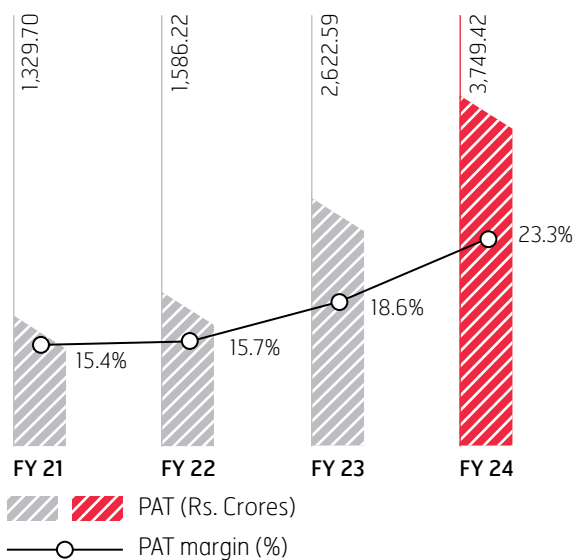
Operating cash flows

(Rs. Crores)



Operating cash flows increased 38.03% to Rs. 3,845.11 Crores is predominantly due to increase in sales compared to the previous years.

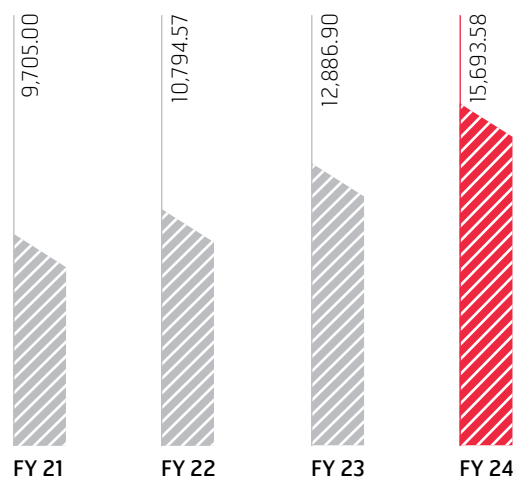
PAT & PAT margin



PAT increased 42.97% to Rs. 3,749.42 Crores due to increase in revenue and EBITDA.

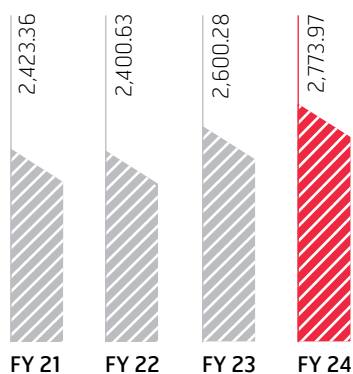
Net worth

(Rs. Crores)

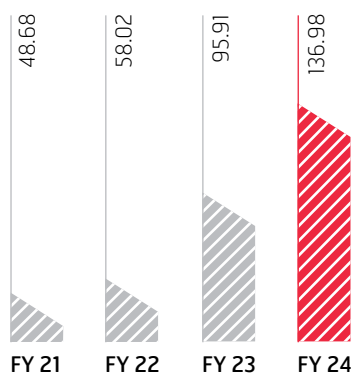




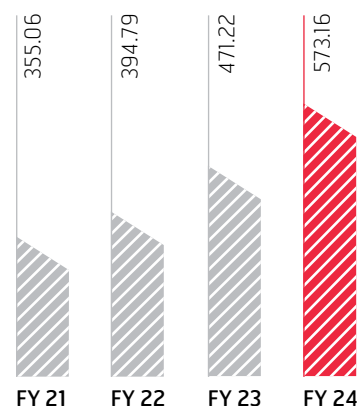
Property, plant and equipment, intangible assets and right of use assets (Rs. Crores)



Basic earnings per share (Rs.)



Book value per share of Re. 1 (Rs.)



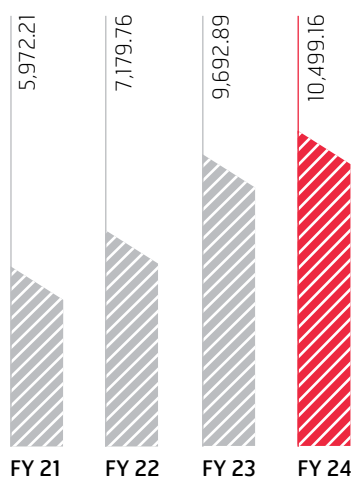
ECONOMIC VALUE CREATED AND DISTRIBUTED

EML adopts a balanced approach to effectively use the value created for contributing to the economy and its stakeholders and for retaining and reinvesting it in business to maximise long-term value creation. The economic value created by the Company increased by a CAGR of 27.69% in the last two years from Rs.10,577.14 Crores in FY 2022-23 to Rs.17,246.30 Crores in FY 2023-24. The Company has effectively managed costs to ensure greater value creation for the stakeholders and economy in line with regulatory requirements.

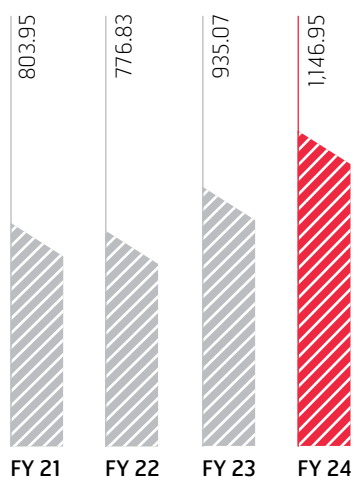
Rs. 17,246.30 CRORES

Total economic value created in FY 2023-24

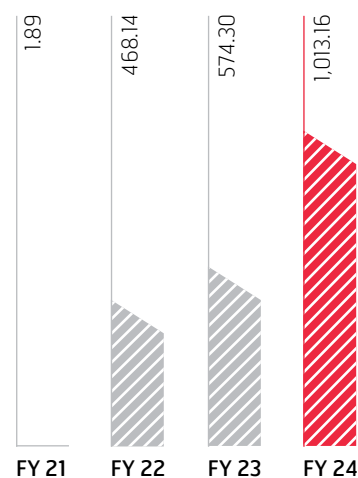
Operating costs* (Rs. Crores)



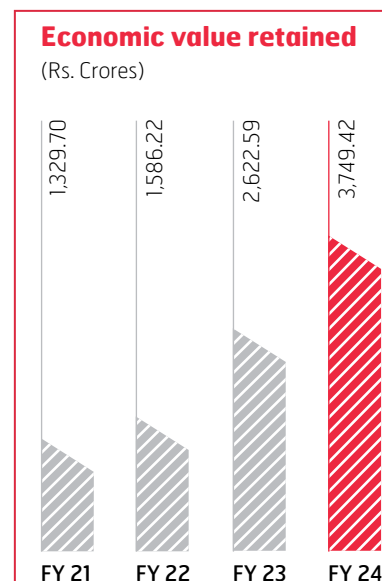
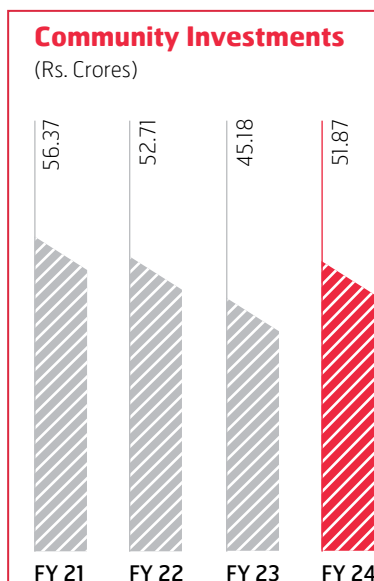
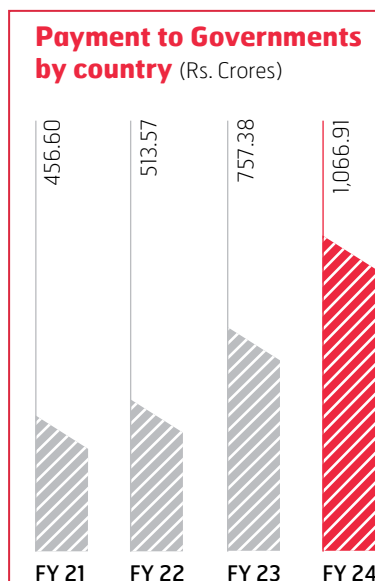
Employee wages and benefits (Rs. Crores)



Payment to providers of capital (Rs. Crores)



*Total expenses (excluding employee benefit expenses, CSR, finance costs and depreciation and amortisation expense)

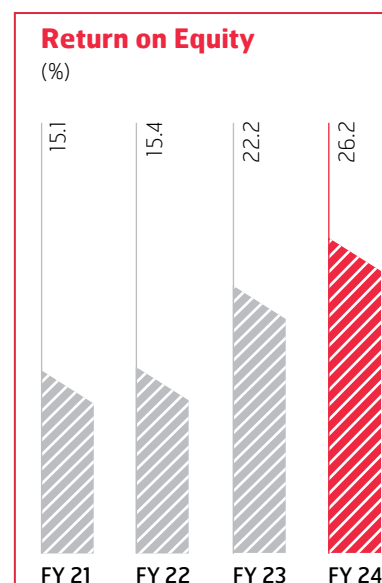
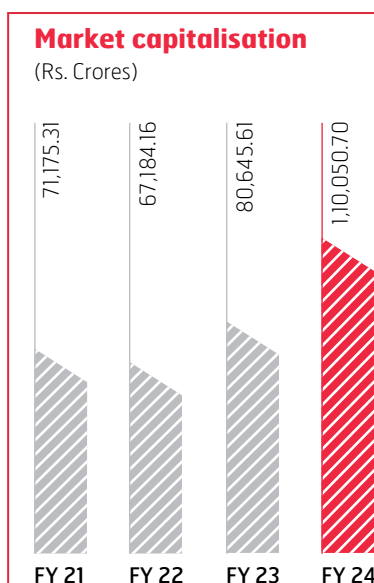
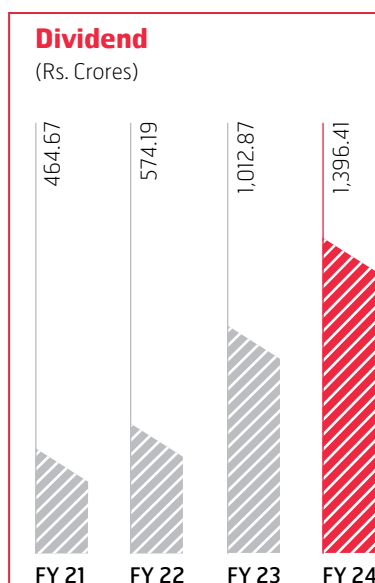


Note:

- Payments to governments represent the direct tax paid during the financial year and does not include deferred tax, depreciation and amortisation expense.
- Payments to providers of funds represent the dividend distributed from the retained earnings of the Company.

SHAREHOLDER VALUE CREATION

EML, with its focus on continued product launches, brand-building efforts, and geographical and network expansion, has consistently grown and created value for investors over the years. Over the last 10 years (2013-2024), the return delivered by EML to the shareholders by way of dividend has grown ~17 times. The market capitalisation growth during this period was 21.2%. Focussed on maximising wealth creation for shareholders, the Company has deployed a robust strategy to grow sustainably.







MANUFACTURED CAPITAL

LEADING THE WAY IN MANUFACTURING AND SERVICE EXCELLENCE

EML is globally recognised for its pure motorcycling experiences. This reputation is built on its premium, distinctive and competitively priced global line-up of motorcycles, along with offerings like customisation, apparel, accessories and innovative features. In FY 2023-24, EML continued to push boundaries on product development and set new benchmarks in efficiency, automation and manufacturing excellence, reinforcing its position as amongst the best in the world.



MANUFACTURING EXCELLENCE AND EXPERTISE

The Company's manufacturing excellence is underpinned by cutting-edge technologies, global best manufacturing practices and highly skilled technicians. The Company's units are DNV certified and have effectively implemented SRK methodology, resulting in a 50% reduction in fault frequency across models. Robust quality processes have also been established with horizontal deployment across all the CKD facilities. These have significantly improved manufacturing efficiency while retaining Royal Enfield's distinctive 'Made Like a Gun' legacy and ensuring its motorcycles meet global standards.

The world-class manufacturing infrastructure implemented is as follows:

Vehicle assembly

- Flexible assembly line enabling 1,995 SKUs production
- 90+ Poka Yoke (mistake proof) in lines, 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 Yoke
- Semi-automatic testing of 100% engines

Surface finishing

- 46 robots for superior paint finish and better transfer efficiency
- Corrosion protection, weather resistance and sheen appearance measurement by gloss

- Currently painting 39 colours, capable of adding 20 more colours

Machining

- 360 machining centres, 30 robotic washing, 19 robotic deburring machines for auto deburring
- Online SPCs with line interlocking to capture data of critical parameters

Fabrication

- 100% robotic welding of frames using 98 robots with an intelligent power source, latest laser welding process and robotic washing in fuel tanks fabrication

Auto buffing

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

INVESTING TO SCALE MANUFACTURING CAPABILITIES

EML's global aspiration necessitates world-class quality motorcycles that have global appeal, offer innovative features and are competitively priced. To ensure this, it continually invests in better technologies, modernisation, cost optimisation and sustainability to reinforce its manufacturing capabilities. Key efforts undertaken in FY 2023-24 include:

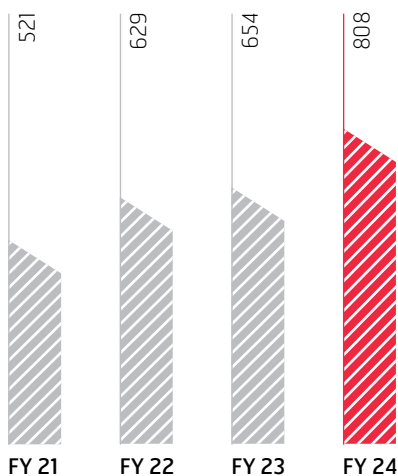
- Established Tubeless Spoke Wheel Assembly Line at Oragadam Plant.
- Optimised electricity consumption through installing solar capacity at Vallam Vadagal plants and use of 100% renewable power in Royal Enfield Headquarters, Chennai
- Optimising headcount (merging roles/functions, outsourcing or automating), travels, professional consultancy, IT spend and factory overhead
- Reduction in electricity post installation of solar energy in Vallam Vadagal
- 100% Renewable power use in Royal Enfield Headquarters, Chennai





Capex spent

(Rs. Crores)



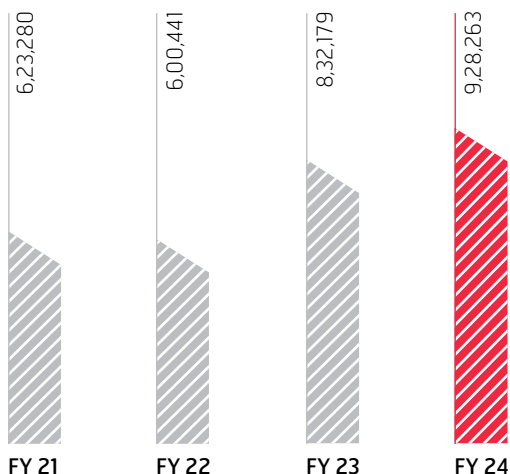
TOP-TIER OPERATIONAL PERFORMANCE

Royal Enfield's manufacturing and supply chain excellence resulted in strong operational performance to meet the growing demand. The Vallam plant recorded its highest-ever production at 5,67,135 motorcycles, and overall deliveries across all plants touched 9,28,263 motorcycles FY 2023-24 surpassing the pre-COVID level.

Operational agility and flexibility helped seamless ramping-up of manufacturing for new launches. This ensured the production of 17,197 New Himalayan 450, 4,877 Shotgun 650 and 1,13,078 New Bullet 350 during the year. Capacity utilisation improved 800 basis points to 77.35%, as against 69.35% in the previous year.

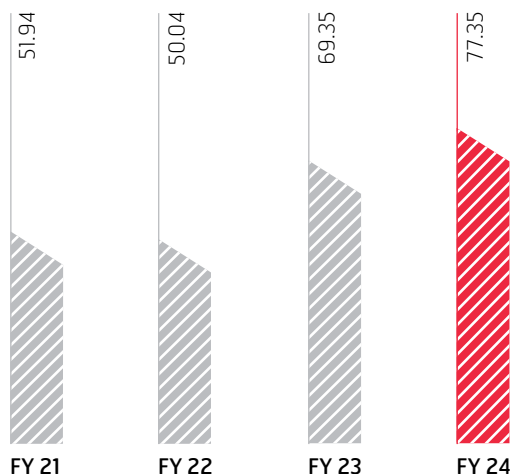
Motorcycle production

Production



Capacity utilisation

(%)





SUPERIOR EXPERIENCES WITH NON-MOTORCYCLING ECOSYSTEM

Beyond motorcycles, Royal Enfield provides a host of offerings that form a part of its pure motorcycling ecosystem. Its unique service, extended warranty and roadside assistance capabilities ensure a superior after sales experience, as evident in its highest service market share as well as #1 aftersales score in the FADA Survey 2023. The Company ensures the ready availability of its genuine motorcycle accessories, through its extensive network. This year it expanded its reach by opening new regional warehouses in Chandigarh and Kolkata. Additionally, the Company offers customisation facilities through its MiY and brand-inspired apparel.



12 LAKHS

▲ Motorcycle manufacturing capacity across three units

5

● CKD units globally

2,003

Premium distribution network in India

1,085

Premium touchpoints in international markets



EXPANDING CKD NETWORK FOR GLOBAL AMBITIONS

CKDs or assembly units are crucial to address the global markets. In its aspiration of becoming a leader in the global midweight motorcycling segment, EML set up a CKD in Nepal during FY 2023-24, its fifth globally. Having an assembly capacity of 20,000 units, it will cater to the growing demand for mid-weight motorcycles in Nepal as well as the SAARC region. Further, an agreement has been entered for setting up CKDs in Bangladesh as well. These facilities will start serving their respective markets from FY 2024 -25 onwards.

EMPOWERED BY A GLOBAL NETWORK

India

Royal Enfield holds a 29.7% market share in the >125cc motorcycles segment in India, its primary market. The Company has three manufacturing plants in this location catering to both Indian and International markets. It ensures extensive reach through its expansive premium distribution network of 2,003 touchpoints, including 901 studio stores and 1,102 large-size stores, which are evenly distributed across India.

International

With Royal Enfield motorcycles witnessing global traction, the Company has established a presence in over 70 countries spanning North America,

Latin America, Europe, the Middle East and Africa, South Asia, and Asia Pacific. These markets are served through subsidiaries and CKD (assembly) units established in strategic markets, and a network of 1,085+ premium touchpoints, including 235 exclusive stores and 851 multi-brand outlets.

During the year, EML strengthened its international presence by opening a new CKD in Nepal, appointing an official UAE distributor for the Middle East and Africa region, and foraying into Turkey through a local partnership. A wholly-owned subsidiary was set up in the Netherlands to enhance the distribution network, customer access and non-motorcycle supply chain in the European market.

GLOBAL RECOGNITION IN MANUFACTURING



Frost & Sullivan

Future Ready Factory of the Year
(Royal Enfield - Oragadam facility)



Manufacturing Today

Excellence in Operations and
Smart Factory of the Year Award
(Royal Enfield)







INTELLECTUAL CAPITAL –
RESEARCH AND DEVELOPMENT (R&D)

HARNESSING EXPERTISE FOR FUTURE-READINESS

In an era marked by rising competitive intensity and sustainability focus, EML is stepping up the game with enhanced investments in R&D and reinforcing innovation capabilities. These efforts are giving the brand a distinctive edge, with its motorcycles increasingly gaining global recognition for their superior quality, performance and premium features. FY 2023-24, was a breakthrough year with record new launches, technology innovations and progress in key projects. EML remains committed to driving forward with innovation and excellence.





R&D EXCELLENCE WITH WORLD-CLASS TECHNOLOGY CENTRES

Royal Enfield operates two Technology Centres in the UK and India, having a team of around 350+ engineers along with modern infrastructure to undertake extensive R&D. The centres are continually elevating the brand's global reputation as a premium global mid-weight motorcycle brand from India and ensuring its relevance amidst ongoing evolution in consumer preferences and rising competition.

Over the five years, the centres successfully developed many distinctive motorcycles made for global markets and introduced upgraded and refreshed versions of existing motorcycles. They have also developed globally acclaimed engine platforms. This includes the versatile 'J' and 'P' platforms that became the foundation of several new motorcycle launches, and more recently the 'K' platform.

Royal Enfield innovation in FY 2023-24

Developing Royal Enfield's first-ever Liquid-cooled engine

The technology centre developed the robust Liquid-cooled 'K' engine platform having much better thermal efficiency, resulting in higher tolerances and more power.

Launching new global-class motorcycles

Royal Enfield exhibited its product development competencies, with three exciting motorcycle launches during the year. These included:

- **All-new Bullet 2023** – the latest avatar of the legendary Bullet motorcycle built around the J-series engine platform and other contemporary additions
- **Shotgun 650** – a custom-inspired motorcycle based on the globally proven 650-twin platform

- **All new Himalayan** – a technology innovation based on the newly launched Liquid-cooled 452cc - K platform Sherpa engine

Upgrades and refreshes

Royal Enfield also introduced new variants of the existing motorcycles with exciting upgrades and refreshes including:

- **Meteor 350** – new Aurora range launched with retro styling, spoked wheels and LED headlamps
- **Hunter 350** – three new vibrant colours launched

REDEFINING MOTORCYCLE TECHNOLOGY WITH ALL-NEW HIMALAYAN

The all-new Himalayan 450, born from technology innovation, raises the bar for motorcycling performance excellence higher with its cutting-edge features. The motorcycle is a result of immense efforts by the technology teams across the UK and India.

Conceptualisation of the motorcycle

Engine development

The heart of the Himalayan is its 452cc K Engine platform, designed for unparalleled performance and efficiency. Its features include:

- Ride by wire throttle with integrated Electronic Control Unit
- Liquid cooling with a fully internal coolant bypass system
- Forged piston, direct-acting double overhead cams, low friction DLC coatings
- Rare earth ACG for low weight
- FLS (FCC Leaning Segment) Friction material with Assist & Slip Clutch mechanism

Vehicle development and design

The motorcycle includes various innovative features, including:

- Long travel upside fork (with separate function fork)
- Side-laced adventure tubeless wire-spoked wheels
- Anti-vibration rubber-mounted rider foot controls
- Horizontal linkage rear suspension
- Fully stressed frame and engine architecture with swingarm pivot integrated into crankcases

Electronics

The Himalayan is equipped with cutting-edge electrical features, including:

- 4" Tripper Dash with TFT and WiFi streaming of Google Maps for navigation
- Switch cubes equipped with joystick to navigate instruments
- LED brake and tail lamp with integrated turn signal lamps



ELEVATING R&D CAPABILITIES

Aligned with its focus on growing globally, with a more enticing global line-up of motorcycles, Royal Enfield continues to strengthen its R&D capabilities. Key efforts undertaken towards these in FY 2023-24 are as follows:

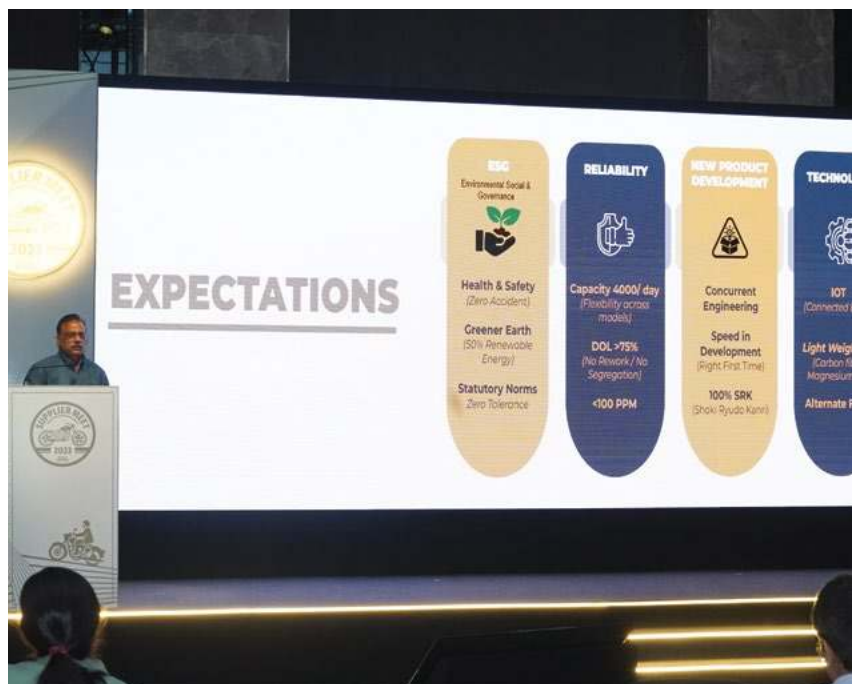
- Established a modern Vehicle Dynamics unit in Spain and engaged a team of expert riders and engineers dedicated to develop world-class vehicles with enhanced dynamics
- Formed an Advanced Engineering team to evaluate future technologies in vehicle, engine and electrical/electronics development
- A phase-wise process evolved to progress through the various stages of development - research, concept, prototype demonstrator and integration. Efforts are underway to enhance new product development/introduction (NPD/NPI) competencies focussed on process, productivity improvement and time reduction

Rethinking pure motorcycling in a sustainable way

Royal Enfield recognises the importance of addressing climate change and is on a mission to make its motorcycles more fuel-efficient, sustainable and environmentally compliant adhering to global emission standards.

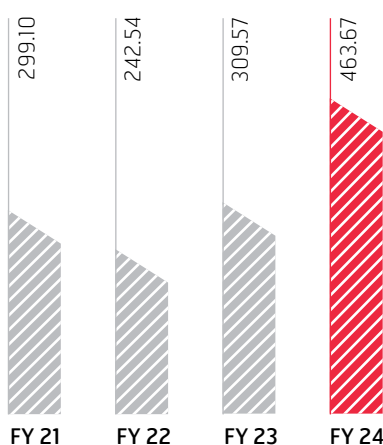
With the introduction of more refined engines and undertaking other efforts like exploring alternative fuels, it continues to focus on improving fuel efficiency. In FY 2023-24, the Company completed the Reusability, Recyclability and Recoverability (RRR) study, and all models in the 350cc and 650cc platforms are now certified as per the draft AIS 129 requirements. Besides, the entire portfolio exceeds the standard requirements.

The Company is also in the final development stage of a flex fuel vehicle based on Classic 350. A fully functional demonstrator was showcased at the Bharat Mobility Global Expo in February 2024. This innovative model is Royal Enfield's attempt to envision the future of eco-friendly transportation.



R&D investments

(Rs. Crores)



LIFE CYCLE ASSESSMENT

As part of our dedication to environmental responsibility, we at Royal Enfield, conducted a comprehensive Life Cycle Assessment (LCA) of the Classic 350 (Stealth Black model), produced at our state-of-the-art facility in Vallam, Chennai. As per ISO 14040 and ISO 14044, this cradle-to-grave study meticulously examines the environmental impact of every stage of Classic 350's life – from raw

material extraction and manufacturing to usage and eventual disposal. Our objective was to establish the baseline environmental performance and to pinpoint key areas for improvement to reduce the ecological footprint of Classic 350, aligning with national and global sustainability goals. One of the key areas of focus we identified was material consumption, particularly the steel and aluminium-based components. Naturally, the use phase of Classic 350 is another hotspot highlighted as a major contributor to the overall environmental impact. Based on the findings, we are increasing our supplier outreach to incorporate sustainable material sourcing and lean manufacturing practices.

Additionally, our internal product design team is actively working on enhancing the fuel efficiency of Classic 350 through technological modifications and design optimisation. We remain committed to ongoing monitoring and assessment to ensure continuous improvement. By integrating the findings of the LCA into our sustainability strategy, we aim to take proactive steps to minimise the environmental impact of Classic 350 and to promote a more sustainable future for the industry.





INTELLECTUAL CAPITAL – DIGITAL

EXCELLENCE FOR PURE MOTORCYCLING EXPERIENCES

Digital technologies are indispensable in the present era. EML continues to invest in pioneering digital efforts to strengthen its appeal among its global community and ensure the superlative, distinctive experiences that the brand is known for.





ENHANCING RIDING EXPERIENCES WITH ADVANCED TECHNOLOGIES

Wingman

Royal Enfield launched Wingman, a connected vehicle solution, for Super Meteor 650. Designed to ride alongside the rider, this all-new feature enables riders to stay connected with the motorcycle. It enables them to get the right data in real-time to their phone, even when miles away, making rides more engaging and safer.



Tripper Dash

This is the world's first full-map navigation on a circular display built with Google Maps Platform. Its simple and intuitive UI/UX minimises cognitive overload. It allows navigating with a familiar full map experience, facilitates easy control of music from the motorcycle and provides the right information at the right time.



ENGAGING COMMUNITY WITH MOTOCAPTAIN WHATSAPP CHAT

Royal Enfield introduced MotoCaptain, India's first 360° WhatsApp Chat supported by Meta and the world's first WhatsApp exclusive automotive launch, as the digital face for its motorcycling event, Motorverse. It became a go-to engagement platform for all things related to Motorverse, from pre-event anticipation to on-ground experiences and post-event connections, creating a profound sense of community. It also featured live day event QR code-based registrations and notifications. Overall, the platform attained an average of 93.22% delivery rate, 86% read rate and 20.75% engagement rate, creating distinctive experiences for the community.

Moto Captain impact

578K+

Messages exchanged on WhatsApp

8K+

Users engaged during Motorverse

1,120

All new Himalayan test rides booked in under 20 minutes

72%

Peak engagement rate

91.3%

4 and 5 star ratings from users



TRANSFORMING CUSTOMER ENGAGEMENT AND EXPERIENCES

EML deployed a customer data platform (CDP) to revolutionise customer engagement and enhance their experiences. It enables seamlessly collecting and unifying first-party customer data from all the available sources and interaction points across the organisation. This facilitates in better understanding of the customers and thus allows delivering highly personalised experiences across owned platforms and mediums, helping increase the customer's lifetime value over time.

Unifying customer data for unmatched personalisation

700 MILLION

customer data record unified

850+

attributes enriched at a customer level

100+

Live personalised experiences

ELEVATING SOCIAL MEDIA ENGAGEMENTS

Royal Enfield creates inspiring content and undertakes innovative social media campaigns relating to its product launches, rides and social mission products among others to engage its global community. This has ensured an industry-above engagement rate of 9.93% (almost double) on social media, with the number of followers increasing by 17% to 186.46 Lakhs in FY 2023-24.

In a path-breaking initiative, Royal Enfield formed a first-of-its-kind strategic digital partnership with Spotify to launch Ride Pure, its official podcast channel. Bringing exciting stories of Royal Enfield, its creators, and worldwide enthusiasts, racers, riders and customisers, this channel talks all things Royal Enfield. It has emerged as a great engagement platform for the community who live and breathe Royal Enfield.

Royal Enfield on social media

10 MILLION

Reach

7 MILLION

Engagement





HUMAN CAPITAL

UNLOCKING PEOPLE POTENTIAL, ELEVATING PERFORMANCE

Effective human capital management at EML has ensured the establishment of a robust team with the right skills and future-ready competencies that power its future ambitions. The Company continually deploys innovative ways to nurture employee skills and provide them with an engaging workplace. This ongoing commitment fosters a high-performance culture that drives both individual and organisational growth and positions the Company for sustained success.

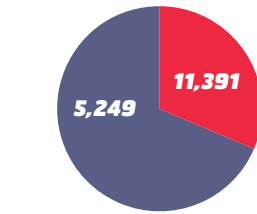




ATTRACTING AND RETAINING TALENT

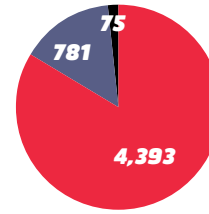
Talent management is crucial for EML's long-term success and growth. The Company adopts a multifaceted approach to attracting the best talent including campus hiring, internships and leveraging its reputation as an employer of choice. The Company also prioritises internal hiring to fill critical posts. A merit-based performance management culture is adopted to encourage employees to develop capabilities for better career pathways and professional development. These measures have resulted in establishing a robust team of high performers.

16,640
Total employees



**PERMANENT
EMPLOYEES**

**CONTRACTUAL
EMPLOYEES**



**JUNIOR
MANAGEMENT
EMPLOYEE**

**MIDDLE
MANAGEMENT
EMPLOYEE**

**SENIOR MANAGEMENT
EMPLOYEE**



SKILLING PEOPLE FOR FUTURE READINESS

The automobile industry is evolving fast, necessitating EML to continually upskill and reskill employees. The Company has devised various learning and development programmes to fill internal gaps and empower people with future-ready competencies.

How EML uses innovative methodologies to enhance learning outcomes

Learning Management System (LMS)

An advanced digital learning platform for enhanced learning experiences, offering self-paced learning and dynamic blended learning that combines online courses and live sessions. Its bite-sized microlearning modules make learning effortless and engaging.

DOJO Laboratory

Facilitates practical skill development, shortening the learning curve and improving efficiency by reducing re-work.



Employee learning interventions in FY 2023-24

Programme

Leadership development programmes

Undertook various programmes for senior managers and grooming hi-potentials including Emerging Leadership Programme and Transformational Leadership Programme

People Manager Development programmes

Programmes to enhance core operational/managerial abilities of middle management, including Situational Leadership, Performance Brilliance, Diversity, Equity & Inclusion, First Time Managers, Art of People Manager Conversation and Matrix Manager

EV-Specific training

Special training programmes on EV-specific skills to upskill and make EV resources future-ready

Campus Talent / Young Talent Programme

A skill development programme focussed on incubating and skilling multidisciplinary graduates (engineering/management) to convert them into staff and executives

Kaizen

Offering employees a platform to solve business problems collaboratively and innovatively, and getting rewarded

Impact achieved

Transformational Leadership Programme

31 Team Managers attended the Programme

Emerging Leadership Programme

47 Managers attended the programme

Situational Leadership

60 People Managers

Performance Brilliance

79 People Managers

First Time Managers

43 First time People Managers

Art of People Manager Conversation

304 People Managers

Matrix Manager

14 People Managers

Electric Vehicle Training

167 Participants

Controller Area Network

17 Participants

Electric Drives and Control

36 Participants

Fundamentals of Reliability Engineering

29 Participants

Linear Multivariable Control

19 Participants

Statistical Signal Processing

32 Participants

Campus Talent Programme

83 Graduated were recruited and Incubated

Young Talent Programme

32 Associate Engineers were identified and are put in a one year training period

21,000+

Kaizens received since inception relating to productivity, quality, cost, delivery, safety and morale



~1,00,000+ HOURS

Of training imparted to employees

DEALERSHIP LEARNING INTERVENTIONS IN FY 2023-24

Dealerships are often the first touchpoint for customers to experience the brand. EML undertook various learning programmes to enhance the skills of dealership staff and empower

them to deliver exceptional sales and service experiences. Key measures undertaken included:

- Power Train, a first-of-its-kind experiential training hub
- Soft skills training for service consultants
- RE-Skill Development Centre in Lucknow and Coimbatore and Satellite Training Centre in Nagpur
- HRMS/LMS to empower dealer manpower is live across pan-India
- Super Squad Skill Contest, a first-of-its-kind for sales and service dealer manpower



Bagging 4 Gold awards at ICQCC 2023

The International Convention on QC Circles (ICQCC) is a prestigious global event celebrating the remarkable achievements of Improvement and Innovation Teams. EML's team won 4 Gold Awards, showcasing their excellence.

STRENGTH IN DIVERSITY

Diversity, equity and inclusion (DEI) are key focus areas at EML, aimed at encouraging individuals from all backgrounds to work together without discrimination. By promoting diversity, inclusion and equal opportunities, EML attracts diverse talents with diverse

perspectives, ensuring its success. A merit-based approach to performance appraisal ensures recognising the right talent.

EML proactively encourages women's inclusion through dedicated programmes for hiring, career

development, supporting personal-professional growth and encouraging them to take up managerial roles. As on March 31, 2024, EML had 1,794 women employees (permanent and non-permanent), representing 11% of the workforce and one woman on its Board.

Championing women in the workplace

Formed REDIF

Formed RE Diversity, Equity & Inclusion Forum (REDIF), an 18-member committee led by Vidhya Srinivasan, CFO, exclusively focussed on DEI initiatives globally and fostering a more inclusive workplace.

Promoting DEI

Conducted nationwide DEI awareness programmes, partnered with exclusive DEI hiring partners, hosted job fairs, and participated in Ability Foundation's inclusive culture drive.

Women-focussed hiring

Joined HerKey initiative to prioritise diversity hiring, achieving improved women hiring at 15% of overall 11,017 recruits in FY 2023-24.

Impact achieved

248

people managers nationwide sensitised on DEI

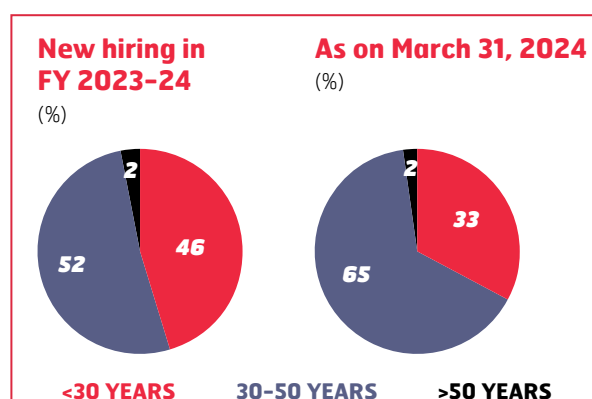
11%

Women's representation achieved, up from 6% in FY 2022-23

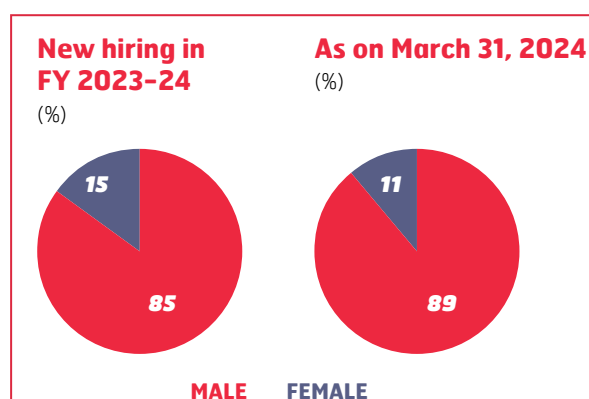


DIVERSITY AND EQUAL OPPORTUNITY AT EML

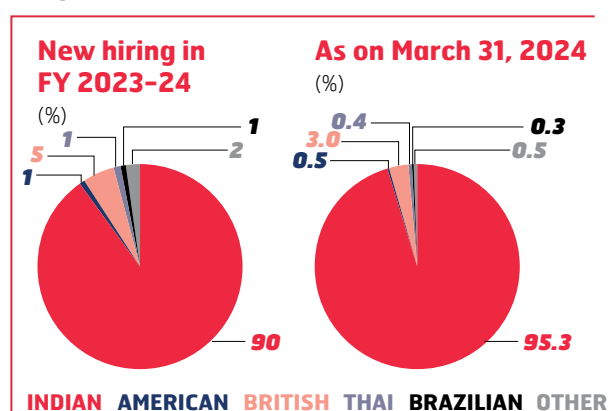
Age diversity



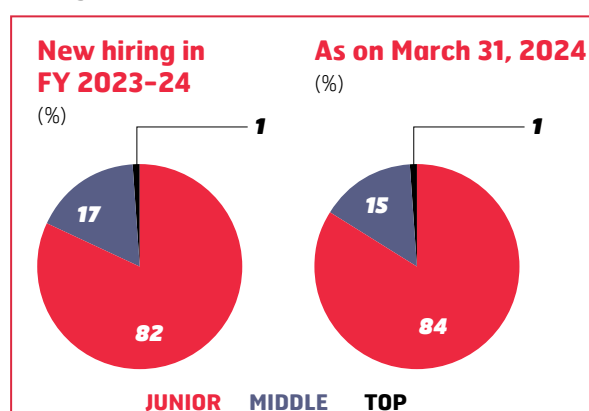
Gender diversity



Geographic diversity



Management role diversity



Women representation

	FY24	FY23
Share of women in total workforce (as % of total workforce)	7%	6%
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	8%	7%
Share of women in junior management positions, i.e. first level of management (as % of total junior management positions)	9%	7%
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)	2%	3%
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.)	7%	5%
Share of women in STEM-related positions (as % of total STEM positions)	7%	5%



PRIORITISING PEOPLE SAFETY

Safety is a non-negotiable aspect at EML, with the aspiration of attaining a zero-harm workplace. This is ensured through a robust safety governance framework, with the central safety committee leading all aspects supported by plant-level safety and additional committees.

All EML plants are ISO 45001 Occupational Health and Safety (OHS) management system certified, and stringently follow these guidelines. Additionally, through undertaking measures like routine mock drills, safety training, implementing Kaizen initiatives and using tools like Hazard Identification & Risk Assessment (HIRA), the Company continually improves safety practices. These efforts ensured zero fatalities and a low LTIFR of Zero in FY 2023-24.

DRIVING EMPLOYEE ENGAGEMENT AND WELL-BEING

EML is committed to providing exceptional workplace experiences to its employees. It ensures this through industry-benchmarked compensation and undertaking various initiatives for

employee engagement, wellbeing and healthcare. To balance professional and personal life, the Company supports employees with childcare facilities, work from home and hybrid work arrangements and provides parental leave to caregivers, both primary and non-primary.

Some of the key initiatives undertaken by the Company to drive employee engagement include:

- Ongoing initiatives like celebrating festivals and occasions, REsmiles, organising sports, fitness sessions like Tabata and health camps and programmes for workplace stress management.
- **REImagine:** A platform dedicated to cultivating innovation through employee-generated ideas and suggestions aligned with specific business priorities. These ideas are reviewed and rated on innovation, feasibility, impact, and scalability parameters, and the best ones shortlisted by the core team are rewarded. The shortlisted ideas are then implemented by respective teams, driving the overall strategic business plan.

REImagine initiative witnessed immense success in FY 2023-24, with immense participation and good responses from employees. The number of ideas received for each ideathon was as follows:

252 Quality function	198 Service excellence
656 Sales revolution	384 Safety
■ Ideathon ■ Ideas received	

RED Talks: A virtual platform where EML's employees and stakeholders can share their experiences and insights. It also features expert talks, both from within the Company and externally, where thought leaders discuss diverse subjects to inspire and enlighten the audience.

REConnect: An annual engagement survey that enables employees to express their expectations and suggestions on diverse topics. Accordingly, improvement measures are implemented, enhancing employee satisfaction and engagement levels.



FY 2023-24 REConnect survey highlights

95%

Participation

93%

Employee engagement score

RECONNECT HELPS DEPLOY CRITICAL PROJECTS

Career Portal

The portal helps maximise the visibility of jobs posted by recruitment teams. The use of smart AI-based digital tools further streamlines processes and ensures informed decisions to attract the right talent. The platform is witnessing 25,000+ visits and 3,000 job applications every month.

Project Speed

The project was deployed to enhance the speed and efficiency of business processes. This initiative was commenced based on 500+ ideas received across grades and geographies, covering the processes of supply chain, dealer and employee engagement etc. Over 70% of the suggestions have been implemented with others in progress.

The project has the following benefits:

- Identification and streamlining of approval layers in the ERP system to simplify processes
- Implementation of various automation initiatives (such as single system sign-on and data fetching using Chatbots) for process simplification

SUPPORTING FREEDOM OF ASSOCIATION

EML upholds the rights of its employees to organise, engage in collective bargaining, and express their grievances. The Company has various engagement channels to ensure an effective flow of communication with employees and amicably settle disputes. Salary settlement meetings are conducted once every four years as per the provisions of the statute, with the last such meeting held in FY 2022-23 and settled. The Company's efforts to encourage freedom of association have resulted in 100% (4) of its workers and 38% (2,010) of permanent employees being members of an association as of FY 2023-24.







SOCIAL AND RELATIONSHIP CAPITAL – SUPPLIERS

BUILDING A SUSTAINABLE SUPPLY CHAIN ECOSYSTEM

Suppliers are key to ensuring reliable operations, and EML is committed to elevating their performance and co-creating opportunities for mutual success. A robust code of conduct and support in adopting global best practices and integrating sustainability to build a resilient business model is central to this. EML further creates platforms for exchanging ideas and market insights, joint strategy development and new product demonstrations, ensuring alignment of goals and pursuing opportunities.





PROMOTING SUPPLY CHAIN EXCELLENCE

EML's supply chain excellence is underpinned by a robust supply chain framework which facilitates effective planning and management, securing raw material supply reliability. Additionally, this framework enables measures to minimise environmental footprint and empower local suppliers. These efforts foster healthy relations and the deployment of effective strategies that are crucial to support EML's growing operations.

Components shaping EML's supply chain framework

Planning phase

Deploying a multi-sourcing strategy by factoring in new technologies and processes adoption, supplier proximity and capacity

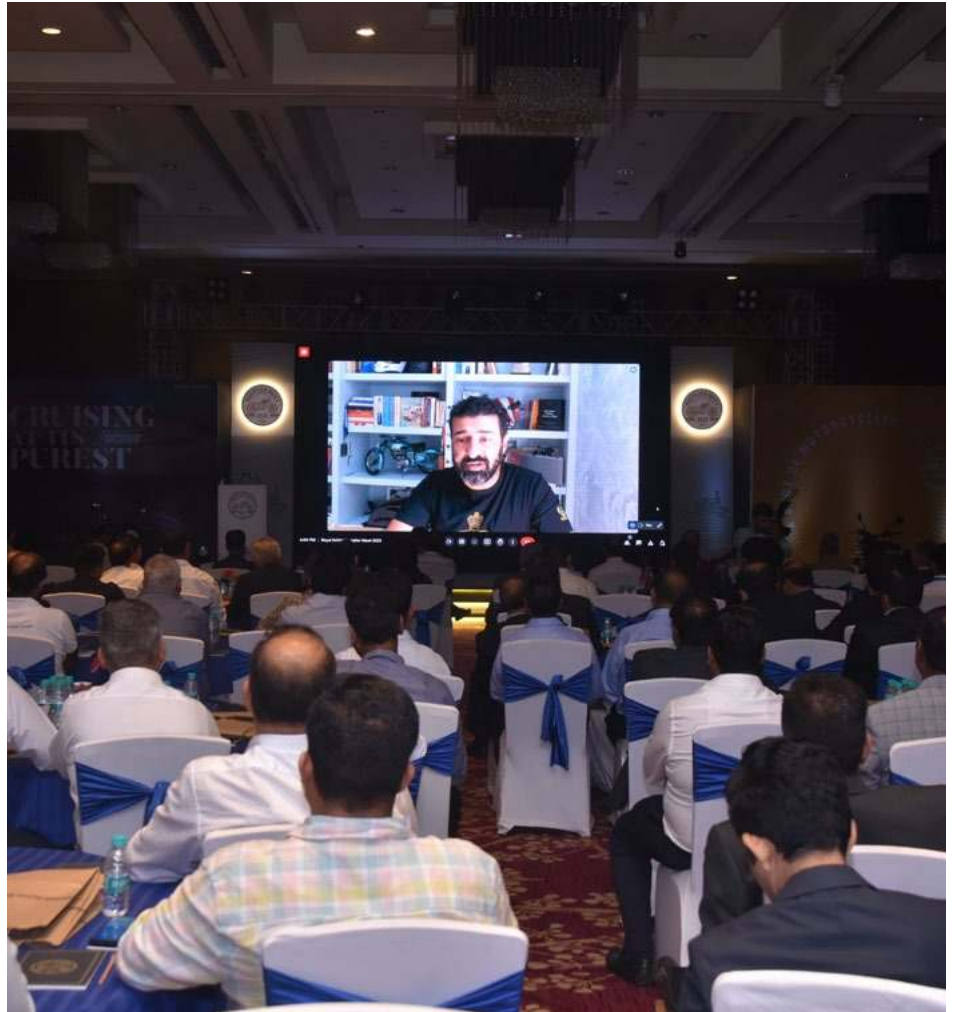
Execution phase

Prioritising demand fulfilment, product delivery, and material costs

Support pillar

Enables green logistics and collaboration on joint initiatives to generate value

EML'S SUPPLY CHAIN EXCELLENCE IS UNDERPINNED BY A ROBUST SUPPLY CHAIN FRAMEWORK WHICH FACILITATES EFFECTIVE PLANNING AND MANAGEMENT, SECURING RAW MATERIAL SUPPLY RELIABILITY.



ENGAGING EFFECTIVELY WITH THE SUPPLY CHAIN

EML creates various platforms to engage with its supply chain, build joint strategies and enable them to scale performance. These efforts have strengthened its procurement practices, build capacities, and foster collaboration for sustainable innovation. Key initiatives undertaken include:

Supplier meets

This crucial gathering brings together EML's leadership and suppliers to align strategic goals, paving the way for more collaboration and support in driving future successes and achieving new milestones. These meets also feature a Q&A session, enabling supplier partners to directly engage with the leadership panel for their queries and concerns, underscoring EML's commitment to transparency and open communication.

Supplier site visits

Site visits enable suppliers to gain a better understanding of the production process and the relevance of their quality materials in production. They are further provided training on the best manufacturing practices and improving sustainability performance.

Tech shows

Tech shows provide suppliers with a platform to demonstrate their capabilities and new technology competencies. It further acts as a knowledge-sharing session and helps identify areas of collaboration.

New product development (NPD)

EML proactively engages suppliers in NPD programmes to communicate and exchange material requirements and explore co-creation opportunities.



FOSTERING SUSTAINABLE AND RESILIENT SUPPLY CHAIN

EML proactively strives to make its supply chain more resilient with measures to reduce its environmental impact and operational risks. Prioritising local procurement, 71% of the total direct materials in FY 2023-24 were sourced from suppliers within 500 Km range (58% <50 Km, 71% <500 Km), ensuring low transport-related emissions and sustained supplies alongside promoting local economy growth. Additionally, waste generated from supply chain activities has been reduced through and the usage of recyclable green and sustainable packaging increased to 80% in FY 2023-24, up by from 22% over in the previous year.

A comprehensive risk assessment was conducted for the direct material supplies. The Assessment was based on criteria like – evaluating safety, operations, quality, technology, geopolitical factors and financial stability performance. Based on this the risk mitigation plans were developed to ensure greater reliability in the supply chain.

INTEGRATING ESG IN SUPPLY CHAIN

EML recognises the vital role played by its value chain partners and actively encourages them to embrace their responsibilities as responsible organisations. It periodically assesses suppliers on legal compliance, environmental aspects, health and safety, production design capabilities,

etc., both during pre- and post-onboarding stages. It further conducts periodic performance evaluation audits. These assessments help ensure the suppliers' adherence to the latest quality standards, identify gaps and recommend necessary actions.

In FY 2022-23, EML proactively engaged with its suppliers through an ESG Pilot Project, onboarding 12 suppliers to initiate this supplier sustainability journey. This ESG assessment was further extended to 50 more suppliers in FY 2023-24. These engagements serve as opportunities to foster collaboration, share best practices and align goals towards sustainability. By March 31, 2024, EML collected data on 62 of its direct materials suppliers, representing 55% of purchase value.

Supplier categories and spend share %

Category	Number of suppliers	Spend share	Geographical base of suppliers
Direct materials (Including regular/repeater, one time and stranger parts)	241	82%	India, USA, United Kingdom, Italy, France, Switzerland, Austria, China, Taiwan, Japan, Malaysia and Thailand
Indirect materials (Including indirect items, consumables and services)	1,770	18%	India, Japan, Singapore, Australia, Taiwan, Korea, Thailand, Hong Kong, USA, UK, Brazil, Germany, Italy, Belgium, Austria and Denmark







SOCIAL AND RELATIONSHIP
CAPITAL – COMMUNITIES

CATALYSING A POSITIVE CHANGE

EML is dedicated to the holistic growth and development of communities, especially in the Himalayas – Royal Enfield's spiritual home, and in Tamil Nadu where it manufactures motorcycles. From creating local livelihood opportunities to developing local areas, protecting Intangible Cultural Heritage, promoting winter sports, environmental conservation and responsible tourism, EML through its CSR arm, the Eicher Group Foundation, has been driving impactful change in several parts of the country.

All activities under this section are Schedule VII compliant.



BUILDING RESILIENCE IN THE HIMALAYAS

EML's objective is to build resilience in communities and nature, with a focus on the Indian Himalayan region as part of Royal Enfield's Social Mission. By 2030, it aims to partner with 100

Himalayan communities in this journey so that they are adapting and thriving even in the face of climate change. It also aims to catalyse a global movement of one million riders to explore sustainably and become active stakeholders in the mission to 'Leave Every Place Better'.

FY 2023-24 has been a milestone year which saw the launch of several flagship programmes.

The Himalayan Hub

UN SDGs



- Nearly 200 young changemakers engaged and supported through fellowships and grants

Western Outreach

The Himalayan Hub is EML's most ambitious project to be conducted as part of the Royal Enfield Social Mission. Conceptualised as a collective learning centre focussed on developing environment sustainability solutions and driving holistic development in the Himalayan region, the physical campus that will be at the core of western outreach went live in FY 2023-24 in Theog, Himachal Pradesh.

The Himalayan Hub in Theog became operational in February 2024 with the Western Himalayan edition of Royal Enfield x Green Hub fellowships. This one-year residential programme with 24 fellows from Himachal Pradesh, Jammu & Kashmir, Uttarakhand and Ladakh will empower them to use video for environmental conservation and social change.

Additionally, the project has supported 25 members of the local community of Uttarakhand - nearly half of them women, in the age group 18-35 to develop local businesses, thereby generating livelihood. This was conducted as part of the Margshala Entrepreneurial Fellowship. Through a collaboration with Vidya Centre, EML conducted capacity building

sessions for 109 members of the local community in three regions of Uttarakhand to support their work towards achieving Government issued Heritage Tour Guide certification. The Himalayan Hub programme also saw the induction of the first batch of 10 creative practitioners from nine Himalayan communities as part of a fellowship programme conducted in collaboration with the Foundation for Indian Contemporary Art (FICA).

The Hub will continue to work towards empowering Himalayan youth through fellowships and other programmes in order to lead efforts towards climate change adaptability, building community resilience and promoting circular practices. It will also offer skill-building programmes, education, vocational training and livelihood enhancement while safeguarding the living heritage of the Himalayas and its communities.



Eastern Outreach

In the Eastern Himalayas, the Himalayan Hub project is conducted from Tezpur and aims to support local communities from the eight North Eastern states, including Sikkim, through fellowship programmes, grants and innovation in the space of conservation.

In FY 2023-24, EML's collaboration with the Dusty Foot Foundation resulted in support for 20 fellows from 19 communities spanning the eight states, through the Green Hub Fellowship programme, Royal Enfield x Green Hub Responsible Tourism Fellowship that culminated with the Responsible Tourism Conclave in Guwahati and the Royal Enfield Conservation Grant. The objective of the Green Hub Fellowship is to support youth changemakers to create video knowledge archives and scale up the network of community youth engaged in conservation. The Royal Enfield x Green Hub Responsible Tourism Fellowship aims to promote conscious travel throughout the Eastern Himalayan region while the Royal Enfield Conservation Grant aims to support youth in bringing together indigenous grassroots conservationists and enabling collaboration with philanthropists and funders.



The Living Labs programme, which is also a part of the Himalayan Hub project, seeks to bring together multiple stakeholders to address the challenges facing Himalayan communities. The Canopy Collective attempts to bridge science and society by working on wildlife conservation and community wellbeing. The Wellness Lab promotes mental health and wellbeing for youth, children and women. The Youth For Forest looks to

scale up community-based ecological restoration with nurseries for native saplings and mapping biodiversity and learning camps. The River Project documents the Brahmaputra/Siang River systems by archiving Intangible Cultural Heritage. Last but not the least, the Himalayan Story Lab acts as an incubation space for indigenous and tribal filmmakers working on their debut feature documentaries.

Green Pit Stops (GPS)

UN SDGs



- Acting as a platform for interaction between visitors to Ladakh and the local community of Kharu, promoting indigenous cultural practices
- A platform to promote awareness about responsible travel practices in Ladakh
- Clean and hygienic sanitation facilities provided to traders and visitors to Kharu for the first time
- Direct livelihood for 6 members of the local women's SHG
- Indirect livelihood boost to local farmers and producers, on account of local procurement of ingredients
- Platform for further livelihood through sale of local handicrafts and art



EML inaugurated its first Green Pit Stop in Kharu, Ladakh, in August 2023. The project was conducted in collaboration with the Leh Development Authority, Kharu Nambardar and the local community. Featuring traditional rammed earth construction, solar heating and panoramic Himalayan landscape views, this first Green Pit Stop - christened Camp Kharu, is managed

by a staff of 6 women from the local self help group, who were trained by Royal Enfield. Camp Kharu includes a cafe, store, toilets, and internet connectivity.

The initiative aims to develop sustainable pit stops on popular travelling routes, with basic amenities like clean drinking water, hygienic sanitation, local culinary delights and

a platform for showcasing and sale of local handicrafts and art. Facilitating interaction between travellers and members of the local community, a green pit stop will generate livelihood opportunities, both direct and indirect, to members of the local community, especially women. EML is developing another Green Pit Stop in Babeli, Himachal Pradesh and other locations are being explored.

The Himalayan Knot

UN SDGs



- More than 600 women engaged
- Conservation of traditional textile practices of Himalayan communities
- Creation of market linkage through collaboration with various stakeholders
- Conservation of rangelands and cultural practices of Himalayan pastoralists



The Himalayan Knot is a textile conservation project that brings together artisanal Himalayan communities, craftspeople, conservationists and designers, creating market linkages. The aim of the project is to preserve and promote local livelihoods and support the conservation of pastoral lands and safeguarding of the living heritage of the people from this iconic landscape.

In FY 2023-24, the initiative focussed on the use of four indigenous craft practices and materials, namely Eri Silk and Bodo Cotton from the Eastern Himalayan region and Pashmina and Sheep Wool in Ladakh. Towards this, EML facilitated infrastructure, community training via local groups, cooperatives and NGOs and collaborations between local artisans and established designers. The limited edition range of products was created through the collaboration of renowned designers bringing their expertise and



knowledge to work with indigenous artisanal Himalayan communities who are the bearers of traditional textile weaving knowledge and wisdom. These were inspired by traditional textile practices and are being retailed through multiple channels, including Royal Enfield distribution channels, e-commerce and partner outlets.

The Himalayan Knot project created direct livelihood for 615 women, including 588 Ladakhi weavers associated with Looms of Ladakh and 27 weavers and artisans from the Bodo community who work with The Action Northeast Trust. Repair of infrastructure and handloom centre upgradation was done at Pangti, Himachal Pradesh, in collaboration with Collective Efforts for Voluntary Action (CEVA).

As part of initiatives towards rangeland conservation under The Himalayan Knot project, EML is also working with The Action Northeast Trust to support traditional performing arts of the Bodo community as part of the Sifung Narrative. Collaborations with the Nature Conservation Foundation (NCF) and Bombay Natural History Society

(BNHS) are helping preserve pastoral lands and livestock of Himalayan communities that are impacted by climate change effects. EML also conducted workshops at Sagnam, Pin Valley and Rupi villages, and a survey in the Pin-Parahio Valley to gain insights on the wild herbivores.

INTRODUCING THE HIMALAYAN KNOT LAUNCH COLLECTION

In FY 2023-24, EML through the Himalayan Knot initiative successfully launched three capsule collections, presented at a launch event in Mumbai with over 600 attendees. These capsule collections were showcased to highlight the collaborations between local artisanal communities of the Himalayas and urban designers. The event featured exhibitions, panel discussions, culinary experiences and audio-visual performances showcasing the essence of Ladakh and Assam's textile traditions.

Collections presented

- Ladakh sheep wool collection – A Studio EKÁ and Looms of Ladakh collaboration
- Assam's Eri silk collection – A designer Sonam Dubal and The Action North East Trust collaboration
- Bodo Cotton collection – Label Countrymade and The Action North East Trust collaboration

The Great Himalayan Exploration

UN SDGs



- 45 Intangible Cultural Heritage of Himalayan communities documented, taking the total number of practices documented to 66
- Around 15 indigenous communities from 8 Northeastern states and Himalayan regions of West Bengal engaged through the programme
- 80 rider-researchers engaged and exposed to responsible travel practices
- Awareness about Intangible Culture of Himalayan communities and responsible travel practices raised through social media activation reaching out to more than 3 Lakh accounts, and nearly 20 media articles



The Great Himalayan Exploration is the result of a unique partnership with UNESCO to inspire members of the motorcycling community to document and thereby help safeguard Intangible Cultural Heritage practices of Himalayan communities. It also aims to introduce members of the riding community to responsible travel practices.

Season 2 of The Great Himalayan Exploration (TGHE) saw 80 rider-researchers of the motorcycling community including influencers and

journalists, document 45 Intangible Cultural Heritage practices across Arunachal Pradesh, Assam, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and the Himalayan regions of West Bengal. In the process they engaged with 15 Himalayan communities across 12 explorations including Wancho, Rai, Mizo, Ao Naga, Gurkha, Adi Galo and others.

TGHE Season 2 started with a capacity-building session for the participants and a wider audience encompassing key opinion leaders, students, influencers

and journalists. The objective was to raise awareness about the living heritage of Himalayan communities and their connection to environmental impact and climate change. The 21 ICH practices documented in the first season were also showcased. Overall, the three-day creative showcase attracted 700+ visitors. On social media, there were 170 conversations from the event and an additional 146 mentions about The Great Himalayan Exploration and the creative showcase, reaching over 3,00,000 accounts along with nearly 20 published articles.

Responsible Travel

UN SDGs



- 100+ tonnes of waste collected across the Himalayan region and prevented from being dumped
- Livelihood generation for 150+ community members
- 75,000 people benefited from steady water availability
- 35,500+ saplings planted
- 28 new homestays set up, taking total number of homestays set up by Royal Enfield to 80
- 10 new moth species identified and recorded in the Siang district of Arunachal Pradesh

The programme promotes sustainable tourism practices by working on issues related to solid waste management, WaSH, access to safe drinking water, renewable energy, creating and promoting homestays, art and culture. This attains the objectives of environmental sustainability, creating livelihood and preserving the cultural identities of communities. Key efforts undertaken include:

(I) Waste management

EML engaged SAAHAS NGO and The Midway Journey to create a detailed solid waste management (SWM) plan for the Lahaul district and villages around Manas National Park, Assam respectively. Further, together with Pahadi Paheli, a dry waste management system was set up in Lahaul covering 11 Gram Panchayats, where 30 eateries have started giving waste to collectors instead of dumping in the Solang Valley. Sustainable solutions are being developed for SWM in Bodoland, especially in the Greater Manas region.

EML supported Waste Warrior's waste management programme around Jim Corbett National Park, Uttarakhand, covering 14 villages. 33 local women were engaged who collected 95,613 kgs of dry waste from seven panchayats, preventing 6,692 kgs of CO₂ and 2,629 kgs of methane emissions, saving a hectare of landfill space and 112 trees, and earning over Rs. 6 Lakhs. Further, 47 road signboards and two wall murals were created to sensitise tourists.

EML also supported the transformation of Chullyu village in Arunachal Pradesh

into a model zero-waste community in collaboration with Further and Beyond Foundation and Nyishi community. Further, EML conducted an exposure trip to Darjeeling and Kalimpong which included live workshops on segregation. A zero-waste event was conducted at the Gorsam Chorten festival, celebrated by the Monpa community at the 12th Century Stupa in Zemithang, Arunachal Pradesh, with 3,500 kg of dry waste being collected, segregated and stored with the help of the local community and the Armed Forces.



(II) Nature-linked livelihoods and homestays

EML partnered with Environics Trust and People for Himalayan Development to establish a Knowledge Hub in Himachal Pradesh to promote sustainable tourism. Measures included developing tourism impact assessment reports, GIS mapping, monitoring air and water quality and research on tourism industry practices and policy across five districts.

EML also helped set up 28 homestays in Ladakh and Himachal Pradesh and two self-sufficient community villages of Gwari and Jamala, totalling to 80 homestays. These homestays provide authentic experiences to tourists, including an opportunity to interact with locals and experience their unique way of life. 150+ community members were supported through livelihood generation. EML also facilitates market linkage with travellers.

(III) Heritage conservation

EML engaged Ladakh Arts and Media Organisation (LAMO) for the Nubra Cultural Conservation Project. It involved researching and documenting Nubra's culture and heritage across 30 villages, based on which four booklets were published and 50 signages were installed showcasing the region's heritage. These are being used to create new experiences for travellers to Nubra valley. This project is now being extended to Changthang valley.

(IV) Water and solar

EML partnered with Tata Trust for a springshed management project. Springs, a lifeline of mountainous regions for consumption and agriculture, have been significantly impacted by population growth, unplanned construction and climate change. Through the project, several natural water sources were rejuvenated and made more resilient and self-reliant, benefiting over 75,000 people in 210 villages across Uttarakhand, Himachal Pradesh, and Ladakh.

The Community Water Access Projects implemented by MUSE and Navikarna in the villages of Lidang and Pangmo in Spiti and at Stongdey, Zaskar, have improved the year-round water supply. In collaboration with the Border Roads Organisation, a water filter is being installed at the Atal Tunnel, Manali, (South Portal). The structure housing the filter will be constructed in the traditional Kath Kuni architectural style.

Further, EML in collaboration with MUSE, installed 80 solar street lights of 24W each along a 3-km stretch in Jispa, Himachal Pradesh.

(V) Biodiversity conservation

Under EML's conservation and livelihood programme, Titli Trust supported by Royal Enfield, identified 10 new moth species in Siang, Arunachal Pradesh, highlighting North East India's unexplored biodiversity. This was recognised internationally by the



Tropical Lepidoptera Research Journal and a booklet was also released. The first ever Gobuk Biodiversity Meet was also conducted in Gobuk, Arunachal Pradesh with 25 visitors taking part in the festival.

In Gori Valley, Sarmoli, Uttarakhand,

the planting of 30,060 vegetable saplings (12 types) and 47.5 kg of vegetable seeds resulted in 60 quintals of vegetable production annually. In Pangi Valley, Himachal Pradesh, 18,900 hazelnut seedlings, 12,900 pine nuts and 3,200 walnut seedlings were planted to restore the local landscape.

Other efforts included setting up central nurseries in Sarmoli, Shankhdhura and Suring, building eight low-cost hoop houses, completing Rural Fellowships with four storytellers and establishing a Nature Centre and a tourist information centre (in Killar).

Rural Sports, Education and Health

UN SDGs



- 1,130 players supported in developing Ice Hockey skills
- 600 players supported in developing football skills
- 1,710 students and individuals supported in various educational initiatives
- 1,104 individuals benefited from healthcare initiatives



(I) Rural sports

EML was engaged by the Lieutenant Governor of Ladakh's Office, to develop a comprehensive roadmap for Ladakhi players all the way to the Winter Olympics in 2042. In FY 2023-24, EML together with the Administration of the Union Territory of Ladakh, successfully launched this document, with inputs from all stakeholders including the International Ice Hockey Federation (IIHF) and the Ice Hockey Association of Ladakh. This document details the sport's development and opportunities for winter tourism and was handed over to the Administration of the Union Territory of Ladakh in the presence of the Union Sports Minister, Shri Anurag Singh Thakur.

In line with the roadmap laid out in the pathbreaking blueprint document, EML conducted the first ever Royal Enfield Ice Hockey League in Leh with 330 participants, including 220 men and 110 women. The League saw a cumulative of 10,000 spectators. The first ever Spiti Cup in Kaza, Himachal Pradesh was also hosted with 288 players aged 12-18



years participating in the tournament. The Spiti Cup was played out at the world's highest ice skating rink, at an altitude of 11,980 ft. EML continues to support the sport in Ladakh and Himachal Pradesh with equipment and training, including a 'Train the Trainer' camp for the capacity building of 20 coaches from Ladakh by coaches from Germany. EML also supported the training of the 20-member Indian Women's Ice Hockey team for the 2023 IIHF Ice Hockey Women's Asia and Oceania Championship. A panel discussion was also organised in Delhi to promote awareness about Ice Hockey and winter sports alongside unveiling the team's jersey. The team performed well and reached the semi-finals.

Additionally, EML supports football in the region. In FY 2023-24, the Company installed the first-ever astroturf in Changthang, creating opportunities to play and improve skills while also reducing injuries. This facility was inaugurated with a three-day tournament involving 350 players. Additionally, training camps

IN LINE WITH THE ROADMAP LAID OUT IN THE PATHBREAKING BLUEPRINT DOCUMENT, EML CONDUCTED THE FIRST EVER ROYAL ENFIELD ICE HOCKEY LEAGUE IN LEH WITH 330 PARTICIPANTS,

were conducted in Chumathang and Changthang, with the participation of students from 18 schools. EML also provided equipment like footballs, football shoes and practice nets.

(II) Education

EML supports rural education in Ladakh, in partnership with the Snow Leopard Conservancy-India Trust, Student Association for Village Education and rZamba. The Alternative Learning programme reached out to over

1,000 students across 22 villages, the Winter Bridging programme saw 80 youth attendees from 18 villages in Changthang and the Foundational Learning programme reached out to over 500 children and youth aged 3-25 years.

In Lahaul, Himachal Pradesh, 150 villagers aged 6 to 70 years across six villages completed a basic course in the Bhoti language through the PATA Society's Bodhi Yig programme. This will help preserve this endangered language.

(III) Health

EML engaged Shroff Charitable Eye Care Hospital to conduct a nine-day eye screening camp for 25 remote villages around Kaza, Lahaul and Spiti. Over 800 villagers were screened and over 340 spectacles were issued. This was followed by a week-long medical and surgical camp in collaboration with Lady Willingdon (Mission) Hospital, Manali, serving 1,100 OPD patients and conducting nine major and 17 minor surgeries in Spiti. 25 patients benefited from free cataract eye surgery.

ROAD SAFETY

UN SDGs



- Raised awareness about helmet adoption and helmet safety to more than 8,500 motorcycle riders
- Promotion of road safety through performances, interactive activities and pledges
- Repair of potholes and conducting road safety awareness campaign in Goa through strategic use of signages

The Company operates a unique road safety initiative, Helmets for India, that channels the power of community and art to change mindsets towards helmet safety and encourage riders to wear them.

In FY 2023-24, the initiative witnessed great success at Motoverse 2023, with an interactive booth engaging over 8,600 visitors. 371 individuals promoted safer riding practices, gaining over 500 unique social media followers, and 347 signed up for updates, indicating a growing interest and commitment to the cause. The initiative attracted 700+ participants to the helmet painting workshops, creatively spreading helmet safety awareness. Further, a human installation encompassing an aerial performance by Omaggio Performing Company and 12 custom helmets by international artists were displayed.

EML, in collaboration with partners like Pothole Raja, also promoted road safety practices, fixed potholes and installed helmet safety signboards and spotlights near colleges in Goa.



MARINE CONSERVATION PROGRAMME

UN SDGs



- 200+ marine life rescued
- 11,000+ individuals reached out to on marine life awareness
- 19,500+ kg of ghost nets recovered
- 150+ livelihoods generated through ghost net retrieval
- 300+ turtle nests protected
- 30,000+ hatchlings released



The Company is dedicated to marine life conservation and undertook multiple initiatives during FY 2023-24. In partnership with Tree Foundation, 45 turtles, a humpback dolphin and a tiger shark were rescued from ghost nets in Tamil Nadu and released. Additionally, 285 turtle nests were protected and hatchlings released. 19,641 kg of ghost nets were recovered, providing livelihood opportunities to 166 people.

As part of advocacy, capacity-building programmes were conducted for 5,735 villagers from 14 villages.

In Goa, EML's partner, Reefwatch, handled 94.7% of the 115 live stranding cases, rescuing, examining and treating distressed animals. They also handled nearly half of 175 cases of dead megafauna strandings, conducting autopsies to ascertain the cause. A project on antibiotic resistance helped inform treatment protocols.

Additionally, the team conducted over 50 outreach activities for school children and the community, workshops for rescuers, forest department officials and Drishti Marine lifeguards, and created 10 lesson plans. The ReefWatch Oceans Club was also initiated, providing youth interested in marine conservation a community space to collaborate and learn from shared experiences.

SKILL DEVELOPMENT AND LIVELIHOOD CREATION

UN SDGs



- 1,453 youths placed
- 1,299 youths trained

EML supports the government's Skill India initiative to enable vocational training and upskilling to create livelihood opportunities.

In FY 2023-24, EML in partnership with Don Bosco Technical Society (DB Tech) Skill Development Centre (SDC) in Lucknow enrolled 666 candidates for training. As of March 31, 2024, 364 completed the training of whom 252

were placed with each earning over Rs. 6,000 monthly wages. 85% of all candidates reported a higher sense of self-worth and self-esteem. DB Tech also introduced a new programme to train women as tele-callers for the automotive sales industry. Additionally, EML evaluated two more SDCs, one each in Bengaluru, Karnataka and Kottayam, Kerala.

Royal Enfield SDC in Coimbatore, in partnership with TVS Training & Services, trained 607 youths, including 105 women in automotive domain skills (sales executive, service advisor and two-wheeler service technicians), soft skills and IT skills. Of these, 502 candidates (61 women) were successfully placed.



LOCAL AREA DEVELOPMENT

UN SDGs



- 500 women entrepreneurs offered incubation support
- 250 tonnes of waste collected, segregated and recycled
- 1 Lakh students received better education through technical support to TN education department
- 3 PHC provided with modern room with modern equipments to conduct 90 deliveries per day
- 1,200 pregnant women ensured institution delivery and postnatal care
- 3 community RO plant installed benefiting 3,000 families
- 2 solar-powered lifeguard watchtowers constructed for beach safety
- 30 lives saved by local fishermen trained as lifeguards operating from watchtowers

Royal Enfield Academy for Technical Skills, Chennai

EML in partnership with the Centre for Entrepreneurship Development (Tamil Nadu) has set up Royal Enfield Academy for Technical Skills and five technical labs at the RRASE College of Engineering in Chennai. These facilities offer free technical training and placement in the automobile sector to educated but unemployed youths. In FY 2023-24, the Academy trained, certified and successfully placed 3,196 students, maintaining its 100% placement track record.

TN Soars

The programme, conducted in partnership with the Madhi Foundation, imparts quality education to children in Tamil Nadu's government-run and government-aided schools. Delivered through the Ennum Ezhuthum mission, this pathbreaking multi-stakeholder programme involves teachers, children, administrators, parents and the entire ecosystem around a child as stakeholders in their education.

18 of the Foundation's 21 recommendations have been implemented, benefiting 36,700 schools, 80,000 teachers and more than 13.75 Lakh students. Weekly and monthly assessments were conducted in all government schools across

38 districts, and more than 80,000 teachers were trained in classroom management techniques and co-creating ideas on student-centric approaches. Currently, 88% of the students are at the appropriate grade learning level, while for the other stakeholders, it is at 55.67%.

Safe and conducive learning environment for children

This programme, conducted in partnership with Rural Education and Action for Liberation focusses on upgrading infrastructure, improving children's academic performance, promoting health and hygiene, and raising Child Rights and Child Protection awareness. It has positively impacted 323 school children, including 154 girls, and 14 teachers with the construction of nine classrooms in four districts of Tamil Nadu, construction of new toilets and renovating existing toilets in schools across three districts, among other activities.

Strategic education programme

EML has partnered with the Network for Quality Education and the Commissioner of School Education to facilitate state education reform. Over 37,500 schools, 59 Lakh+ students and 2.5 Lakh+ teachers will be impacted by the initiative.





During FY 2023-24, more than 99% of students completed the battery test, and 100% of schools completed the sport test. Additionally, over 98% of schools now have adequate books for all their students, and 6,029 schools have language labs to help 8.7 Lakh students improve their spoken English skills.

Strengthening maternal and child health

This project, in partnership with Ekam Foundation, was initiated to improve overall well-being and reduce deaths among antenatal and postnatal new mothers and infants.



The programme is operational in Chennakuppam, Nattarasampattu, Vallam, and Valayakaranai panchayats of Kanchipuram and Chengalpattu districts. In FY 2023-24, 844 home visits were conducted reaching out to 59 antenatal, 60 postnatal mothers and 197 infants between 0-2 years. Further, three modern labour rooms were constructed at three Primary Healthcare Centres in Oragadam, resulting in a 50% increase in deliveries there.

Empowering women through entrepreneurship

In partnership with CARE, this programme aims to promote 200 women entrepreneurs by building capacities through Self Employment and Entrepreneurship Development centres. During the year, 584 women were trained in collectivisation and 394 in entrepreneurship. 150 women were actively supported to start individual

enterprises while another 96 in forming collective enterprises.

Water sanitation and hygiene intervention

This programme, conducted in partnership with Habitat for Humanity, promotes healthcare, including preventive healthcare, and hygiene in selected villages of Tamil Nadu. Nearly 1,674 stakeholders have benefited from various initiatives. The construction of 150 toilets provided clean and hygienic facilities to 150 families and four community water purification plants, operated by local self-help groups as a social enterprise, have improved access to clean drinking water. 75 groundwater recharging systems were installed in houses, with the potential to harvest 7,000 litres of rainwater per household. Additionally, a foot-operated hand wash unit was installed in a school benefiting 26 children and teachers alongside conducting hygiene awareness.





GROUP PROGRAMMES

UN SDGs



- 4,700+ families provided relief
- 5,192 children enrolled across 31 Bodhshala schools
- ~ 9 Lakh meals served

EML's group programmes are actually part of the Company's legacy of taking on social responsibilities for over three decades. These are focussed primarily on facilitation of education in remote communities of the Alwar district in Rajasthan and provision of quality eye care to underprivileged communities through Dr. Shroff's Charity Eye Hospital.

In FY 2023-24, more than 42 girls reached the district level in sports like kabaddi, kho-kho and football in the Rajiv Gandhi Rural Olympiad and more

than 5,000 children were enrolled in 31 Bodhshalas (schools) run under this programme. An average attendance of 80% was achieved for students between classes 1 and 8. Nearly nine lakh mid-day meals were served to children under the Poornma programme.

At Dr. Shroff's Charity Eye Hospital two cutting-edge research findings are being implemented at clinics, resulting in better diagnosis of patients. The stem cell laboratory, which is supported by EML, has filed for the provisional patent for biomarkers associated with

ocular surface diseases and methods of identifying them. Seventeen studies have been conducted as part of the programme with seven research papers being published. At the hospital's Daryaganj facility, nearly 80% of the upgrading work has been completed. Once complete, the facility will feature private Out Patient Department (OPD) chambers for ophthalmologists, thereby increasing the capacity to examine patients. A pre-surgical counselling room and a diagnostic room are also being added to reduce congestion.

DISASTER RELIEF

UN SDGs



- 2,500+ families provided relief
- 600 emergency kits provided
- 20 flood-affected houses renovated

EML undertook various disaster management initiatives in FY 2023-24, including relief, rehabilitation and reconstruction activities.

In response to landslides, floods and heavy rain in Himachal Pradesh and Uttarakhand, EML provided emergency relief to affected people across various districts. In partnership with

People for Himalayan Development, CASA, Jagori and Shiksha Learning Centre, EML distributed 1,500 blankets, 800 tarpaulins, 600 NFI kits, 600 WASH/Hygiene Kits and ration kits. Additionally, 20 damaged houses were repaired and 30 children received books, school supplies, shoes and bags. Rescue support was also provided with the provision of two ambulances.

Along with partners and authorities, EML provided relief support to those affected by glacial lake outbursts and flooding in Sikkim. Further, in partnership with ATSWA Trust, EML extended resources to 2,500 families affected by heavy rainfall and floods in Tiruvottiyur.



SPOTLIGHTING OF COMMUNITY STORIES & ISSUES

From promoting Intangible Cultural Heritage practices and textile traditions to stories of how sports, particularly Ice Hockey, is acting as a medium of social change, EML has been at the forefront of raising awareness about communities, particularly Himalayan communities. Additionally, EML has also been raising awareness about road safety and responsible travel practices to inspire people towards positive behaviour change.

The amplification of the Company's efforts in the CSR space, through the Eicher Group Foundation, has been done using an interesting mix of innovative use of communication tools, including social media, traditional media, art installations and even engaging interactive activities at events.

In FY 2023-24, EML was able to reach out to a cumulative of nearly 7 million users, spotlighting community stories and issues through more than 150 articles published in the media, focussed social media and interactive sessions and activities at events conducted by EML and its programme partners.







NATURAL CAPITAL

RIDING THE ECO- FRIENDLY ROUTE

Sustainability is embedded into the core of EML's operations and strategy. Through reducing its carbon footprint, ensuring zero discharge and water positivity, striving for zero waste to landfill and effective waste management, EML aims for a planet-positive future. Importantly, EML is catalysing a movement by involving its community and supply chain in this pursuit to achieve greater impact.



ADVANCING TO A CLIMATE-RESILIENT FUTURE

Target

- 80% emission (Scope 1 & 2 emissions) intensity reduction (tCO₂e/motorcycle by FY 2029-30)
- 33% renewable energy mix in FY 2023-24
- 41% reduction in carbon emissions (FY 2020-22 baseline)

Impact achieved
(FY 2023-24)**716 MWh**
of energy savings**0.61 GJ/
MOTORCYCLE**
energy intensity in
manufacturing units**19.4%**
Reduction in emission intensity
from FY 2022-23

SDG impacted

OPTIMISING ENERGY
CONSUMPTION

Royal Enfield has successfully implemented the ISO 50001:2018 energy management system certified by DNV, across its Oragadam, Vallam Vadagal and Tiruvottiyur plants, headquarters, and spare parts division. The initiative is helping reduce energy consumption, costs and environmental impact, promoting sustainability and efficiency in operations. Aligned with this, measures are being taken to drive efficiency in processes, upgrade to energy-efficient equipment and reduce fossil fuel consumption.

Some of the key energy management initiatives undertaken in FY 2023-24 include:

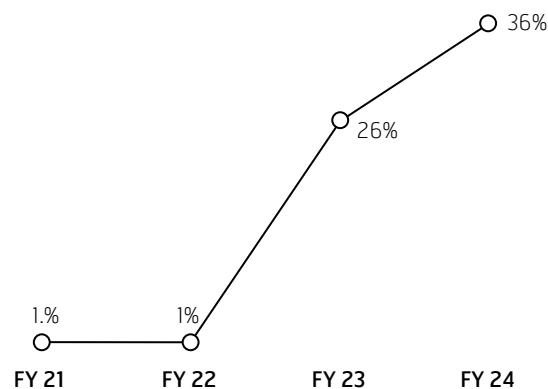
Energy efficiency in processes

EML improved conveyor energy management, by shutting down conveyors (JIC autocell, RH cover and main line) during idle times. In Phosphate Treatment Cathodic Electro Deposition (PTCED) and

painting processes jig density was optimised, improving its productivity. In the machine shop, the efficiency of the air handling unit (AHU) was improved through deep cleaning. UPS at Oragadam plant's paint shop 1 robot line was optimised by reducing its rating

Renewable energy used in electricity

(%)





from 100 kVA to 10 kVA, saving idle power consumption. Further, at the Oragadam and Vallam plants, a fifth-stage reverse osmosis (RO) system was implemented which optimised the mechanical evaporator operations.

Investing in energy-efficient equipment

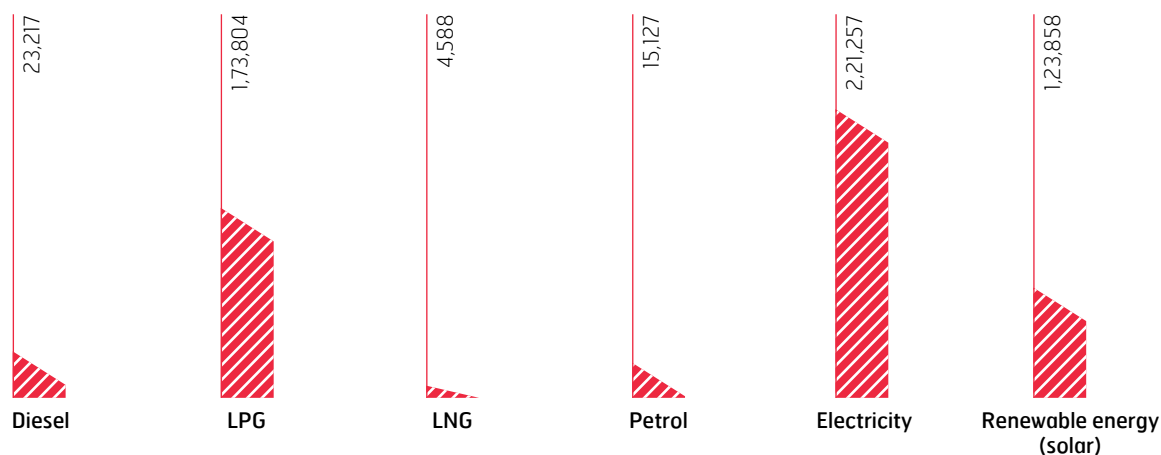
A variable frequency drive was installed in the cooling tower motor of the Oragadam plant to enhance efficiency. In chillers, artcmaster device was installed to reduce energy consumption. In the assembly conveyor, pneumatic hoists were replaced with electrical hoists helping save energy.

Reducing electricity consumption

EML reduced electricity consumption by installing solar street lights within factory premises and skylight tubes to eliminate the need for electric lighting during the daytime.

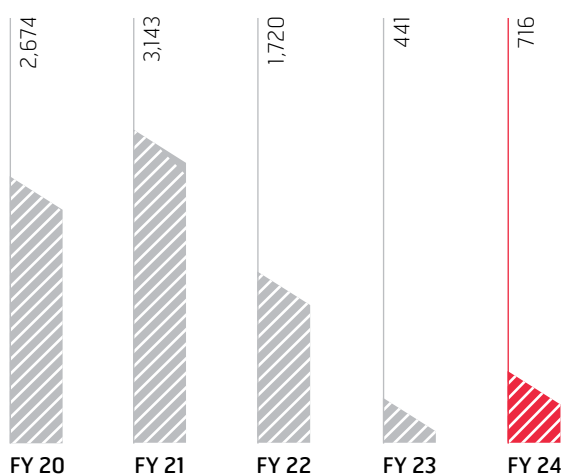
Energy consumption mix in FY 2023-24

(GJ)



Energy savings achieved

(MWh)





MINIMISING CARBON FOOTPRINT

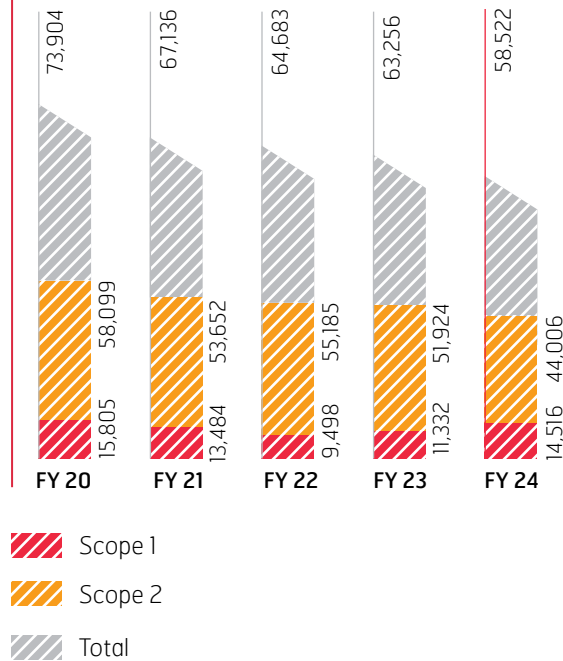
EML strives to achieve carbon neutrality, proactively adhering to the regional emission norms and undertaking actions to monitor and reduce its scope 1 and 2 emissions.

In FY 2023-24, against a target of achieving 15% reduction in carbon emissions compared to last year, EML achieved 19% reduction. Reduction in conventional energy (fossil fuels) was a major contributor, as the Company invested in solar energy capacities, also to clean liquefied natural gas (LNG) in paint shops and implemented laser welding. The 13 MW Group captive solar plant at Vallam unit generated 1,97,37,222 kWh of energy in FY 2023-24 which was consumed for its operations, Chennai headquarters (HQ) and the spare warehouse at Oragadam. 100% of the energy requirement for Chennai HQ and spare warehouse and 33% for the overall operations are now met through renewable power. EML also maintains 10,862 trees across all units which acts as a carbon sink.

Additionally, EML continues to explore ways to use clean alternative fuels (Biogas and LNG) and optimise fuel consumption across various applications.

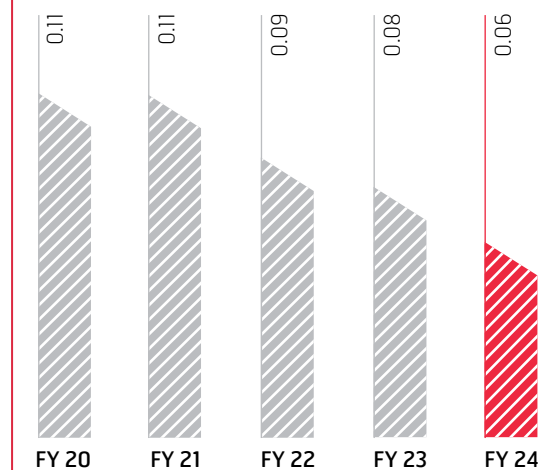
Emissions

(tCO₂e)



GHG Emissions Intensity

(tCO₂e/Motorcycle)





MAINTAINING THE AMBIENT AIR QUALITY

Target

- Maintaining PM, SO_x, NO_x under limits set by TNPCB

Outcome

In line with Pollution Control Board norms

SDG impacted



EML engages third parties to monitor the ambient air quality including particulate matter (PM), sulphur oxides (SO_x), and nitrogen oxides

(NO_x) 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 maintaining emissions below limits set by the Tamil Nadu Pollution Control Board.

ACHIEVING WATER-POSITIVE OPERATIONS

Target

- 6% water intensity reduction (KL/motorcycle)

Impact achieved

3,63,772 KL
Total water recycled/treated

3,59,821 KL
Total water reused

0.21
KL/MOTORCYCLE
Water intensity

SDG impacted



Water is a critical resource, and EML operates with a focus on reducing, recycling and reusing water to prevent stress on local communities and

ecosystems. With ongoing efforts to reduce freshwater consumption, EML has ensured water positive operations for the sixth consecutive year.



REDUCING FRESHWATER CONSUMPTION

EML has deployed effluent and sewage treatment plants (ETP and STP) across all units, ensuring zero discharge of wastewater and optimising fresh water consumption with treated water being utilised for landscaping and

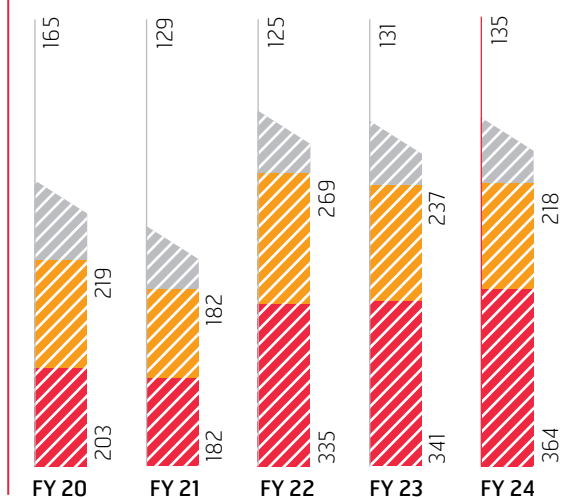
toilet flushing. The Company has also installed rainwater harvesting ponds across all sites to collect water, which is used in manufacturing processes and operations, including in Tiruvottiyur post-treatment process. They have also contributed to recharging the groundwater table.

ELIMINATING WATER WASTAGE

EML has installed various water-efficient structures across operations such as orifice taps in canteens and motion sensors and reducers for taps which have reduced water wastage.

Water Consumption and Effluent Recycled

(ML)

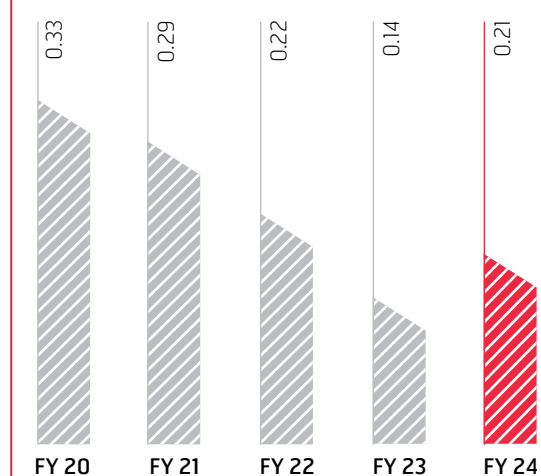


Effluent recycled Process

Domestic

Water intensity

(KL/motorcycle)



EML has adopted a greener business model for efficient natural resources management and progressing on the objective of circularity. This ensures conserving critical resources and minimising the impact of operations on biodiversity.



ENSURING A GREENER BUSINESS MODEL

Target

- Zero waste to landfill

Impact achieved

386 MT
Hazardous waste recycled

1,185 MT
Hazardous waste co-processed

SDG impacted



REDUCING AND MANAGING WASTE

EML has significantly reduced solid wastes generated across various stages of operations by deploying various measures. Paper usage has been eliminated, helping save trees and environmental impact. The Company stringently follows the practice of treating all hazardous wastes before disposal.

Further, various initiatives have been taken to effectively manage wastes including converting sewage sludge into vermicompost and generating biogas from waste food for use in cooking. Wastes like ETP/phosphate/paint sludge, powder, residue containing oil, and filter waste are co-processed in cement kilns. Plastic wastes are managed as per statutory Extended Producer Responsibility norms under PWM rules, 2016.

RECYCLING AND REUSING WASTE

All EML units have zero liquid discharge plants (STP and ETP) to treat wastewater and reuse it for irrigation and process top-ups. These systems can further treat and lower the chemical content in effluents, enhancing water recovery. EML also conducted studies to increase the recyclability, recoverability and reusability of motorcycle parts.





GOVERNANCE

ANCHORED IN TRUST, TRANSPARENCY AND ACCOUNTABILITY

In a dynamic operating landscape, effective governance is critical to organisational success over the long term. EML attains this with its robust, globally benchmarked governance mechanism alongside integrating a culture of accountability, integrity, transparency, and responsibility. The Company continues to enhance these practices to secure its relevance and resilience and grow together with all stakeholders.



GOVERNANCE AT EML

EML's excellence and long-term success are underscored by its highest standards of governance and compliance enabled by a well-defined corporate governance mechanism. The Company has a robust governance structure, with the Board and its Committees at the helm, designed to support seamless decision-making and maintain stakeholder confidence. The Board comprises experienced

professionals from diverse backgrounds, who bring their expertise to create shareholder value, provide oversight and guide the management in achieving strategic objectives.

EML uses a one-tier board system and maintains a diverse and experienced Board with members bringing in a diverse range of skills ensuring it fulfils its duties and protects stakeholders'

interests. 63% of the Board comprises independent directors including one woman independent Director. The Chairman of the Board is a Non-Executive Independent Director, with the roles of the Chairman and Managing Director kept separate. Additionally, all CXO positions are held by professional managers.

RESPONSIBLE AND ETHICAL BUSINESS CONDUCT

EML is committed to doing business ethically, responsibly and in compliance with the regulations of the automobile industry and the national laws. The Company ensures all employees and the entire supply chain stringently

follow the Code of Conduct, with zero tolerance for any unethical practices. Policies on business conduct, guiding actions in operating transparently, tackling corruption and managing risks, result in the highest standards

of governance practices. These practices strengthen the brand's market reputation and perception, enhance employee and stakeholder satisfaction and contribute to the attainment of business goals.



Policies guiding governance practices

- Code of Conduct for Directors and Senior Management
- Board Diversity Policy
- Whistleblower Policy
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Code of Conduct for Regulating, Monitoring and Reporting trading by an Insider
- Policy for determining materiality of Events and Information
- Corporate Social Responsibility Policy

- Policy on Materiality of and Dealing with Related Party Transactions
- Policy for determining material subsidiaries
- Anti-Bribery Policy
- Anti-Corruption Policy

Industry associations

- Society of Automotive Fitness and Environment (SAFE)
- Society of Indian Automobile Manufacturers (SIAM)
- Confederation of Indian Industry (CII)
- Bureau of Indian Standards (BIS)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Employers' Federation of Southern India (EFSI)

Governance highlights

NIL

Incidents of discrimination reported

ESG Governance

Dedicated ESG team, a part of the risk team and reporting to the CFO, in place to oversee ESG-related matters

Board of Directors

VISIONARIES AT THE HELM

Mr. S Sandilya

Chairman & Non-Executive Independent Director

1 2 3 4 5

Experience: 55 years

Qualification: Commerce graduate, Post Graduate Diploma in Business Administration from IIM, Ahmedabad

Mr. S. Sandilya is presently Non-Executive Independent Chairman, Eicher Motors Limited (EML). He started his career in 1969 with the DCM group of companies at their Group Headquarters in the Finance function. He then joined Union Carbide, working for five years across Delhi, Kolkata and Chennai in Systems, Finance and Accounts.

Mr. Sandilya joined Eicher in 1975. He has been a part of the Group's growth journey and held various positions in different business units. He was the Managing Director of EML, the Commercial Vehicles Manufacturing business unit of the Group till 1998, before being given the added responsibility for Group Finance and Strategic Planning. He was appointed Group Chairman and CEO in April 2000, which at that time included Agricultural Tractors, Commercial Vehicles, Motorcycles, Engineering Components, Engineering Solutions and Business Consulting Services.

Mr. Siddhartha Lal

Managing Director

4 5

Experience: 27 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 Managing Director and CEO of Eicher Motors Limited (EML) and is a member of the Board of Directors of VE Commercial Vehicles. EML is the parent company of Royal Enfield, global leader in the middleweight motorcycle segment (250cc - 750cc), and also owns one half of VE Commercial Vehicles (VECV) Limited - a joint venture with the Volvo group.

Siddhartha has also been the Chief Executive Officer of Royal Enfield between 2000 and 2004 and the Chairman of VE Commercial Vehicles from 2012-2017 and 2020-2023.

At Royal Enfield, Siddhartha has helped revive the Company's fortunes and also strengthened stakeholders' involvement with the brand. Siddhartha has passionately led the niche motorcycle brand, to be the global leader in mid-weight motorcycle segment. Under his leadership, the Company has launched several new motorcycles across the world and has won numerous awards and accolades.

VECV is the third-largest commercial vehicle player in India and has been driving modernisation in commercial transportation. VECV manufactures and distributes Eicher trucks globally, and assembles and distributes Volvo trucks and buses in India for the world.

**Mr. Govindarajan Balakrishnan**
Whole-time Director

5

Experience: 33 years**Qualification:** Mechanical Engineering from Annamalai University, Tamil Nadu and a Post Graduate Diploma in Materials Management

Mr. B. Govindarajan is the Chief Executive Officer at Royal Enfield and the Wholetime Director on the Board of EML. He has spent over 24 years at EML and at Royal Enfield in two stints. He has also worked with TTG Industries, Brakes India Ltd. and Patil Rail Infrastructure Ltd.

Govindarajan joined EML in 1995 as Manager - Engineering, responsible for the Power train unit Manufacturing System Engineering. From 1994 to 2007, he worked across several verticals. In 2004, he became General Manager - Manufacturing at Royal Enfield, responsible for the entire manufacturing activity and the implementation of the lean and quality management systems. In 2006, he was promoted to Divisional General Manager at Royal Enfield. He then moved to the CV manufacturing unit of EML in Pithampur as the Head of Operations.

In his present stint, Govindarajan joined Royal Enfield in June 2011 as the Senior Vice President - Industry and has been its Chief Operating Officer since 2013. In this decade-long stint, he led several turnkey projects, including expanding manufacturing facilities, transforming product quality, delivery and development processes, and implementing cost management in sourcing and operations. He played a key role in the Thiruvottiyur facility's expansion, the establishment of the Oragadam and Vallam Vadagal manufacturing facilities and the Technology Centres in the UK and India. He oversaw the successful delivery of the globally recognised Interceptor 650, the Continental GT 650, Super Meteor 650, and the J-platform-based Hunter, Meteor, Classic and Bullet.

Mr. Vinod AggarwalNon-executive Director -
Eicher Motors Limited
Managing Director and CEO-VE
Commercial Vehicles Ltd.**Experience:** 44 years**Qualification:** Chartered Accountant,
Cost and Management Accountant

Mr. Vinod Aggarwal serves as Managing Director & CEO of VE Commercial Vehicles Ltd (VECV), a Joint Venture between Eicher Motors and AB Volvo of Sweden since 2010. An industry veteran with an experience of 44 years, out of which 41 years have been with Eicher Group, he has held several senior executive management positions including the Chief Financial Officer of the Eicher Group, and President of Eicher Trucks and Buses. Mr. Aggarwal is concurrently serving as President, The Society of Indian Automobile Manufacturers (SIAM). He is also the past President of Automotive Skills Development Council (ASDC).

Over the years, he has won several awards for his contribution to the Indian Commercial Vehicle industry including the "CV Man of the Year" twice in 2019 and 2014. He was awarded as the "Best CEO - Medium and Heavy Duty truck makers" in 2016 by World Auto Forum and the "Hall of Fame 2015" by Manufacturing Today. In 2019, he was inducted into The Economic Times Polymers Automotive Hall of Fame. Mr. Aggarwal is a Commerce graduate from Punjab University and is a fellow member of the Institute of Chartered Accountants of India and an associate member of Institute of Cost Accountants of India.


Mr. Inder Mohan Singh

Non-Executive Independent Director

1 2 3 4

Experience: 38 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 an Equity Partner 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. He 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 sectors.

Ms. Manvi Sinha

Non-Executive Independent Director

1 2 3 4

Experience: 25 years

Qualification: B.A. (Honours) degree in Economics from St. Stephen's College, Delhi University and completed the Intermediate level from the Institute of Chartered Accountants of India

Ms. Manvi Sinha's knowledge and understanding of India's business environment is based on her rich journalism experience. Currently she serves as Consulting Editor with NDTV, a multi-media news organisation. She served as Chief Revenue Officer at NDTV Ltd. from January 2018 to November 2019, during which the broadcast company delivered its best financial results (FY 2018-19) in 14 years. Previously, she had a 20-year career in television business journalism. She has straddled roles ranging from anchoring and production to business development and operational-cum-editorial leadership at NDTV. She was also a presenter of the India Business Report on BBC World. Prior to joining NDTV, Ms. Sinha was in the Audit and Business Advisory division of Arthur Andersen.

Mr. S Madhavan

Non-Executive Independent Director

1

Experience: 38 years

Qualification: Member of the Institute of Chartered Accountants of India and an 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 HCL Technologies, ICICI Bank, Sterlite Technologies, Procter & Gamble Health and Welspun Enterprises Ltd and is Chairman/member of various Board committees.

**Mr. Tejpreet S Chopra**

Non-Executive Independent Director

5

Experience: 25 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. He is also on the Board of the World Economic Forum Foundation (WEF) for Young Global Leaders.

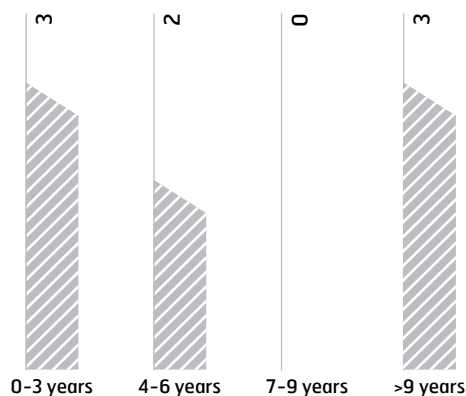
1 Audit Committee**2** Stakeholders Relationship Committee**3** Nomination Remuneration Committee**4** Corporate Social Responsibility Committee**5** Risk Management Committee

Member

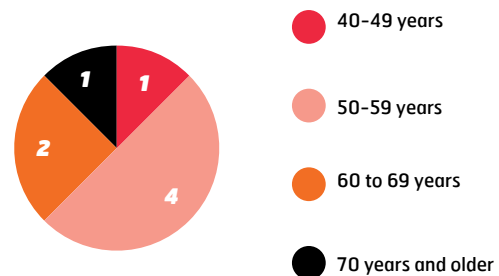
Chairman

8 years*Average tenure of Board members***Director tenure**

(No. of Directors)

**Age diversity**

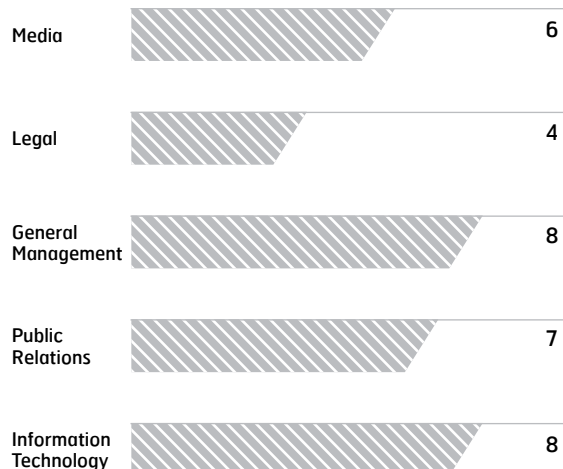
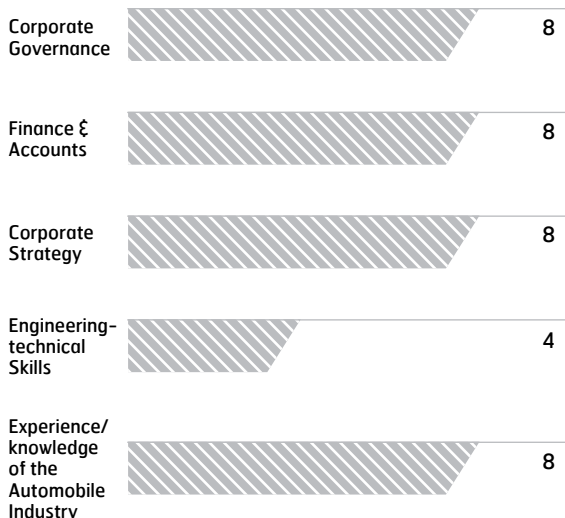
(No. of Directors)





Board skills

(No. of Directors)



COMMITTEE AND MEETING DETAILS

Nomination Remuneration Committee

Name of Members	Chairperson/Member	No. of meetings attended/No. of meetings eligible for attending
Ms. Manvi Sinha	Chairperson	5/5
Mr. S. Sandilya	Member	5/5
Mr. Inder Mohan Singh	Member	4/5

Stakeholders Relationship Committee

Name of Members	Chairperson/Member	No. of meetings attended/No. of meetings eligible for attending
Ms. Manvi Sinha	Chairperson	4/4
Mr. S. Sandilya	Member	4/4
Mr. Inder Mohan Singh	Member	4/4

Corporate Social Responsibility Committee

Name of Members	Chairperson/Member	No. of meetings attended/No. of meetings eligible for attending
Mr. S. Sandilya	Chairman	5/5
Mr. Siddhartha Lal	Member	4/5
Mr. Inder Mohan Singh	Member	5/5
Ms. Manvi Sinha	Member	5/5

Audit Committee

Name of Members	Chairperson/Member	No. of meetings attended/No. of meetings eligible for attending
Mr. S. Sandilya	Chairman	4/4
Ms. Manvi Sinha	Member	4/4
Mr. Inder Mohan Singh	Member	4/4
Mr. S. Madhavan*	Member	1/1

Mr. Siddhartha Lal, Managing Director ceased to be a member of the Audit Committee w.e.f. September 29, 2023.

*Mr. S. Madhavan, Non-Executive Independent Director was appointed as member of the Audit Committee w.e.f. November 10, 2023.

Risk Management Committee

Name of Members	Chairperson/Member	No. of meetings attended/No. of meetings eligible for attending
Mr. Siddhartha Lal	Chairman	2/2
Mr. S. Sandilya	Member	2/2
Mr. Govindarajan Balakrishnan	Member	2/2
Mr. Tejpreet Chopra*	Member	1/1
Ms. Vidhya Srinivasan (Chief Financial Officer)	Member	2/2

*Mr. Tejpreet Chopra, Non-Executive Independent Director was appointed as a member of the Risk Management Committee w.e.f. November 10, 2023.

MANAGEMENT DISCUSSION AND ANALYSIS



ECONOMIC OVERVIEW

Indian Economy

Amid a volatile global economic landscape, the Indian economy stayed on a steady growth path, retaining its position as the world's fifth-largest economy. As per the Second Advance Estimates of National Income, 2023-24 from Ministry of Statistics & Programme Implementation, India's GDP growth remained strong at 7.6% in FY 2023-24 as against 7.0% in FY 2022-23, supported by robust domestic demand, moderate inflation, a stable interest rate environment, and strong foreign exchange reserves. The growth observed in the Index of Industrial Production

(IIP), Goods & Services Tax (GST) collections, Manufacturing Purchasing Managers' Index (PMI), per capita income, and increasing private capital expenditure collectively indicate strong economic momentum.

The CPI inflation eased down to 4.85% in March 2024, as per RBI's Bulletin for March 2024. The RBI has left the policy repo rate unchanged at 6.50% as of April 5, 2024 and remains vigilant to take effective measures to achieve the target of 4% inflation while supporting economic growth.

In the Management Discussion and Analysis, all the numbers pertaining to Eicher Motors Limited ("EML") refer to consolidated numbers.



Global Economy

Global economic growth remained flat at a sluggish 3.2% in 2023, as per the World Economic Outlook by IMF. While the growth rate (on a year-to-year basis) improved from 2.3% in 2022, the pace of economic expansion is below historical levels, owing to high borrowing costs, withdrawal of fiscal support in many countries, long-term effects of COVID-19 pandemic and geopolitical tensions.

The global headline inflation rate is estimated at 6.8% for 2023 as per IMF, which has moderated from the peak of 9.4% in 2022. Although, in our key International markets such as USA, UK, Europe, Australia & New Zealand, the Inflation rate remained higher than the targeted range by respective central bank targets. This resulted in weaker consumer sentiment(s) on the back of higher rates of interest, persistent inflation and higher cost of living. In the key emerging countries such as Argentina and Brazil, the economic growth stagnated, as per IMF, as the sustained higher inflation resulted in increase in interest rates as well as selective controls on Foreign exchange flows.

INDUSTRY OVERVIEW

Indian Two-Wheeler Industry

According to the Society of Indian Automobile Manufacturers (SIAM), the two-wheeler segment continued its recovery path and recorded a healthy growth of over 13.3% in domestic sales, reaching 17.97 million units in FY 2023-24. The motorcycle industry grew by 13.9% in FY 2023-24 to 11.68 million units. The PST (Defined as Power, Style & Technology; Engine size >125cc) segment motorcycles grew by 21.6% to 2.81 million units and now contributes to 24.1% of the overall motorcycles (22.6% in FY 2022-23).

The >250cc segment grew by 19.2% in FY 2023-24 to 0.94 million units and is now 8.1% of the overall motorcycles (7.7% in FY 2022-23). However, the two-wheeler segment is yet to reach the pre-pandemic levels as the industry navigates through higher costs of ownership and sharp increase in input costs.

Global Motorcycle Industry

The global motorcycle industry underwent a year of uncertain demand environment influenced by macroeconomic and geopolitical factors, including higher inflation leading to sluggish consumer spending, higher interest rates, and re-emergence of supply chain disruptions due to the Red Sea crisis in 2023.

As per motorcycles data, two-wheeler sales across ~90 countries have posted a growth of 2.7% in 2023 to around 62.6 million units. The growth was predominantly driven by key markets in Asia, with India (+9.1% in 2023) leading in sales followed by Indonesia (+20.1% in 2023) as the second-largest market. However, the demand for motorcycles in the USA, UK, Europe and other developed markets remained sluggish.

As per Society of Indian Automobile Manufacturers (SIAM), Two-wheeler exports from India declined during FY 2023-24 with 3.45 million units shipped out of India in FY 2023-24, 5.4% below 3.65 million units shipped in FY 2022-23.

COMPANY OVERVIEW

Eicher Motors Limited (EML) (Bloomberg- EIM: IN) is an Indian, multinational automotive company that has diversified interests in motorcycle and commercial vehicle manufacturing. Listed on the BSE and NSE, EML is the listed parent company of Royal Enfield, the world's oldest motorcycle brand in continuous production since 1901. In addition to motorcycles, EML has a joint venture – VE Commercial Vehicles Limited (VECV) – with Volvo Group, global CV leader based out of Sweden.

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-sized two-wheeler segment. Royal Enfield's 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'.

Royal Enfield's premium line-up includes the Meteor 350, Super Meteor 650 cruiser, Interceptor 650 and Continental GT 650 twins, the Shotgun 650, the all-new Himalayan 450 adventure tourer, the Scram 411 ADV Crossover, the iconic Bullet 350 & Classic 350, and Hunter 350. Riders and a passionate community are fostered with a rich profusion of events at a local, regional and international level. Most notable are Motoverse, an annual gathering of thousands of Royal Enfield enthusiasts in Goa, and Himalayan Odyssey; a yearly pilgrimage over some of the toughest terrain and highest mountain passes.

A division of Eicher Motors Limited, Royal Enfield operates through more than 2,000 stores across all major cities and towns in India and through nearly 1,085 stores in more than 60 countries around the globe. Royal Enfield also has two world-class technical centres, in Bruntingthorpe, UK, and in Chennai, India. The Company's two state-of-the-art production facilities are located at Oragadam and Vallam Vadagal, near Chennai. Across the world, Royal Enfield has five modern CKD assembly facilities in Nepal, Brazil, Thailand, Argentina and Colombia.

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 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 & services, VECV today, is recognised as an industry leader for modernising commercial transportation in India and the developing world.

New Board members at EML

In FY 2023-24, the Board of Directors of the Company, with the objective of bringing in wider scope of experience and expertise and to strengthen the independence of the Board and its committees, has appointed Mr. S Madhavan and Mr. Tejpreet Singh Chopra as Independent Directors of the Company. With said appointments, the total Board strength increased to eight Directors, out of which five are Independent Directors.

FY 2023-24: Best ever year for Royal Enfield

Royal Enfield's resilient 123-year successful legacy has been deeply rooted in its ability to remain fiercely unique based on the deep understanding of motorcycling and its customers. The Company has created its own differentiated approach that has given the brand its character and a distinct positioning in people's minds, guiding the Company to create unique products, services, and experiences that have helped it deliver 'Pure motorcycling' experience.

Royal Enfield (RE) has maintained its impressive growth trajectory and delivered a spectacular performance in FY 2023-24, where the Company delivered 9,12,003 motorcycles in the year, its highest ever overall volumes. In the domestic market, RE sold 8,34,798 motorcycles, highest since 8,01,899 motorcycles in FY 2018-19.

Volume & market share performance - India	FY 2022-23	FY 2023-24
RE volumes (India)	7,34,840	8,34,794
RE's market share in Motorcycles	7.2%	7.2%
RE's market share in PST	31.8%	29.7%
RE's market share in Mid-Size	92.8%	88.5%

The sales in International markets stood at 77,209 units, marking a decline of 13.5%, as the end markets continued

to face macroeconomic headwinds. In FY 2023-24, RE made steadfast progress in further strengthening its position in International markets amidst a challenging economic environment.

The Company also recorded its highest ever Revenue from operations at Rs. 16,536 Crores with a growth of 14% over the previous year, highest ever EBITDA at Rs. 4,327 Crores registering a growth of 26% over the previous year achieving a margin of 26.2% in FY 2023-24; and highest ever Profit after tax (PAT) at Rs. 3,999 Crores, implying a fully diluted Earnings per Share (EPS) of Rs. 145.8 per share.

We continue to grow with strong momentum and strengthen our product portfolio to solidify our pure motorcycling ecosystem.

REBALANCE - Strategic long-term vision

Royal Enfield remains true to its purpose, mission, and values with the strategic direction of REBALANCE - a strategic approach to making the business more resilient in the face of challenges. The Company aims to recalibrate and renew its mission to create an agile, resilient, and timeless business led by Pure Motorcycling, to bring harmony between people, machine, and terrain. The REBALANCE approach is based on the following four key pillars:

- Pillar 1: Products - ICE & EV:** Deliver best-in-class **products** with enhanced desirability in our Internal Combustion Engine (ICE) portfolio while balancing the transition to **Electric Vehicles** (EVs) as a game changer through sustained innovation.
- Pillar 2: Brand Led CX:** Elevate our **brand led customer experience** as opposed to a conventional transactional approach to deliver a pure motorcycling experience.
- Pillar 3: Growth Focus:** Steadfast on our aggressive long-term **Growth focus** approach, while maintaining a balance between profit and profitability.
- Pillar 4: Sustainability:** Build a **Sustainable** business balancing our social and commercial objectives to be mindful of our impact on the environment and society.





PRODUCT - ICE & EV

2023 ROYAL ENFIELD BULLET - NEW HEART | SAME BEAT

Royal Enfield launched the new Bullet 350 in September 2023, heralding a new chapter in its enduring legacy. This iconic motorcycle, synonymous with resilience and deeply ingrained in automotive history, now emerges in a new avatar, completing the transition of all 350cc models from the previous generation Unit Construction Engine (UCE) to the all new super refined J series engine platform. The 2023 Bullet achieves a new level of sophistication to meet modern aspirations while keeping true to its roots of an old-school British Overhead Valve (OHV) single cylinder machine.

A gleaming symbol of limitless resilience in motorcycling history, the Bullet – The longest-running motorcycle model in continuous production in the world – stands as a testament to aesthetics and craftsmanship, encapsulating the vibrant culture it has cultivated over nine decades. Since its launch in September 2023, more than 100k units of the New Bullet 350 have already been sold in the year and the model has received huge praise from motorcycle enthusiasts and automotive publications.

HIMALAYAN 450 - BUILT FOR ALL ROADS | BUILT FOR NO ROADS

Royal Enfield unveiled its most awaited adventure motorcycle – absolutely purpose-built for the Himalayas – The All New Himalayan 450 at EICMA 2023 in Italy to its global audience and launched it at the brand's biggest motorcycling festival in Goa, Motoverse 2023.

The new Himalayan has evolved into a highly capable, yet unimposing motorcycle which effortlessly adapts to various terrains, making it an ideal companion for both seasoned adventurers and riders new to the off-road experience. The response from community, riders, customers and reviewers has been outstanding for the motorcycle and amidst a swarm of new launches in the industry. The Himalayan 450 has swept almost all major awards (12 and counting). It has been awarded "Indian Motorcycle of the Year (IMOTY) 2024" – which marks Royal Enfield's 4th IMOTY in the last 6 years – and multiple other awards and accolades from the Indian and Global Motorcycling Industry.





Embarking on the creation of the new Himalayan, we immersed ourselves in the riding experiences of our community, engaging with globetrotters, explorers, and athletes. Informed by these insights and our own journey in the Himalayas, we retained the crucial elements of its DNA and reimagined the underlying tech in the new and evolved Himalayan which is absolutely purpose-built for the Himalayas.

SHERPA 450 - HEART OF THE MOUNTAIN G.O.A.T

The all-new Himalayan is powered by the **all new Sherpa 452cc engine** platform – Royal Enfield's lightest, highest performance, most technologically advanced and vehicle integrated powertrain yet. The new Sherpa 452 is the first liquid-cooled engine from RE with Dual Overhead Camshafts (DOHC) layout belting out 60% more power and 25% more Torque, while being lighter in weight as compared to previous Gen Himalayan. The new engine platform also features ride-by-wire throttle, for the ideal delivery of power and torque in challenging terrains that makes it a highly capable adventure tourer.



The new Himalayan also features – **Trippler Dash** – a first-of-its-kind 4 inch colour TFT display with the world's first full-map navigation on a circular display built with google maps platform. The Trippler Dash comes with a simple and intuitive UI/UX focussed on infotainment with easy access to navigation through the joystick-based controls.

SHOTGUN 650 - INSPIRED BY CUSTOM, FOR CUSTOM

After decades of inspiring, as well as being inspired by custom culture, Royal Enfield unveiled a stunning, one-of-its-kind, custom-inspired roadster, The Shotgun 650 at Motoverse 2023 in Goa. Built on the proven 650cc twin platform, the Shotgun is a tribute to the culture of customisation as it serves as a canvas for the most creative minds in motorcycling. The Shotgun 650 blends retro-futuristic design with modern features such as the newly-launched Royal Enfield Wingman, a connected motorcycle device that provides the rider with critical information such as the motorcycle's live location, fuel and engine oil levels, service reminders and more. The Shotgun 650 is set to redefine the motorcycling landscape, offering riders not just a mode of transportation but a lifestyle where every rider becomes a storyteller, and every motorcycle, a unique expression of individuality. Carrying through with the concept of customisation and personalisation, a diverse range of 31 Genuine Motorcycle Accessories are available for the Shotgun 650.





Motorcycle Refreshes

Meteor Aurora

Royal Enfield unveiled a range of captivating new colourways for its Meteor 350, named Aurora, inspired by the hues of the sky. The Meteor 350 has expanded its lineup with the introduction of the new Aurora range, alongside the existing Fireball, Stellar, and Supernova variants. With chrome-finished components such as the engine and spoke wheels, complemented by aluminium switch cubes and Tripper navigation as standard, this stylish range promises a fresh and radiant appearance.

Hunter Dapper

Royal Enfield launched two new colourways of the Hunter 350. Introducing two lively and vibrant colourways in the Dapper series – Dapper O and Dapper G, injecting a new sense of vigour and excitement while maintaining the ideal balance of style, performance, and versatility, Royal Enfield has solidified its position as a favoured motorcycle in the mid-size segment globally. The Hunter 350, recognised for its compact riding geometry and user-friendly handling, has strongly connected with the young and dynamic riders' community, who have embraced it as a symbol of their passion for motorcycling.

RESEARCH AND DEVELOPMENT

The Company has more than 500 research and development engineers seamlessly working between two technology centres in India & UK along with Dynamics facility in Spain to bring together global knowledge & experience to co-create world-class motorcycles. There is a Technology Roadmap in place for development to enable us to be future-ready. During the year, the Company filed 11 patents in multiple advanced engineering projects and continues to set new standards in product quality.

1. New platform(s) and technology

During FY 2023-24, RE completed the transition to the J platform with the new Bullet 350 and upgraded all the models

to E20 (Ethanol Blend) compliance. The new Himalayan brought many advanced new technologies into the Sherpa 452 platform, in addition to new powertrain and digital Tripper Dash such as – LED Trafficators (Integrated Brake and tail lamps with turn signals), Forged Piston, OTA (Over the Air) updates for RE app & Cluster, Long Travel Upside fork, Tool-less Seat Height adjustment mechanism, Side-laced Tubeless Wire spoked wheels and many more.

2. Alternate fuels – ICE

Moreover, expanding the alternate fuel powertrains, RE developed a flex fuel motorcycle – Classic Flex 350 – which is capable of operating between E20 – E85 Ethanol Blend Petrol. The model is showcased at the Bharat Mobility Show in February 2024 and is under testing with Automotive Research Association of India (ARAI).

3. Connected technology

The Company introduced two pioneering connected motorcycle systems, providing seamlessly blending with the man, machine and terrain, with advanced telematics capabilities.

Tripper Dash – An adventure ally

The new Tripper Dash from Royal Enfield is the world's first full map navigation on a circular display built with Google Maps and audio guidance in more than 130 languages. It features a joystick controller that allows the rider to control the cluster and also enables music, calls, messages and mobile connectivity. Riders can choose between Performance and Eco ride modes, altering the throttle response through the new ride-by-wire setup. The classic round shape has a number of innovative features for the rider, with options to switch from a traditional analogue style to a fully digital layout.

Wingman – Never ride alone

Royal Enfield launched the 'WINGMAN' – an all-new feature designed to ride alongside and make the connection between rider and motorcycle stronger than ever. Wingman was



launched with two models, the Super Meteor 650 and the Shotgun 650 and delivers real-time data to the phone, even if the rider is miles away from the motorcycle. It includes features such as critical vehicle health alerts, real-time tracking, riding insights etc. backed by dedicated Royal Enfield's GRID support. The Royal Enfield Wingman takes care of both rider and the motorcycle at all times.

4. Circular economy principles

The Company conducted the RRR (Recyclability, Recoverability and Reusability) study for all the models on J (350cc) platform

and P (650cc) Platform conforming to the norms as per Automotive Industry Standard (AIS) 129 for End-of-Life (ELV) of vehicles. The audit of the evaluation has been successfully completed by ARAI (Automotive Research Association of India).

Further, a Product Life Cycle Assessment (LCA) has also been conducted in the year for the Classic 350. The comprehensive study covered the complete end-to-end life cycle consisting of Cradle to Grave analysis to measure the environmental impacts of the product in line with ISO standards 14040 / 14044.

	J Platform	P Platform
RRR (Recyclability, Recoverability and Reusability) study	 Hunter 350	 Interceptor 650
Reusable and/or recyclable by mass	97%	97%
Reusable and/or recoverable by mass	99%	98%

5. EV: Himalayan Electric Testbed

Royal Enfield remains committed to creating an innovative and sustainable motorcycle experience as part of its REBALANCE approach. Royal Enfield's vision for Electric Motorcycles is focussed on the consumer requirements and aimed at creating a differentiated, high performance, and fun to ride motorcycle with the Royal Enfield design DNA.

In the financial year, the Company has made significant progress in its electric vehicle (EV) product development journey through extensive testing of mules and prototypes and in-house development of parts. A strong team of ~150 members has been put in place for product development,

and the Company is progressing well on its path for the development of EV Motorcycle. The Company is in the process of filing ~20 patents for in-house developed parts.

Royal Enfield unveiled its first ever electric vehicle design concept at the EICMA Motor Show 2023, in Milan, Italy. Inspired by its pursuit of pure motorcycling, and by the design of the original Himalayan, the Electric Himalayan Testbed was an imaginative rendition of what an electric adventure tourer could look like. This motorcycle is a part of a much bigger sustainable ecosystem of exploration and adventure that we have envisioned for long-term sustainable travel in the Himalayas.





BRAND

Motoverse 2023: Bigger, Bolder & Global

Motoverse is India's largest community-driven motorcycle festival for enthusiasts and it celebrates the shared passions of its vibrant motorcyclists community. This exhilarating event serves as a launch platform for Royal Enfield's new motorcycles amidst a vibrant blend of music, adventure and camaraderie. From new motorcycle launches, thrilling dirt track races to captivating music performances and a diverse array of merchandise shops, 'Motoverse 2023' offered an immersive experience for the participants. The major attractions of the event included the unveiling of Shotgun 650, the price reveal of the all-new Himalayan 450, a curated ride through the Western Ghats to test the all-new Himalayan at sea level, and a media dirt track race for the media and creators on the all-new Himalayan on the dirt track.

The highly anticipated annual event attracted motorcycle enthusiasts from across the globe, with 57% of participants riding their motorcycles to 'Motoverse', underscoring

the event's emphasis on the thrill and camaraderie of motorcycling culture. Impressively, 76% of the attendees were new participants, highlighting the event's growing popularity and appeal. With an extensive reach of over 51 million through internal content and an additional 18 million through media, creators, and PR efforts, the event garnered widespread attention both within and outside the community.

EICMA 2023

Royal Enfield unveiled and commenced bookings for the all-new Himalayan 450 at the EICMA Motor Show 2023 in Milan, Italy. In addition, the unveiling of its first-ever electric vehicle design concept, Him-E, an electric Himalayan Testbed marked a significant milestone in Royal Enfield's 123-year journey of evolution and sustainability. Inspired by Royal Enfield's pursuit of pure motorcycling and by the design ethos of the original Himalayan, the Electric Himalayan Testbed showcased Royal Enfield's innovative vision for an electric adventure tourer, offering a glimpse into the future of sustainable exploration of the Himalayas.

Marquee rides and events

One Ride 2023



28K+
Riders

58
Countries

420
Cities

Himalayan Odyssey



3,000+
KMs

70+
Riders

18
Days



1. One Ride 2023

Royal Enfield held its flagship global event, the 12th edition of One Ride 2023. This iconic global ride united over 28,000+ passionate riders and enthusiasts from 420+ cities across 58 countries. The event celebrated the essence of pure motorcycling, nurturing a sense of camaraderie. One Ride 2023 stood out as India's largest cause-driven ride with its consistent commitment to its social mission of promoting 'Responsible Travel' practices through the theme '**One Mission | One World | One Ride**'.

2. Himalayan Odyssey

The 19th edition of Royal Enfield Himalayan Odyssey was flagged off from Delhi, where 75 riders embarked on an 18-day adventure ride, covering approximately 3,050 km to reach Umling La, the highest motorable pass in the world, via some of the most breath-taking terrains in northern India.

3. Himalayan Adventure Zaskar

The Himalayan Adventure Zaskar is an intricately-curated ride through the Zaskar Valley, situated amidst the sublime peaks of the Himalayas in the Ladakh region of India. This valley is adorned with ancient monasteries, picturesque villages, and breathtaking landscapes that enchant travellers and adventurers. This ride presents an opportunity to explore the uncharted realms of the Himalayas, enhancing the adventure experience with the Royal Enfield Himalayan as a trusted companion.

4. Himalayan Adventure Changthang

Crafted to awaken the explorer within the rider, The Himalayan Adventure Changthang is another marquee ride of Royal Enfield on the Himalayan, amidst the untamed terrain of Changthang. Offering a genuine exploration experience, it

features navigation exercises and checkpoints, along with sand surfing and carving routes across desolate landscapes. Positioned as the epitome of the ultimate adventure, the ride embodies the essence of true adventure and discovery.

5. Uncover North East

The Uncover North East ride, tailored specifically for the Meteor 350, combines culture, music, and the thrill of riding. This ride was designed to complement the Meteor 350's highway cruising capabilities and its adeptness at navigating challenging terrains. It offers an unforgettable experience for Royal Enfield Meteor owners who are passionate about music and eager to explore the North East.

6. Cosmic Caravan

Royal Enfield initiated the Cosmic Caravan ride, offering a unique opportunity for motorcycle and photography enthusiasts to immerse themselves in the cultural richness of the Rann of Kutch while capturing captivating images of the night sky. This ride provides a rare experience for Royal Enfield riders passionate about photography to grasp the intricacies of astrophotography amidst the unique landscape of the Rann of Kutch, allowing them to capture its breathtaking night sky.

7. Royal Enfield Continental GT Cup Season 3

Hosted at the Kari Motor Speedway in Coimbatore, the event epitomised Royal Enfield's philosophy of 'Pure Sport' and its commitment to nurturing a vibrant racing community in India. This uniquely inclusive motorcycle racing championship comprised eight races over three rounds. With 200 entries, the final grid showcased the top 25 riders, including 10 professionals and 15 amateurs, fiercely competing on the circuit aboard the race-ready Royal Enfield Continental GT-R650.



25 RACERS
3 ROUNDS
8 RACES

ENGAGEMENT
578K

VIEWS
252K

POSTS
117

REACH
694K

REGISTRATIONS
200



Global marquee rides and events



2023 was a banner year in terms of industry events and marquee rides. Royal Enfield conducted its "Build. Train. Race." program in the Americas region, where new and experienced motorcycle racers are welcomed to the racing community with the opportunity to travel the country and compete in a national championship series.

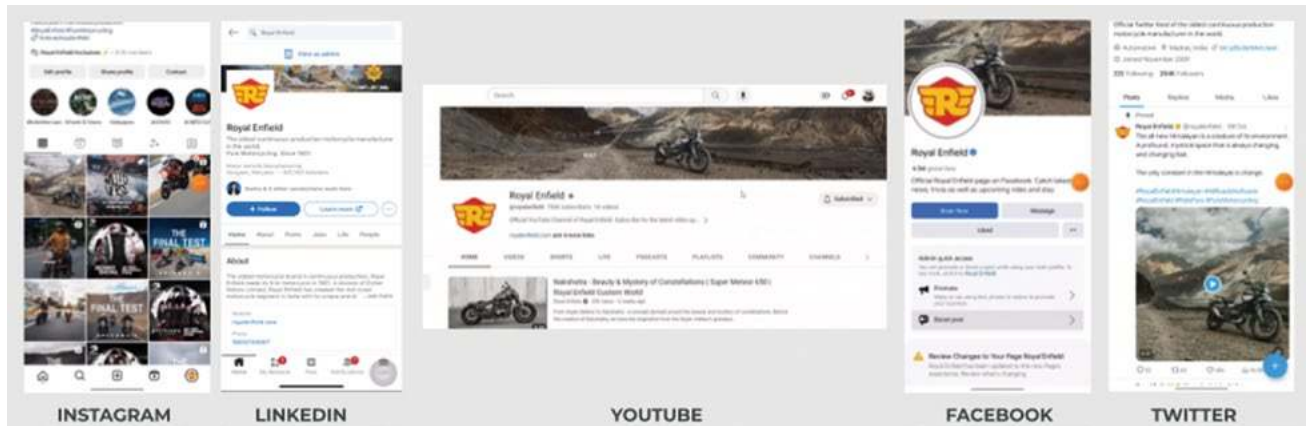
Riders Club of Europe

The Riders Club of Europe now stands at over 26,000 members across the wider European region. Regular ride outs, community engagement activities, and store room launches through the Rider Club resulted in the largest One Ride in the region. A strong brand community presence was celebrated at some of the most prestigious motorcycle lifestyle events in Europe such as Wheels & Waves, The Malle Mile and Glemseck.

Project Origin US

Royal Enfield unveiled 'Project Origin', a faithful working replica of the brand's very first 'motor-bicycle' at its 120th anniversary in 2021. This very machine built the foundations of Royal Enfield's enduring legacy of 'Pure Motorcycling'. The brand's famous tagline, 'Since 1901' pays testament to just how important the concept of heritage and embracing the richness of the past is to Royal Enfield, and 'Project Origin' embodies that sentiment wholeheartedly. During the year, the Project Origin motor-bicycle was featured at the brand's own experience centre in Milwaukee. Royal Enfield historian Gordon May also rode the 2.5 mile track at the Mid-Ohio sports car course, marking Project Origin's inaugural ride on North American soil. 'Project Origin' represents yet another seminal chapter in Royal Enfield's illustrious story; marked by decades of creativity, development, ingenuity and resilience.





Digital Engagement

Your Company witnessed an impressive growth in online engagement with more than 122 million hits on our website. The Company has more than 11.3 million users across our social media platforms in FY 2023-24, marking significant growth from 10.6 million in FY 2022-23. The social media platforms are the primary source of marketing and community engagement for the brand. Additionally, the brand has a 50.2% share of voice in the global market, with a net sentiment of 92.3%.

GROWTH FOCUS

India Business

Royal Enfield - India Performance

FY 2023-24 marks a 13.6% growth in motorcycles for Royal Enfield in India and the Company has outperformed the Indian two-wheeler market. Royal Enfield holds a dominant position in the middleweight segment (250-750cc) with 88.5% market share in the segment, as well as a stronghold in the PST (Power Style Technology; Engine size >125cc) motorcycles with 29.7% market share in FY 2023-24. During the festive period in October-November 2023, Royal Enfield witnessed its highest ever retail sales registering a strong growth across the country. FY 2023-24 also marks a significant milestone in terms of sales of the stylish and compact roadster - the Hunter 350 which has crossed 300K in sales since its launch in August 2022.

	FY19	FY20	FY21	FY22	FY23	FY24
Royal Enfield Domestic Sales ('000)	803	659	574	521	734	835
Domestic Motorcycle Market (Million)	13.6	11.2	10.0	9.0	10.2	11.6
RE's market share in overall motorcycles	5.9%	5.9%	5.7%	5.8%	7.2%	7.2%
Motorcycles >125cc ('000)	3,213	2,409	2,207	1,813	2,308	2,807
RE's market share in PST	25.0%	27.4%	26.0%	28.7%	31.8%	29.7%



Network, Financing and Business Activities

i. Retail Network

Royal Enfield has built the largest premium distribution network across the country with over 2,000 stores consisting of 1,102 large dealerships and 901 smaller format studio stores. The Company has continued to expand its network through the year identifying the pockets of potential growth and to expand its reach to the customers.

Royal Enfield currently stood at #2 rank in the FADA (Federation of Automobile Dealers Associations) Dealer Satisfaction Survey conducted in 2023 within the two-wheeler Industry in India.

ii. Financing

The aspiration to own a Royal Enfield remains strong among motorcycle consumers across the country, further enhanced by an expanding product portfolio and multiple options for personalisation. The Company has worked on: 1) low down payment requirements (as low as 15%), 2) lower EMI payments by extending loan tenures (over 4 years), and 3) low-interest schemes. As a result, finance penetration among consumers steadily improved to 61% by March 2024 as against 55% as of March 2023. The Company has a digital finance market place on the RE App where the leading financiers of the country are onboarded to enable customers to evaluate and select the best financing option for them. The feature further enhances Royal Enfield's digital reach to its consumers and is a major step in our efforts to provide seamless brand-led customer experience.

iii. Enhancing customer experience through Innovations

To aid the ever-growing love and aspiration to own a Royal Enfield motorcycle, the Company launched REOWN - a one-stop-solution for customers looking to own 'pre-owned' Royal Enfield Motorcycles. REOWN has been designed to help overcome ownership barriers and provide customers with easier access to ownership and upgrading while ensuring trust, convenience and complete assurance by the brand for customers. REOWN guarantees fair pricing and hassle-free documentation support for those looking to sell or buy a pre-owned Royal Enfield Motorcycle. Additionally, pre-owned motorcycles are offered with a brand warranty and two free services.

Royal Enfield also launched a first-of-its-kind product in the motorcycle industry, The Assured buyback scheme, to cater to the shifting consumer needs from ownership to usership. This initiative establishes a new industry standard, reshaping the traditional motorcycle buying process and thereby has a potential to further grow and develop the mid-size motorcycle segment in India. At the end of the Assured buyback tenure, customers can opt for either trading their motorcycle for a brand new Royal Enfield, retain, or return their motorcycle. Under this programme, the customers get lower monthly EMIs along with a guaranteed buy back value for their motorcycle, flexible tenure options ranging from 1-3 years and cash back incentives at the end of the buyback tenure. The Assured Buyback Programme, shows our commitment to making motorcycle ownership more seamless, more accessible and more fun for potential riders.

ROYAL ENFIELD
reown

INTRODUCING ASSURED BUYBACK



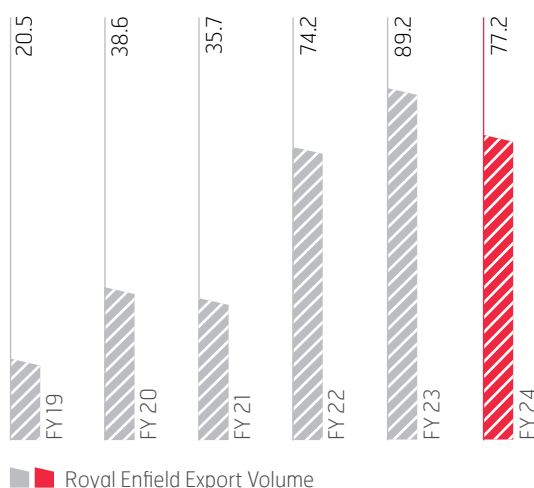
EASY OWNERSHIP. FLEXIBLE BENEFITS.

International Business

In 2023-24, your Company has made remarkable progress in its long-term ambition of becoming a premium global consumer brand from India offering access to an unhindered, authentic Pure Motorcycling experience. In the context of weak macro economic factors impacting consumer sentiment, we have managed to hold on to our market share across regions we are present and have made significant strides toward unlocking newer opportunities in international markets led by the expansion of our international footprint. Royal Enfield is currently present in over 60 countries and operates via five subsidiaries across multiple continents. Its global retail network (outside of India) spans over 1,085 touchpoints with over 235 exclusive stores and over 850 multi-brand outlets (MBOs). Moreover, your Company strengthened its global presence by adding a new CKD assembly unit in Nepal, in addition to existing facilities in Brazil, Argentina, Columbia, and Thailand.

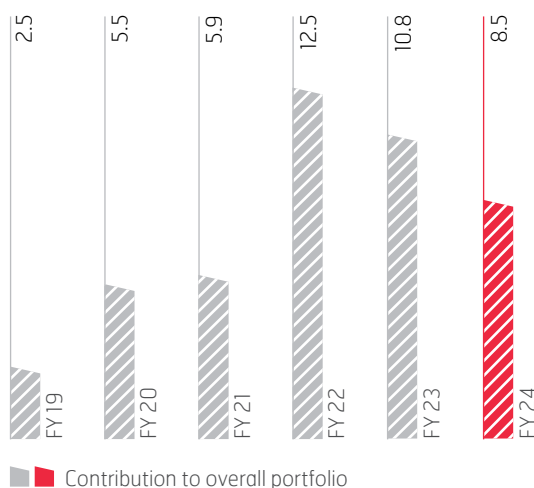
Royal Enfield Export Volume

(Motorcycle Volumes '000)



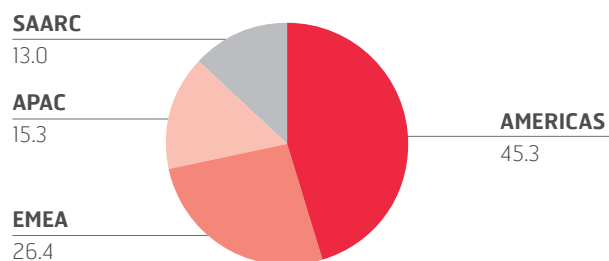
Contribution to Overall Portfolio

(%)



International Volume Split

(%)



Royal Enfield has been actively expanding its global footprint, launching the 650 Twins (Continental GT 650 and Interceptor 650), along with the Shotgun 650, in the North American market. Additionally, the Bullet 350 was introduced in Japan, contributing to the brand's international presence.

Americas

The Americas – including North and South America – is the largest market for Royal Enfield outside of India by sales volume, clocking a 4x growth in the last five years. Major markets for Royal Enfield include: United States of America, Brazil, Argentina, Columbia and Mexico and the Company operates through 2 subsidiaries in the region: Royal Enfield North America and Royal Enfield Brazil for South American operations.

Your Company added stores in 17 new locations and now has a network of 324 retail stores in the Americas region. In the context of a market degrowth due to weak consumer sentiment in the USA, Royal Enfield managed to hold on to its market share and is currently ~8% of the middleweight market in FY 2023-24. The retail growth in the region was a solid 12% over the previous year, driven mainly by growth in Brazil and other Latin American countries which are large two-wheeler markets.



Europe, Middle-East, and Africa (EMEA) Market

The key markets for Royal Enfield in the region include: United Kingdom, Italy, France, Spain, Germany. The Company has a subsidiary in the UK (Royal Enfield UK) and in the year it commenced operations of the distribution network to drive sales and after sales activities in the UK through the subsidiary. Royal Enfield's market share in the mid-size motorcycle segment was at 9% in FY 2023-24 and is currently the #1 player in this segment in UK and #4 in the rest of Europe. The Company has added stores in 42 new locations in the region and now has a total of 590 retail outlets in the region.

In Q4 FY 2023-24, Royal Enfield incorporated Royal Enfield Europe B.V (a wholly-owned subsidiary) in the Netherlands with the purpose of getting closer to our channel partners and



consumers in Europe and to enhance the non-motorcycle supply chain for all of Europe.

The Company also partnered with Kibar Holding to enter the Turkey Market. The partnership signifies a convergence of legacies and a commitment to delivering authentic Royal Enfield experiences to Turkish motorcycling enthusiasts, with the inaugural flagship store opening its doors in Istanbul, becoming the epicentre for the vibrant Turkish Royal Enfield community.

In the Middle-East region, the Company has appointed AW Rostamani Group as its official distributor partner for the UAE region. This collaboration represents a significant step in our growth strategy.

The Extra Mile Retail Development Programme has been launched across the region, a programme that focusses on the Customer Journey Experience. The Extra Mile initiative has been designed to raise retail standards by providing a consistent sales process, knowledge and training for all dealer sales & aftersales staff.

Asia Pacific (APAC)

Royal Enfield currently operates a subsidiary in Thailand in the Asia Pacific (APAC) Region. The key markets in the region are Thailand, Japan, Korea, Australia and New Zealand. The Company has added stores in 15 new locations in the region and now has an expansive network of 172 retail outlets in the APAC region. In the context of a market degrowth due to weak consumer sentiment in ANZ, Japan and Korea, Royal Enfield managed to hold on to its market share and is currently ~9% of the middleweight market in FY 2023-24 while gaining market position to #2 in Korea and #3 in Australia. In the APAC countries, the Company witnessed good growth in retails in Indonesia and Thailand, large two-wheeler markets and the brand is currently #2 in Thailand in the middleweight segment.

The Company unveiled the **'Project Origin'** – an incredible faithful working replica of Royal Enfield's very first 'motor-bicycle' from 1901 across Australia, Japan & Thailand – to experience the brand's rich 123-year-old history & legacy. In Japan, we collaborated with the Taichi brand in creating a curated range of Apparel with 2 legendary brands coming together to address the lifestyle requirements of our customers & lifestyle-conscious consumers alike.

In **Thailand**, we have partnered with the Tourism Authority of Thailand (TAT) for travel & exploration projects, with Sports Authority of Thailand (SAT), covering all major provinces in Thailand. As per our ongoing relationship with Tourism Authority of Thailand (TAT), we currently are the only motorcycling brand who is actively contributing to their Travel & Tourism stories in their coveted monthly magazine. Tourism Authority of Thailand (TAT) has been part of our marquee events such as REUNION Thailand 2022, 2023, Tour of Thailand 2024.

The Company facilitated almost 600 rides during the financial year across all markets of APAC through our subsidiary



and our dealer partners. One Ride 2023 had the highest number of rides this year across APAC with over 4,600 riders across markets celebrating the brand. The Moto Himalaya 2023, saw participation from Japan, Korea and Indonesia where the riders thoroughly enjoyed the one-of-its-kind experience in the Himalayas. APAC comprises some of the most exciting tourist & motorcycling destinations across the world. We have passionate Rental Operators to manage Royal Enfield's fleet of motorcycles in Thailand (Phuket & Chiang Mai), Indonesia (Bali), Vietnam (Da Nang), Australia (Queensland), who believe that our motorcycles are poised to deliver authentic & memorable riding experiences across these picturesque locations.

The Company has won multiple awards for its products in the region:

- The Grand Prix group Thailand awarded our **Super Meteor 650** the **"Best Cruiser Middleweight"**, our **Hunter 350** **"The Most Popular Modern Classic"** & **"The Original Unique Design"** to our **Classic 350** motorcycle at the Thailand Bike Of The Year 2024 Awards.



- Indonesia International Motor Show awarded **Super Meteor 650 as the “Best Cruiser for the Year 2024”**.
- New Zealand: Autocar awarded **Super Meteor 650 as the “Bike of the Year 2023”**.

In FY 2023-24, the Company started CKD operations in Birgunj, **Nepal** in June 2023. Through the year, the Company has launched Classic 350, Hunter 350, Meteor 350 and Scram 411 models in Nepal and is currently the market leader in the >125cc segment with 38% market share in the region. The Company delivered 10,025 units in Nepal in FY 2023-24, marking its highest ever volumes in the region. The Company currently has a network of 10 large size and 15 studio stores in Nepal and has conducted more than 280 rides through its dealer partners that has enabled engagement with more than 9,000 unique customers.

NON-MOTORCYCLE BUSINESS

Royal Enfield offers a pure motorcycling experience including rides, hassle-free ownership, personalisation, and convenient and comprehensive maintenance and care for motorcycles.

Royal Enfield has established itself as a lifestyle brand in the last decade and its non-motorcycle business has a sizeable following of its own. It provides consumers a platform for self-expression and an open canvas for easy customisation and personalisation of motorcycles with a broad range of accessories, apparel, etc. to display their personality. It also provides consumers with complete peace of mind by offering holistic maintenance options. The non-motorcycles revenue stood at Rs. 2,439 Crores for FY 2023-24 and the business accounted for ~15% of overall revenue.

After Sales Service and Spare Parts

The Company continued to deliver best-in-class service experience in FY 2023-24 and as a result has registered its highest ever job cards in a year and improved dealer profitability for all its dealer partners. With best-in-class options available to customers under the Ride Sure programme, we continue to increase our service market share. The Company has also made significant improvements in the

training for customer facing service teams, digitalisation of marketing, product range and frequency of updates to offer to customers and quality improvement in after sales services. The Company has taken positive strides in enhancing its after sales service to protect the ecosystem of riders associated with the brand. In FY 2023-24, the Company ranked #1 in After Sales in a survey conducted by the Federation of Automobile Dealers Associations (FADA), which is a testament to our efforts of providing a pure motorcycling experience.

The Company has introduced the service cost calculator, to improve the transparency of RE service cost and is available to our customer through our website and RE app. Various soft products from Royal Enfield are now available to purchase online through our website and mobile application. The Company has improved its RSA response time and our digital team has also enabled live updates of RSA, which has been piloted in 4 major cities where the live location of technicians / towing vans will be available to our customer when deployed.

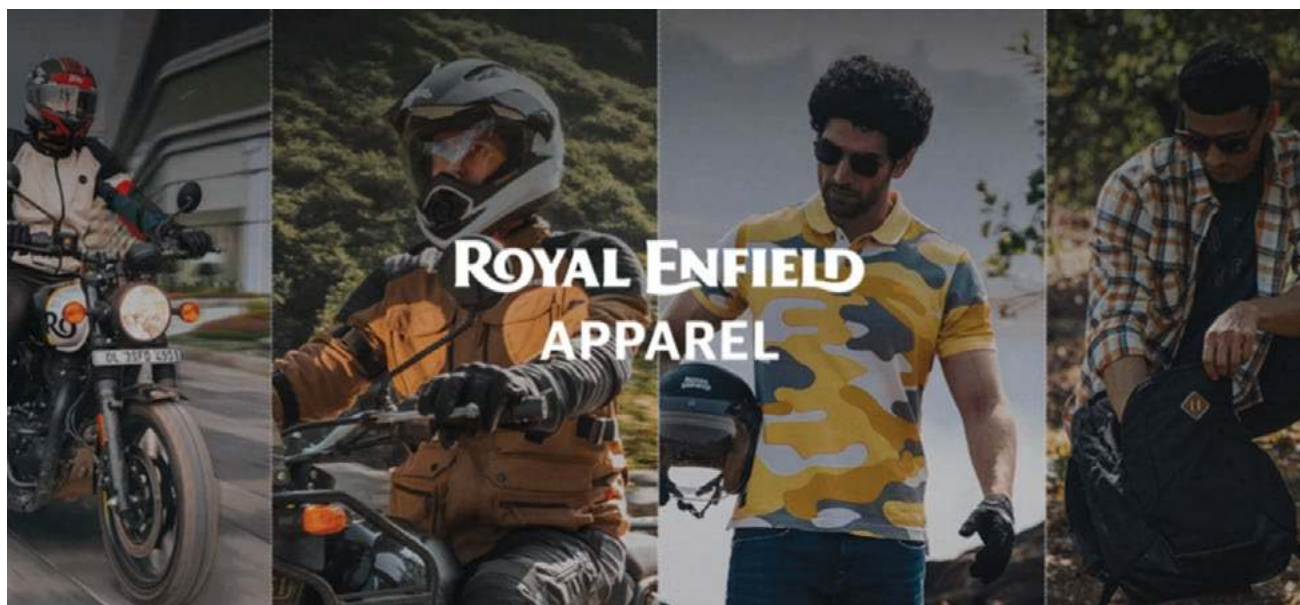
Spares

The Company delivered 99.8% availability rate for the current parts in FY 2023-24 and 100% of the orders were despatched within 24 hours. The Company expanded its warehouse operations to Chandigarh and Kolkata in FY 2023-24 in addition to Chennai and Mumbai. Spares availability in the international markets were improved in the year such that the availability in the warehouse in Thailand improved from 74% to 100% in March 2024.

Genuine Motorcycle Accessories

The genuine motorcycle accessories (GMA) business grew by an impressive 26% over the previous year and achieved its highest ever sales in FY 2023-24. During the year, the New Himalayan and Shotgun were launched with 27 and 19 SKUs respectively. Overall, the active GMA product range as of March 2024 comprises 276 SKUs, providing customers with a diverse array of personalisation options. The Company has established Regional Supply Hubs that can efficiently handle high-volume, fast-moving products, aiming for a supply ratio of 99% or higher with reduced turnaround times (TAT).





Increasing International presence – GMA scaled new highs in sales during the year from International markets by supplying products to 47 countries globally. Additionally, the GMA Configurator, a platform allowing customers to personalise their Royal Enfield Motorcycle with GMA enhancements, was successfully launched in three countries: Australia, the United Kingdom, and the United States of America.

Apparel

In FY 2023-24, Royal Enfield launched a flagship riding jacket – Streetwind Eco – which reflects our philosophy of Leave every place better and is made using 75 plastic pet bottles and 100% recycled materials. This riding gear is also equipped with Ergo Pro Tech CE level 2 armour, meticulously crafted with a focus on precision and ergonomics for superior impact protection. During the year, we surpassed the milestone of 50k riding jackets in India.

Royal Enfield took the initiative to collaborate with and provide a platform to the artisan community in our spiritual home – The Himalayas. The Himalayan Knot range explored



contemporary fashion, working with heritage textiles and local communities. Driven by its ethos of creating unique and differentiated products, Royal Enfield's apparel business launched products that aim to penetrate newer segments, expand the existing portfolio, and produce sustainable products.

In FY 2023-24, Royal Enfield also launched the Kids Helmet range with two models. These models assure safety and protection, along with an appealing design. With the Kids range of helmets, Royal Enfield promotes the idea of the joy of motorcycling for young explorers. Royal Enfield's apparel business continued its growth trajectory with a solid 27% growth in FY 2023-24 over the last year, primarily driven by a healthy mix of revenue from dealerships and third-party e-commerce channels.

Manufacturing Excellence

The Company has established world-class product development capabilities spanning across its three major manufacturing facilities at - Vallam Vadagal, Oragadam and Tiruvottiyur, with a combined production capacity of 1.2 million units a year.

Our plants continue to create new benchmarks in Quality, Efficiency and Automation to achieve manufacturing excellence. During the year, our Oragadam plant has been awarded "Future Ready Factory Of The Year 2023" by Frost Sullivan's IMEA (India Manufacturing Excellence Awards). In addition, Royal Enfield also Awarded Excellence in Operations & Smart Factory of the Year by Manufacturing Today Awards 2023.

On the quality front, the Company has raised the bar with every new launch and has been successful in reducing Fault Frequency per 100 units after 3 months (FF3) to 1.2 in FY 2023-24.

THIRUVOTTIYUR


No Assembly operations;
Plating & Auto Buffing

ORAGADAM


6,00,000
motorcycles per annum capacity

VALLAM


6,00,000
motorcycles per annum capacity

Supply Chain Management

The Company has delivered 9.12 Lakh motorcycles in FY 2023-24, with strong support from its supply chain partners. It maintains real-time collaborative connections and interactions with supply partners for effective management of daily production. The Company also performed a risk assessment of its suppliers on various aspects such as safety, operations, quality, technology, geopolitical factors and financial performance. 100% of the direct material suppliers were assessed and mapped to a risk matrix. Based on the matrix, potential high risks were identified and a risk mitigation plan was developed to ensure more reliability in the supply chain.

During the year, the Company has achieved a significant increase in overall supplier satisfaction. A survey is conducted annually to align the vision and strategic objectives of the Company and its supplier partners.

SUSTAINABILITY

Sustainability is the fourth key pillar of our strategic vision, REBALANCE. The Company has taken major strides during FY 2023-24 to achieve its Environmental, Social, and Governance (ESG) vision. Across the business segments, Royal Enfield continues to adopt conscious business processes and strives to minimise its environmental footprint, incorporate eco-friendly practices, and undertake multiple social initiatives. In addition, our comprehensive approach to sustainability is not only limited to our products but extends to vendors, manufacturing, and collaborations, ensuring that the entire supply chain is environmentally friendly.

1. Green Business Operations

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 35% of energy mix in the operations. The Company is committed to enhancing the share of renewable and cleaner alternative fuels in the overall energy mix.

Emission management - During the year, the Company further reduced its emission footprint by 20% (gCO₂ per motorcycle). It continues to explore new ways of achieving resource efficiency and environmental protection. The Company has also initiated the measurement of Scope 3 emission and product life cycle assessments to better estimate the overall emission footprint and draw a path to Net Zero.

Water management - During FY 2023-24, the Company achieved Zero Liquid Discharge in our operations with a water positive index of 3.23 in the Oragadam plant and 2.02 in the Vallam plant. It has implemented rainwater harvesting systems and sewage treatment plants, the water from which is used for various applications. The Company ensures providing water access to the surrounding community and natural ecosystem.

Waste management - The Company ensures a circular economy through the principles of 'Reduce, Reuse and Recycle' in all operational activities. All our facilities are zero liquid discharge factories where wastewater is treated in the state-of-the-art STP and ETP plants and reused for irrigation and process top-ups. Further, the Company has significantly reduced plastic consumption in packaging. During the year, the Company has achieved zero waste to landfill status and has also commenced the usage of Compressed BIOGAS in operations at the Vallam Plant.

Supply and Packaging - The Company has also deployed carton packaging conversion of its orders with Forest Stewardship Council (FSC) certified carton suppliers with a view to drive a more sustainable value chain. By March 2024, 65% of the Genuine Motorcycle Accessory packaging had already been transformed, and efforts continue to achieve 100% sustainable packaging.

2. Product Lifecycle Emissions Assessment

The Company conducted the RRR (Recyclability, Recoverability and Reusability) study for all the models on J (350cc) platform and P (650cc) platform, as highlighted in the R&D section.



Further, a Product Life Cycle Assessment (LCA) has been conducted during the year for Classic 350. The details are highlighted in the Circular economy principles under R&D section.

3. Brand-led Social Mission

Royal Enfield's social mission is to build resilience in communities and nature in the iconic Himalayan Region. By 2030, the Company aims to partner 100 Himalayan communities so that they are adapting and thriving even in the face of climate change. The social mission also aims to catalyse a global movement of 1 million riders to explore sustainably and become active stakeholders in the mission.

- The Great Himalayan Exploration – a partnership project with UNESCO to safeguard the living heritage of the Himalayas through rider-researchers. Several such cause-led rides are organised throughout the calendar year, documenting and preserving the Intangible Cultural Heritage (ICH) practices across the Himalayas.
- Game Changer – A strategic blueprint was unveiled for the development of Ice Hockey in Ladakh, aiming to field an Indian Ice Hockey team at the 2042 Winter Olympics.
- Helmets for India – Royal Enfield's road safety initiative, that is a not-for-profit artist collective focussing on changing mindsets towards helmet safety and encouraging riders to ride with their helmets on each time they get astride their motorcycles.



4. Corporate Sustainability

Eicher Motors Limited (EML) currently ranks among the top 15 percentile within global auto companies in the Corporate Sustainability Assessments.

- Among Top 3 Automotive leaders in India in the S&P CSA 2023 Assessment (DJSI).
- Ranked within top 10 Auto companies globally in the MSCI sustainability ratings.
- Ranked #8 (out of 89 in the Global Auto Industry) in the Sustainalytics Assessment.

During the financial year, the Company has received the platinum rating from CII's Indian Green Building Council (IGBC) for our global headquarters at Chennai; this is a testament to our consistent efforts in driving innovation for sustained exploration. The Company has also planted 10,862 trees in the year.

HUMAN RESOURCES

Over the last year, the Company has focussed on 3 key areas to develop our Human Resources: capacity building, employee engagement and diversity, equity, and inclusion (DEI).

Capacity Building

During FY 2023-24, the Company provided more than 1,00,000 training hours to its entire workforce with a commitment to empowering our employees in their development by strengthening their functional, managerial and leadership capabilities to make them future-fit.

- Business Management programme to develop the business acumen of our Area Sales Managers (ASMs) by significantly expanding their knowledge of the business in terms of finance, customer experience, and digital marketing.
- The Emerging Leadership Program (ELP) with an aim to enhance leadership, teamwork, and cross-functional expertise, preparing managers to strategise and achieve organisational goals in challenging environments while keeping them up-to-date on new management concepts.
- Strategic Brand Management programme facilitated by MICA, to empower participants with indispensable skills and knowledge to thrive in the dynamic realm of brand management and delving deep into strategic concepts, market dynamics, and simulation exercises.
- Enterprise Risk Management (ERM) training programme that educated employees about organisational risks, their impact, and its management. The programme promoted risk-awareness, informed decision-making, and proactive risk management for resilience and sustainability.

Employee Engagement

The Company has continued to enhance the empowered, synergetic, harmonious and transparent work environment that values meritocracy and innovation to drive the employees' passion for the brand. REConnect is an Annual Employee Engagement Survey that enables our employees to express their opinions, expectations, and suggestions openly. The Company has achieved a score of 93% for Employee Engagement, indicating that EML continues to be an Employer of Choice. The results of REConnect survey highlight valuable insights, which help the Company in action plan implementation and accelerate the speed of various projects.

RE Open Road - Core Committee

The RE Open Road - Diversity, Equity & Inclusion (DEI) core committee was formed with employees across domains, geographies and roles. The core committee believes in the collective sum of our individual differences, life experiences, diverse backgrounds, unique capabilities, and talents which make the fabric of our work culture, our brand, and achievements that span more than 120 years. A DEI roadmap has been created by the core committee to explore the endless opportunities through RE Open Road.

ENTERPRISE RISK MANAGEMENT

The Company has a structured risk management framework for the timely and effective identification, assessment, monitoring, and mitigation of potential risks that may impact its businesses. The Risk Management Committee of the Board and the senior management personnel prioritise the key risks based on severity and probability, prepare a mitigation framework and formulate robust mitigation strategies. The key risks and their mitigation plan are depicted below:



1. Royal Enfield brand becoming outdated, because of reliance on ICE, outdated features etc. / sensitive to any change in the consumer sentiment and market segmentation

Capital: Intellectual, Social and Relationship

Material issue: Customer-centricity, innovation management

Mitigation plan: The Company is undertaking dedicated efforts to create a deeper connection with younger, wider audiences across the world by inspiring and enabling them to experience the tactile, deliberately old-school pleasures of Pure Motorcycling in its current form. It is also optimising and modernising all aspects of the brand's customer experience to attract, engage and retain customers and community members. Further, the Company is gearing to ignite excitement among enthusiasts globally with regards to Royal Enfield's unique take on motorcycling.



2. Risk of dynamic regulatory environment and resulting non-compliances

Capital: Manufactured

Material issue: Regulatory compliance, climate change. Responsible use of materials

Mitigation plan: The Company has a strong compliance monitoring and risk management framework which ensures active monitoring of upcoming regulatory changes across all operational regions along with identification of potential business risks and providing recommendations for timely adaptation. A quarterly compliance verification is done for all applicable rules and regulations at global level and compliance certificate is generated. The Company also has technical know-how on the global emissions and engine management system development requirements. It has an experienced team managing global homologation in critical markets. All compliances related to newer geographies are integrated into the existing compliance tool. In addition, the Company also has a Dedicated Advanced Engineering team to exclusively work on future requirements and a flexible development process to fast-track critical projects.

3. Risk of shifting consumer preferences and consumption patterns within next few years

Capital: Intellectual, Relationship and Manufactured

Material issue: Innovation management, consumer-centricity and economic performance

Mitigation plan: The Company is geared to adapt to the technology advancements with a dedicated product pipeline currently under development. It has a long-term, consumer-centric EV strategy in place to introduce products. Further, the Company is making steady investments to support its EV program. Further, the Company has in place a dedicated team to continually track the global environment and the trends shaping up.



4. Risk of supply chain disruption

Capital: Financial, Manufactured and Natural

Material issue: Economic performance, manufacturing efficiency, responsible supply chain

Mitigation plan: The Company undertakes measures to effectively mitigate raw material shortage impact on supply chain and manufacturing output. It has secured sustained raw materials and components availability through alternate vendor sourcing, inventory build-up, and optimising variant-feature mix.

5. Concentration risk (Geopolitical)

Capital: Financial, Manufactured

Material Issue: Economic performance, manufacturing efficiency

Mitigation plan: The Company has strategically diversified its supply base by establishing vendor relations across diverse locations. This ensures supply chain resilience and minimises the risks of delays in material availability. The Company's plants in Chennai have been kept separate, yet are built with a flexible / modular design, enabling them to manufacture any model. This allows for efficient resource allocations, while also giving the agility to swiftly shift production across units. Further, the Company has also established CKD (assembly) units outside India to serve various global markets, diversifying its manufacturing operations globally.

6. Cyber security, potential threat from cyber attacks and data privacy breach

Capital: Intellectual

Material issue: Ethical business practices / corporate governance

Mitigation plan: The Company has dedicated defence mechanisms including firewall routers and anti-virus security to avert potential cyber-attacks and protect data and systems. Further, daily backups of critical data are performed across different sites.

7. Human resource: Succession planning for key positions

Capital: Human

Material issue: Attraction and retention of talent

Mitigation plan: The Company undertakes various initiatives to attract and retain a talented workforce and improve employee engagement. It ensures the availability of adequate right skilled employees through capability development and capacity augmentation activities. The Company has also implemented a succession planning framework for key roles, with focus on ensuring availability of succession by identifying potential internally and selectively external hiring. It is also aimed at retaining critical talent through Long-Term Incentive Plan (LTIP) and positioning individuals for bigger roles.

8. Profitability risk amidst volatile raw material cost and rising pricing intensity in India

Capital: Financial

Material issue: Economic Performance

Mitigation plan: The Company is undertaking initiatives towards ensuring profitability in ICE as well as EV space. The working group analyses and studies the critical material costs and works towards a plan to offset costs through alternate sourcing, value engineering etc. The optimum pricing and global market penetration are also worked upon as offsetting strategies against higher input prices.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains a strong and comprehensive internal control framework that is responsible for monitoring operations, safeguarding assets from unauthorised use or losses, detecting and preventing frauds/losses, maintaining proper accounting controls for ensuring precision and reliability in reporting of operational and financial statements, addressing the evolving risks in the business, sustaining productivity and ensuring compliance to the applicable laws and regulations.

During FY 2023-24, the Company assessed the effectiveness of Internal Control over financial reporting and found it to be adequate and effective. The Company strengthened its Internal Control System by creating a risk and control matrix for various critical processes through a special project "Internal Control – Centre of Excellence (IC-CoE)". The IC-CoE is a centralised team of specialists who provides ongoing support to colleagues and ensures internal checks and controls over processes for continuous improvement. This team also collaborates with project owners who have the primary responsibility of ensuring adherence. EML's robust SAP-based Enterprise Resource Planning (ERP) system ensures a high degree of system-based checks and controls to protect its assets. Moreover, EML's governance risk and compliance frameworks ensure the effectiveness of internal controls and adherence to all the applicable regulations and compliances.

An independent Internal Audit team monitors the functions and processes according to a schedule approved by the Audit Committee. The adequacy and effectiveness of the internal financial controls concerning financial reporting are reviewed by the statutory auditor. The Company's whistle-blower policy/vigil mechanism facilitates all employees, vendors, dealers and other stakeholders to report fraud and wrongdoings without fear of consequences.

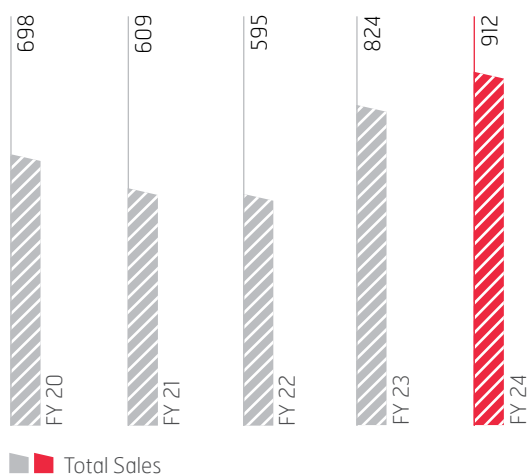


FINANCIAL REVIEW

Eicher Motors Limited registered its highest ever annual volumes in FY 2023-24 at 9,12,003 units. Revenue for the year increased by 14.5% year-on-year growth to Rs. 16,536 Crores - another highest ever mark for Eicher Motors.

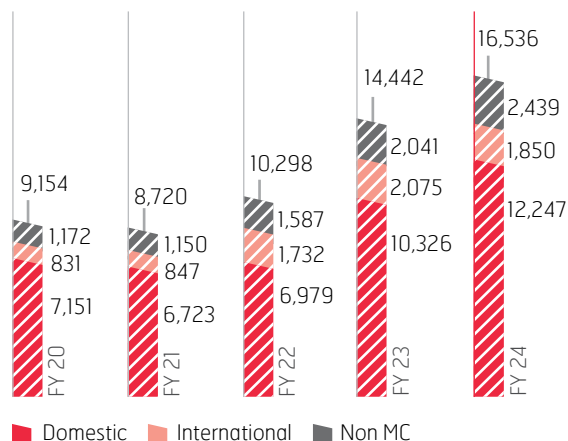
Total Sales

Motorcycle Volumes ('000)



Net Revenue from Operations

(Rs. Crores)

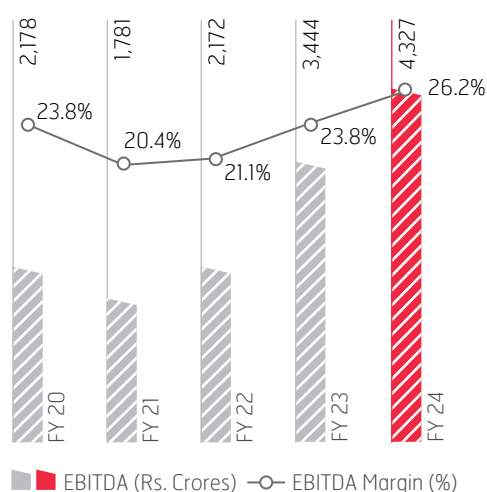


Overall volumes in International markets (consolidated) decreased to 77,209 units on the back of weak macroeconomic conditions in key markets such as Europe, USA etc. The revenue from International business in FY 2023-24 was Rs. 1,850 Crores and accounted for 11.2% of EML's consolidated revenues.

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 non-motorcycle business. Total revenue from spares and services, apparel, accessories and others increased by 19.5% YoY to Rs. 2,439 Crores in 2023-24 and contributed to 14.7% of EML's consolidated revenues.

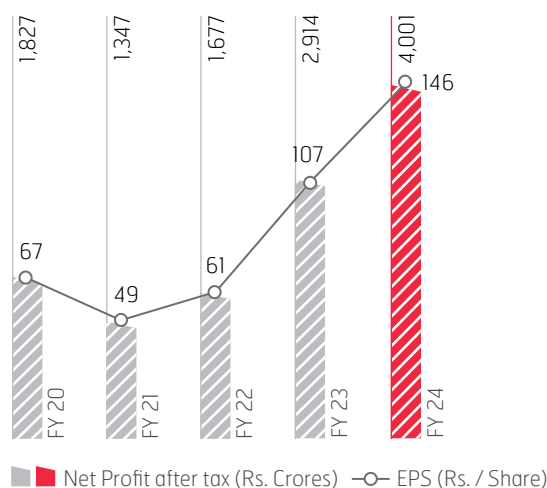
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) of your Company increased by 26% to Rs. 4,327 Crores in 2023-24 from Rs. 3,444 Crores in 2022-23. EBITDA margin also increased to 26.2% in 2023-24 from 23.8% in 2022-23. Amidst sustained increase in commodity prices in the first half of FY 2023-24, your Company delivered improvement in the profitability on the back of a healthy product mix coupled with strong focus on cost reduction and value engineering helped offset the impact of higher costs.

EBITDA and EBITDA Margin



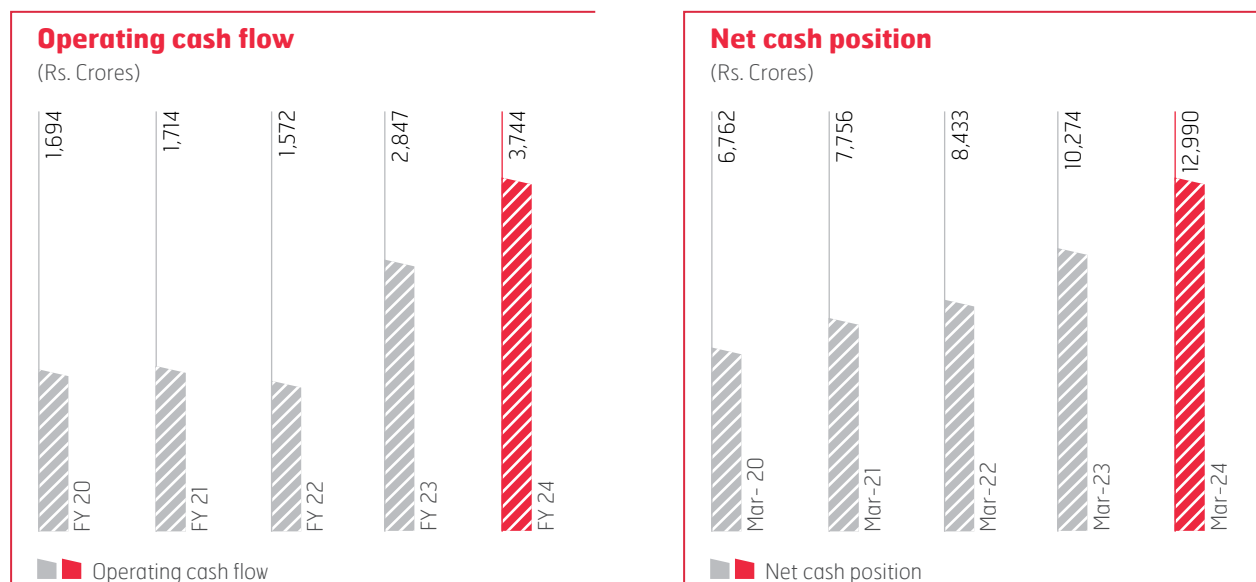
Consolidated Net Profit After Tax (PAT) increased by 36.4% to Rs. 4,001 Crores in FY 2023-24 from Rs. 2,914 Crores in FY 2022-23. An increase in Revenue, EBITDA, and higher contribution from your Company's JV with Volvo AB - Volvo Eicher Commercial Vehicles have uplifted the profit growth over last year. As a result, Eicher Motors consolidated EPS (Basic) for the year increased by 37% to Rs. 146 / share.

Net Profit after tax and EPS





Your Company's financial position remains robust with total cash and cash equivalents, and investments (other than in subsidiaries and Joint Ventures) of Rs. 13,536 Crores. It generated a healthy cash flow from operations at Rs. 3,744 Crores and continued to invest in its future - which includes new product development activities (both ICE 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 Rs. 828.6 Crores.



Key Financial Ratios

In accordance with SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (Amendment) Regulation, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediate previous financial year). Your Company has been reporting the following key financial ratios:

Particulars	UOM	Standalone		Consolidated	
		2023-24	2022-23	2023-24	2022-23
Inventory Turnover Ratio	Times	9.1	9.3	6.9	7.0
Current Ratio	Times	1.2	1.1	1.2	1.1
Trade Payables Turnover Ratio	Times	4.5	4.6	4.4	4.5
Net Capital Turnover Ratio	Times	31.1	30.9	29.8	32.2
Operating Profit Margin	%	23.8%	20.5%	22.6%	20.2%
Net Profit Margin	%	23.3%	18.6%	24.2%	20.2%
Return on Equity	%	26.2%	22.2%	24.1%	21.2%
Return on Capital Employed	%	30.5%	26.4%	25.4%	22.7%
Earnings per share (basic)	Rs.	136.9	95.9	146.2	106.6
Earnings per share (diluted)	Rs.	136.7	95.7	145.9	106.4



JV UPDATE - VE COMMERCIAL VEHICLES

VE Commercial Vehicles Limited (VECV), celebrates 16 years of collaboration between the Volvo Group and Eicher Motors Limited, built on the shared values of trust, mutual respect and win-win. Over these years, VECV has repeatedly delivered best-in-class products and solutions that seamlessly integrate cutting-edge technology into modern truck and bus based solutions that are relevant for India and other rapidly-developing markets. Today, VECV is acknowledged as an industry leader in pioneering modernisation in the commercial vehicle industry in India and the developing world. The Company has fortified its reputation through its focus on retail excellence, optimised front-end processes, and a commitment to Uptime, all backed by proficiency in operations. With an expanded retail network comprising almost 1,000 touchpoints nationwide, VECV has maintained its leading position in the dealer satisfaction survey conducted by FADA for a third successive year. The operations of VECV includes production, sales and service of the complete range of Eicher branded trucks and buses in India and 40 other countries, production, sales and service of Volvo Buses in India, exclusive distribution of Volvo Trucks in India, engine manufacturing and exports to Volvo Group brands globally, Eicher Power Solutions and Eicher Engineering Components.

Commercial Vehicle Industry

The total domestic Commercial Vehicle (CV) industry grew by 0.6%, reaching 9,67,878 units in FY 2023-24. The marginal growth was despite a shift towards higher tonnage trucks which created higher payload capacity reflecting the strong

performance of the Indian economy. During recent years, we have seen a gradual adoption of electromobility in segments like buses and small commercial vehicles, the rising importance of connected solutions and the emergence of new business models offering bus/truck as a service (BAAS/TAAS).

VECV Performance - A Record Year | Ahead of the Industry

In the Financial Year 2023-24, VECV grew 7.5% over the previous year, gaining market share and registering sales of 85,560 units, the Company's highest ever sales. This achievement stems from a steadfast commitment to Customer-Centricity, underpinned by an expanded Product Range, investments in Industrial Infrastructure, enhanced Service Network, advanced Technology Initiatives, and a focus on Customer Satisfaction. This growth in domestic sales overcame weakness in exports markets which saw a decline of 24.6% owing to geo-political tensions, supply chain disruptions, commodity inflation and global market slowdown.

Eicher Trucks & Buses

In FY 2023-24, the Company achieved its highest ever Eicher Trucks and Buses (ETB) sales of 83,088 units for the financial year exceeding the previous best of 77,760 units in FY 2022-23.

Light & Medium Duty (LMD) Trucks: In the LMD trucks segment, the Company has sold 40,559 units (previous peak of 38,938 units in FY 2022-23) gaining a market share of 34.6% in the segment.





Global unveil: Small Commercial Vehicle at Bharat Mobility 2024

VECV unveiled a Small Commercial Vehicle (SCV) truck at the Bharat Mobility Expo 2024, thereby solidifying its position as a full-range CV player. The product is developed to expand solutions for sustainable last-mile delivery and near-city distribution, and spans from 2 tonnes to 3.5 tonnes gross vehicle weight (GVW).

The truck is scheduled for customer trials in April 2024 followed by a commercial rollout. Eicher will be introducing the electric variant first, followed by clean CNG and diesel variants.

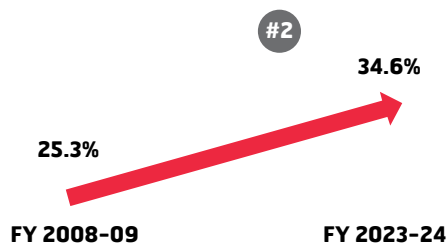


Volvo Trucks India: In the financial year 2023-24, Volvo Trucks India achieved record sales of 2,131 units, capturing a strong 94% market share in the premium European trucks (400+ hp) segment.

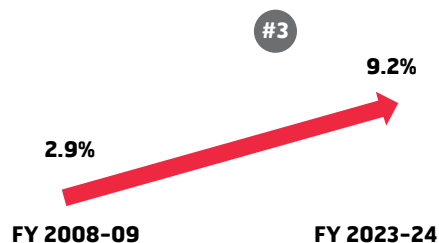
Buses: VECV sold 17,620 units in FY 2023-24 (previous peak of 15,077 units in FY 2022-23) and has maintained its place as the 3rd largest player in the segment with 21.6% market share.

As per market share

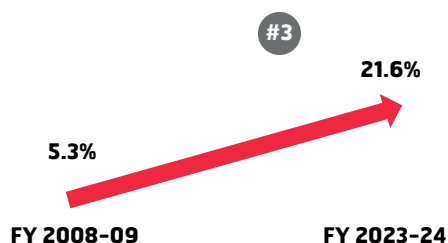
Light & Medium Duty Trucks



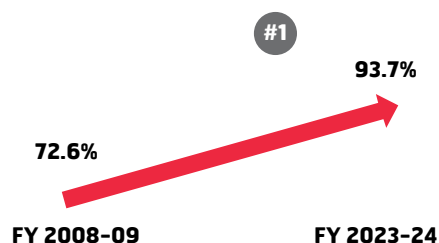
Heavy Duty Trucks (Combined)



Buses (Combined)



Volvo Trucks India*



*Market share in high end premium segment

International Business: VECV exported 3,721 trucks and buses in FY 2023-24, compared to 4,933 in FY 2022-23. Additional details of VECV are in subsidiary performance section.



Financial Review

In the financial year 2023-24, VECV's revenue from operations was Rs. 21,868 Crores in FY 2023-24, up by 15.4% over the previous year's revenue of Rs. 18,952 Crores. EBITDA for the year was at Rs. 1,715 Crores, 23.6% higher than Rs. 1,387 Crores last year and the EBITDA Margin was at 8% against 7.5% last year. Profit after tax stood at Rs. 823 Crores up 42% from Rs. 579 Crores last year. The main business segments of the Company showed good growth in the year with the Company registering its highest-ever sales in the Eicher trucks and buses and highest ever Volvo Trucks sales. The other business segments have also achieved their highest ever revenues with significant growth in FY 2023-24, with Eicher parts achieving its highest-ever sales at Rs. 1,382 Crores and Volvo parts registering sales of Rs. 737 Crores in FY 2023-24. Eicher Engineering Components business also achieved its highest ever sales of Rs. 1,623 Crores in FY 2023-24.

Cautionary Statement

The Management Discussion and Analysis may contain some statements describing the Company's views of the industry, objectives, projections, estimates or expectations, which may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those either expressed or implied in the Statement depending on the factors that could affect the Company's operations such as supply and demand situation, input prices and their availability, changes in government regulations, tax policies and other factors such as Industrial relations and economic developments, etc. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Investors should bear the above in mind.



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

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	3rd Floor-Select City Walk A-3 District Centre, Saket, New Delhi – 110017
5.	Corporate address	#96, Sector 32, Gurugram - 122 001, Haryana, India
6.	E-mail	investors@eichermotors.com
7.	Telephone	0124-4445070
8.	Website	https://www.eicher.in/
9.	Financial year for which reporting is being done	April 1, 2023 - March 31, 2024
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	Rs. 27.38 Crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Anubhav Bajpai; investors@eichermotors.com; +91-124-4445070
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	BSI Group 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	Eicher is actively engaged in the manufacturing and sales of motorcycles, accessories, and associated products. The Company oversees a comprehensive spectrum of activities within the automotive industry. Additionally, Eicher is involved in the retail of related components and accessories, 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	85.41%

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	3	3	6
International	5	7	12

Plants: The Company, in association with local partners, operates 5 Completely Knocked Down (CKD) assembly facilities that assemble our products for local markets in Argentina, Colombia, Thailand, Brazil and Nepal.

Offices: EML has subsidiaries in North America, Brazil, Thailand, United Kingdom, Canada and Netherlands and also a technology centre in Bruntingthorpe, United Kingdom.

The Company has 235 exclusive stores and over 850 multi-brand outlets (MBOs) across the UK, USA, Mexico, Colombia, Brazil, Argentina, France, Spain, Indonesia, Thailand, Philippines, Vietnam, Austria, Portugal, Australia, New Zealand and UAE.

19. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of States)	All over India
International (No. of Countries)	65

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports as percentage is 9.51% of the total turnover.

c. A brief on types of customers

Eicher Motors Limited serves a diverse range of customers, including individual consumers, commercial enterprises, and government agencies. Its flagship brand, Royal Enfield, primarily caters to motorcycle enthusiasts seeking premium, retro-inspired bikes. With its versatile product portfolio and commitment to quality, Eicher Motors Limited continues to attract a broad spectrum of customers across various sectors.

The brand appeals to a diverse clientele, each with distinct preferences and requirements:

- ♦ **Enthusiasts:** These customers are captivated by the motorcycles' classic, vintage styling and the distinctive thump of their engines. They value the rich heritage and timeless design that the brand embodies.
- ♦ **Adventure Seekers:** The brand's models are tailored for off-road adventures, featuring high ground clearance, rugged tyres, and sturdy chassis. This makes them ideal for those who enjoy exploring new and challenging terrains.
- ♦ **Commuters:** The motorcycles also serve as practical solutions for daily commuting. They offer comfortable seating, fuel efficiency, and excellent manoeuvrability in traffic, appealing to customers seeking reliable and efficient transportation.
- ♦ **Retro Lovers:** With the growing popularity of retro-style motorcycles, the brand has become a leader in this trend. Customers who appreciate vintage aesthetics are often drawn to the unique and nostalgic designs offered.
- ♦ **International Customers:** The brand's appeal extends beyond its home country to international markets such as the UK, US, and Australia. These customers are attracted to the brand's reputation for reliability and quality, reinforcing its global presence and appeal.



IV. EMPLOYEES

20. Details as at the end of the 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)	5,245	4,913	94	332	6
2.	Other than Permanent (E)	11,305	9,863	87	1,442	13
3.	Total Employees (D+E)	16,550	14,776	89	1,774	11
WORKERS						
4.	Permanent (F)	4	4	100	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total Workers (F + G)	4	4	100	0	0

b. Differently abled Employees and Workers:

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)	3	3	100	-	-
2.	Other than Permanent (E)	1	-	-	1	100
3.	Total differently abled employees (D + E)	4	3	75	1	25
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 percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	1	12.5%
Key Management Personnel	4	1	25%

22. Turnover rate for permanent employees and workers:

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	6%	12%	6%	10%	19%	10%	10%	20%	10%
Permanent Workers	55%	NA	55%	88%	NA	88%	47%	NA	47%

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. a. Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Royal Enfield North America Ltd (RENA)	Subsidiary company	100%	No
2	Royal Enfield (Thailand) Ltd	Subsidiary company	99.99%*	No
3	Royal Enfield Brasil Comercio de Motocicletas Ltd	Subsidiary company	99.99%*	No
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



S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/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

*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; and (b) 2 shares in Royal Enfield (Thailand) Limited are held by 2 employees (1 share each) as nominee of the Company.

VI. CSR DETAILS

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Rs. Crores): 16,078.16

(iii) Net worth (in Rs. Crores): 15,693.58

VII. TRANSPARENCY AND DISCLOSURE 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 web-link for grievance redressal policy)	FY 2023-24			FY 2022-23		
		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 shareholders)	Yes, anubhav@eichermotors.com	Nil	Nil	NA	Nil	Nil	NA
Shareholders	Yes, investors@eichermotors.com	255	2	The two complaints are also replied/ resolved in April 2024	177	2	The two complaints got resolved in the first week of April 2023
Employees and Workers	Yes, https://eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/Eicher%20Whistle%20Blower%20Policy.pdf	The Company has established robust mechanisms for engagement with all its stakeholders. Code of conduct for our employees, customers, value chain partners and other stakeholders are set up and provide ample avenues for reporting and resolving grievances. No grievances other than those that may occur in the normal course of business (e.g., clarifications on payment status by vendors, day-to-day queries from customers, etc.), were reported in the last two years					
Communities	Yes						
Customers	Yes, https://www.royalenfield.com/in/en/support/contact-us/						
Value Chain Partners	Yes, https://eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/EML%20Supplier%20Code%20of%20Conduct.pdf						



26. Overview of the entity's material responsible business conduct issues. Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:

Sr. 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	Identified as an opportunity for the Company to explore initiatives aimed at reducing the environmental impact of the Company's bikes across their entire lifecycle. This will enable the Company to distinguish itself among customers as an environmentally conscious company and compete effectively on a global scale.	NA	Positive
2	Energy and GHG Emissions	Risk	Identified as a potential risk for the Company, as there is a risk company's technology becoming obsolete and company not meeting evolving consumer preferences.	The Company believes in transforming risks into opportunities and is actively pursuing this objective through the implementation of energy efficiency and emission reduction initiatives. This effort positions the Company to emerge as an industry leader in environmental stewardship, creating value for communities, stakeholders, and catalysing positive change in the broader economy.	Negative
3	Human Rights	Risk	Identified as a risk for the Company as potential violations of human rights regulations could lead to reputational and labour unrest risks. As a labour-intensive company, ensuring compliance with all human rights regulations is a high priority for the Company.	The Company acknowledges and respects human rights principles: fair remuneration, freedom of association, zero child/forced labour. We actively monitor complaints to prevent any potential violations of these rights. Additionally, we support collective bargaining to understand the perspectives of our workers and involve them in the decision-making process.	Negative
4	Corporate Governance	Opportunity	Identified as a risk for the Company, ethical business violations such as corruption and anti-competitive practices can result in reputational damage and financial penalties.	NA	Positive
5	Business Ethics	Risk	Identified as a risk for the Company, ethical business violations such as corruption and anti-competitive practices can result in reputational damage and financial penalties.	The Company focusses on business integrity to achieve business & sustainability goals. To mitigate associated risks, the Company has undertaken the following measures: 1. Code of conduct policy in place 2. Ensures continuous monitoring of violations and resolutions through the vigil mechanism	Negative



Sr. 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)
6	Resource Efficiency and Circularity	Opportunity	Identified as opportunity for the Company to optimise resource utilisation in the manufacturing process and ensure their reuse and recycle wherever applicable. This will reduce waste and have a positive environmental and financial implication. This will further enhance company's reputation.	NA	Positive
7	Sustainable Value Chain	Risk	Identified as risk for the Company as unsustainable value chain can lead to production loss, compliance issues, financial loss and impact profitability.	The Company addresses raw material shortages by securing sustained supply through alternate vendors and inventory management. It mitigates rising input costs through cost reduction initiatives, accelerated value engineering, and strategic pricing adjustments.	Negative
8	Diversity, Inclusion and Equity	Opportunity	Identified as an opportunity for the Company to ensure a diverse workplace which leads to the development and innovation in the Company.	NA	Positive
9	Employee Wellbeing	Opportunity	Identified as an opportunity for the Company to become the preferred employer and an excellent workplace. This will enhance employee productivity, decrease employee turnover which will reduce the hiring cost and company will have a future-ready workforce.	NA	Positive
10	Water Management	Risk	Identified as risk for the Company due to high water usage in production, potential environmental impact arising from wastewater discharge, water scarcity issues, and regulatory compliance.	To mitigate the risk the Company ensures water stewardship through employing measures to optimal utilisation of the resources. Some of the measures are: 1. Rainwater harvesting 2. Sewage water treatment plant Due to these measures, company became 5x water positive in last four years.	Negative
11	Economic Performance	Opportunity	Identified as an opportunity for the Company to adopt a 3P approach (People, Planet, Profit) in its business model. This will help the Company to expand into new geographic markets and elevate its competitiveness in the industry.	NA	Positive



Sr. 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	Identified as an opportunity for the Company to engage with the community and contribute towards their development. Additionally implementing measures to reduce road traffic injuries and fatalities will help the Company augment its reputation.	NA	Positive
13	Waste Management	Risk	Identified as risk for the Company due to environmental impacts arising from improper disposal of waste. It can lead to pollution, regulatory fines, increased operational costs, and reputational damage. Effective waste management is crucial for compliance and cost control.	As a risk mitigation strategy, the Company manages waste in accordance with governmental regulations, utilising methods such as co-processing in cement kilns, biogas plants, and vermicomposting. Wastewater produced is treated in sewage treatment and effluent treatment plants and reused in irrigation and process replenishment. Additionally, the Company has notably decreased its use of paper and plastic.	Negative
14	Opportunities in Clean Tech	Opportunity	Identified as opportunity for the Company to broaden its horizon and by delving into new tech to reduce pollution and mitigate climate change.	NA	Positive
15	Talent Attraction and Retention	Opportunity	Identified as an opportunity for the Company to foster a positive workplace culture to retain talent and ensure operational continuity. This will help the Company in creating a workplace that is conducive for employee learning and growth in the long run which will further enhance company's productivity and reduce employee turnover.	NA	Positive
16	Regulatory Compliance	Risk	Identified as risk for the Company as non-compliance with regulatory requirements can lead to fines, penalties, and reputational damage.	As a risk management strategy, the Company implements rigorous policies and procedures to ensure strict adherence to regulations. Additionally, Company has established procedures to ensure compliance with forthcoming regulations at both national and global levels.	Negative

**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 NGRBC 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 its stakeholders.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect and make efforts to protect and restore 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 Questions										
	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 its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
3. Do the enlisted policies extend to your value chain partners?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
4. Name of the national and international codes/certifications/ labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The organisation abides by all the applicable laws and standards for the above given principles. The Company has adopted the below certifications: ♦ ISO 9001:2015 ♦ ISO 14001:2015 ♦ ISO 45001:2018									
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has identified and set goals and targets with defined timelines. Please refer to the ESG section of this report									
6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	The performance against the individual targets has been presented in the ESG section of this report									
Government Leadership and Oversight										
7. Statement by 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 “Letter to the shareholders” section and the “ESG” section									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	The Corporate Social Responsibility (CSR) committee of the Board oversees the Business Responsibility and progress on our ESG ambitions. Read more in the CSR committee section of the corporate governance report in the Integrated Annual Report									
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. The Corporate Social Responsibility (CSR) committee of the Board is responsible for sustainability-related issues. For further information, please refer to the Directors’ Report (Pg No. 223) for details									



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													At regular intervals as required
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances					Yes													At regular intervals as required

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, external assessment was carried out by DNV for the ISO 9001:2015, 14001:2015, 45001:2018

12. If 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	%age of persons in a respective category covered by the awareness programmes
Board of Directors	EML is dedicated to conducting business in a way that upholds the greatest standards of morality and professionalism. The business developed a "Code of Conduct " (CoC) that applies to the entire organisation and is based on the fundamental principles of ethics, accountability and transparency. It talks about topics including bribery, corruption, adhering to the Company's standards of corporate behaviour, and ensures that regulatory obligations are met.		100%
Key Managerial Personnel			100%
Employees other than BoD and KMPs			100%
Workers			100%
Globally, all workers are required to abide by the code of conduct (CoC) and become familiar with it during the induction process. The organisation makes an endeavour that all the Employees periodically undergo training on topics including safety, codes of conduct, and human rights (such as POSH).			
For more details, kindly go through the Code of Conduct Policy, Human Rights Policy. Trainings conducted are on Codes of Conduct, Human Rights related aspects (such as POSH) and safety, among others.			



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 on the basis of 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 Rs.)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine		Nil		
Settlement		Nil		
Compounding fee		Nil		

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		Nil		

Note: Materiality threshold as specified in Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been applied for the purpose of 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.

Not Applicable

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 code of conduct explicitly addresses anti-corruption and anti-bribery, mandating strict adherence to relevant laws across all aspects of business. It emphasises compliance with regulations that prohibit inappropriate payments. The Company is resolutely dedicated to preventing, deterring, and detecting any unethical business practices. This policy extends to all employees, contractor workers, and suppliers affiliated with the organisation.

<https://www.eicher.in/content/dam/eicher-motors/investor/corporate-governance/codes-and-policies/EML%20Code%20of%20Conduct.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 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2023-24		FY 2022-23	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	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

8. Number of days of accounts payables [(Accounts payable *365) / Cost of goods/services procured]:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	69	66

Note: Denominator does not include contract manpower services purchased.

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 2023-24	FY 2022-23
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. Motorcycle sales to dealers and distributors as % of total motorcycle sales	99.99%	99.99%
	b. Number of dealers and distributors to whom motorcycle sales are made (excluding related parties)	1,357	~ 1,206
	c. Motorcycle sales to top 10 dealers and distributors as % of total motorcycle sales to dealers and distributors (excluding related parties)	6.3%	7.7%
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	3%	3%
	b. Sales (Sales to related parties/Total Sales)	3%	5%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	70%	74%
	d. Investments (Investments in related parties/Total Investments made)	3%	2%

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
3	ESG, Human Rights, Health & Safety	We have covered these topics across 50 suppliers

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 mandates that all Senior Management members disclose potential conflicts of interest and adhere to relevant laws. Board members are required to submit interest disclosures under Section 184 of the Companies Act, 2013 annually and promptly update them when necessary. The Company maintains a Related Party List, as per the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, to monitor potential conflicts and related party transactions. Approval from the Board, Audit Committees, or Shareholders, as applicable, is ensured before proceeding with such transactions.

**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 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	148.98	81.44	Eicher is undertaking several projects to improve its environmental and social impacts. These include:
Capex	314.69	228.13	1. Developed the robust Liquid-cooled 'K' engine platform having much better thermal efficiency, resulting in higher tolerances 2. Continuous refinement of engines and undertaking other efforts like exploring alternative fuels, continues our focus on improving fuel efficiency 3. R&D activities to make the motorcycle more fuel-efficient, sustainable and environmentally compliant adhering to global emission standards 4. Completed the Reusability, Recyclability and Recoverability (RRR) study, and all models in the 350cc and 650cc platforms are now certified as per the AIS 129 requirements.

- 2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Eicher has established a robust procedure for sustainable sourcing and procurement to fulfil production requirements while minimising adverse environmental impacts. The Company actively encourages local procurement and maintains associations with suppliers in proximity to its operational areas, particularly in Chennai. This approach not only supports Eicher's commitment to sustainability but also contributes to the development of a resilient local economy.

- b. If yes, what percentage of inputs were sourced sustainably?**

71% of direct raw materials and 73% of indirect materials including consumables, spares, tools are sourced sustainably from local suppliers and vendors in and around the areas of operations mostly based in Chennai.

- 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

The Company is working to create a circular economy by using the 3R principle: Reduce, Reuse, and Recycle. This helps the Company use resources efficiently with less harm to the environment.

- ♦ The Company is striving to have zero waste in landfills and are using paperless methods in bidding to reduce the environmental impact
- ♦ Hazardous waste is treated or sent to authorised vendors, while non-hazardous waste is sorted and sold to authorised dealers. The Company follows guidelines to treat hazardous waste properly
- ♦ The Company turns STP sludge into vermicompost for landscaping. Eicher keeps track of generated waste for better management and reporting

- 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 Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

The organisation is not presently implementing an Extended Producer Responsibility plan. However, it recognises the significance of such a plan and intends to explore its implementation in the coming years.



LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for 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
30911	Classic 350 Stealth Black	39%	Cradle to Grave life cycle assessment	Yes	Yes, refer to the intellectual capital / management discussion and analysis sections of this integrated report.

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.

The disposal of products by the organisation is free from any environmental or social concerns. The Company takes proactive measures to ensure that all necessary steps are meticulously executed during the product disposal process.

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 re-used input material to total material	
	FY 2023-24	FY 2022-23
Recycled steel	4%	4%
Recycled aluminium	12%	12%

4. Of the products and packaging reclaimed at end-of-life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Not Applicable

5. Reclaimed products and their packaging materials (as a percentage of products sold) for each product category.

Not Applicable

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:

% of Employees covered													
Category	Total (A)	Health insurance		Accident insurance		Life insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	(B/A) %	No. (C)	(C/A) %	No. (D)	(D/A) %	No. (E)	(E/A) %	No. (F)	(F/A) %	No. (G)	(G/A) %
Permanent employees													
Male	4,913	4,913	100	4,913	100	4,913	100	-	-	4,913	100	4,913	100
Female	332	332	100	332	100	332	100	332	100	-	-	332	100
Total	5,245	5,245	100	5,245	100	5,245	100	332	100	4,913	100	5,245	100
Other than Permanent employees													
Male	9,863	9,863	100	9,863	100	9,863	100	-	-	-	-	-	-
Female	1,442	1,442	100	1,442	100	1,442	100	-	-	-	-	-	-
Total	11,305	11,305	100	11,305	100	11,305	100	-	-	-	-	-	-

**b. Details of measures for the well-being of workers**

% of Workers covered													
Category	Total (A)	Health insurance		Accident insurance		Life insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	(B/A) %	No. (C)	(C/A) %			No. (D)	(D/A) %	No. (E)	(E/A) %	No. (F)	% (F/A)
Permanent workers													
Male	4	4	100	4	100			-	-	4	100	-	-
Female	-	-	-	-	-			-	-	-	-	-	-
Total	4	4	100	4	100			-	-	4	100	-	-
Other than Permanent workers													
Male	-	-	-	-	-			-	-	-	-	-	-
Female	-	-	-	-	-			-	-	-	-	-	-
Total	-	-	-	-	-			-	-	-	-	-	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the Company	0.35%	0.34%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year

Benefits	FY 2023-24			FY 2022-23		
	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/N.A.)	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/N.A.)
PF	100% of the eligible employees, as per the relevant Act	100% of the eligible workers, as per the relevant Act	Yes	100% of the eligible employees, as per the relevant Act	100% of the eligible workers, as per the relevant Act	Yes
Gratuity	100% of the eligible employees, as per the relevant Act	100% of the eligible workers, as per the relevant Act	Yes	100% of the eligible employees, as per the relevant Act	100% of the eligible workers, as per the relevant Act	Yes
ESI	100% of the eligible employees, as per the relevant Act	100% of the eligible workers, as per the relevant Act	Yes	100% of the eligible employees, as per the relevant Act	100% of the eligible workers, as per the relevant Act	Yes

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, EML's premises are designed to be accessible to differently-abled workers and employees, aligning with the requirements of the Rights of Persons with Disabilities Act, 2016. The Company is dedicated to promoting human rights and strives to establish an inclusive and secure environment. The infrastructure includes facilities like specially constructed washrooms and ramps to enhance mobility for everyone. Additionally, signboards have been strategically placed throughout the premises to assist those with hearing impairments, and wheelchair facilities are readily available in 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 fostering equal opportunities and advocating for equal rights. The Company maintains a strict anti-discrimination policy and adopts a comprehensive approach in offering employment opportunities, considering the nature of disabilities, both at plant and office locations.


5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	NA	NA
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.

Yes/No (If Yes, then give details of the mechanism in brief)	
Permanent Workers	EML gives utmost importance to addressing needs and grievances of all its stakeholders. It has adopted various codes and policies to address and receive any form of complaints. The Company has a policy on human rights, code of conduct, POSH, vigil mechanism and whistle blower policy to put in line a steady mechanism and be able to address the issues under a stipulated amount of time.
Permanent Employees	
Other than Permanent Employees	
Other than Permanent Workers	

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees						
Male	4,913	1,952	40%	4,712	1,982	42%
Female	332	78	23%	283	86	30%
Total Permanent Workers						
Male	4	4	100%	7	7	100%
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Analysis of training given to employees and workers										
Category	FY 2023-24					FY 2022-23				
	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	4,913	4,913	100%	2,961	60%	4,712	4,712	100%	2,367	50%
Female	332	332	100%	254	77%	283	283	100%	158	56%
Total	5,245	5,245	100%	3,215	61%	4,995	4,995	100%	2,525	51%
Workers										
Male	4	4	100%	-	-	7	7	100%	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	4	4	100%	-	-	7	7	100%	-	-

9. Details of performance and career development reviews of employees and workers

Category	FY 2023-24			FY 2022-23		
	Total (A)	No.(B)	(B/A) %	Total (A)	No.(B)	(B/A) %
Employees						
Male	4,913	2,961	60%	4,712	2,730	58%
Female	332	254	77%	283	197	70%
Total	5,245	3,215	61%	4,995	2,927	59%
Workers						
Male	4	4	100%	7	7	100%
Female	-	-	-	-	-	-
Total	4	4	100%	7	7	100%

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 of such a system?

As an integral component of its integrated management system, EML has deployed ISO 45001 certified safety management systems across its three manufacturing sites, spare parts departments, and headquarters. This comprehensive approach encompasses all employees and workers, ensuring compliance with occupational health and safety standards.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

EML gives paramount importance to the health and safety of its employees. The Occupational Health and Safety Management system has been put into place that helps in identifying work-related hazards and risks on a regular basis. This system is adapted based on ISO 15001 that ensures safe working conditions. This covers all of EMLs manufacturing facilities including all the workers and employees within the premises of the organisation. EML also has an Integrated Management System (IMS) which incorporates suitable tools like Hazard Identification & Risk Assessment (HIRA) for effective safety management. EML has a central Safety Committee that reviews the safety standards quarterly and makes appropriate changes.

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 processes for workers to report work-related hazards and to remove themselves from such risks.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes. EML prioritises healthcare and any benefits offered in this regard are intentional support to meet the health needs of employees and their families. The following benefits are provided to full-time employees of the Company:

1. Life insurance,
2. Health care,
3. Disability support,
4. Annual health check-ups and health camps.

11. Details of safety-related incidents, in the following format:

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)**	Employees	0.03	-
	Workers	-	-
Total recordable work-related injuries	Employees	1	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

*Including in the contract workforce

**LTIFR calculation only considers recordable work-related injuries and hence does not include minor injuries



12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Failures to workplace health and safety can result in increased process costs, reduced availability of workers, Low employee morale, poor corporate image, or even threaten a company's profitability scenario. EML is committed to ensuring health & safety and elimination of risks in the workplace and with the aim to ensure 'Zero Harm' to people of employees, environment, and communities in which the Company operates. They firmly believe that all injuries and illnesses are preventable.

Impact on occupational health and safety protection at all our business decisions are one of non-negotiable aspects of our daily work. EML has implemented ISO 45001 certified safety management systems at all three manufacturing sites, spare parts departments and headquarters. EML covers all employees and workers under an occupational health and safety management system. Implemented Hazards Identification and Risk Assessment (HIRA) tools for effective security management.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	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	-	-	NA	-	-	NA
Health Safety	-	-	NA	-	-	NA

14. Assessment 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 on significant risks/concerns arising from assessments of health & safety practices and working conditions.

No corrective actions were required since there were no safety-related incidents.

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:

- EMPLOYEES:** Yes, the permanent employees are provided with group term life insurance, deposit linked insurance scheme, and group personal accident benefit. This is also extended to part time employees where they are entitled to Group personal accident benefit.
- WORKERS:** All the permanent workers working under EML are provided 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.

As part of its routine process, in the current year, EML has conducted audits with some suppliers to ensure statutory dues are being deducted and deposited by the value chain partners.

- 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 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	-	-	-	-
Workers	-	-	-	-

- 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, EML does provide transition assistance to its employees to facilitate continued employability and the management of career endings resulting from retirement or termination of employment. In case of termination, employees are provided with severance packages on a case-to-case basis.

- 5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100% as part of the onboarding processes
Working conditions	100% as part of the onboarding processes

- 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.**

No corrective actions were taken as no major risks concerns were identified.

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

- 1. Describe the processes for identifying key stakeholder groups of the entity**

Stakeholders are individuals or groups that have the ability to influence and impact any organisation's operations. We are aware that our activities are directly or indirectly influenced by a number of stakeholders such as customers, employees, investors, regulators, business partners, peers etc. Therefore, it is crucial to understand and address the needs and concerns of its stakeholders in a transparent and ethical manner in order to build long-term relationships. By prioritising stakeholder engagement, a company can ensure that it is aligned with the expectations of its stakeholders, which can help to mitigate risks and enhance its reputation in the marketplace.

- 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group**

Stakeholder engagement is an ongoing process and over the years, EML has established accessible channels for communication on topics related to various groups. The following table provides EML's diverse stakeholder base and engagements:

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	Continuous	- Occupational health and safety - Rewards and recognition - Personal development and growth - Empowering work environment



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
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
Investors/ Shareholders	No	- Press releases and publications - Investor meets - Annual General Meeting - One-on-one meeting - Emails	Continuous	- ESG and financial performance - Future approach and projects - Updates on new launches - Grievance redressal
Bankers	No	- One-on-one meeting - Press releases - Emails and telephone calls	Continuous	- Business expansion and diversification - Manufacturing efficiency - Risk management - Financial performance
Governments and Regulatory Authorities	No	- Mandatory compliance reports - Onsite inspections - One-on-one 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.

The organisation carried out a comprehensive exercise for materiality assessment during FY 2023-24. This exercise is carried out to identify the material topics that have a direct and indirect impact on the environmental, social and economic aspects. The process includes identification of internal and external stakeholders that would help align the identified material topics with the organisation's strategy and goals, and prioritise them based on their significance and relevance. The outcome of this exercise guides the organisation in developing its sustainability strategy and reporting on its performance.

Regular updates and reviews of the materiality assessment are being conducted annually to ensure relevance and alignment with the analysis of stakeholders' views, as well as the prevalent market, regulatory and environmental trends.

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.

At EML, we understand the consultations with the stakeholders are very important from the view of aligning its ESG strategies and goals. Thus, by leveraging stakeholder engagements, we plan to incorporate their view on the key material topics to help us in managing the identified risks and opportunities associated with them.



3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.

EML has taken initiatives for rural development, promoting education, technical skill development and providing healthcare services for the benefit of the community.

Through its interventions, EML has worked on establishing sanitary facilities, implementing groundwater recharging facilities by installing rooftop rainwater harvesting systems, solar street lights, RO drinking water units. The Company has been constantly working on identifying the concerns of the community and working on identified topics.

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 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	5,245	5,245	100	4,995	4,995	100%
Other than permanent	11,305	11,305	100	11,461	11,461	100%
Total Employees	16,550	16,550	100	16,456	16,456	100%
Workers						
Permanent	4	4	100%	7	7	100%
Other than permanent	-	-	-	-	-	-
Total Workers	4	4	100%	7	7	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	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)
Employees										
Permanent										
Male	4,913	-	-	4,913	100	4,712	-	-	4,712	100%
Female	332	-	-	332	100	283	-	-	283	100%
Other than Permanent										
Male	9,863	-	-	9,863	100	10,399	-	-	10,399	100%
Female	1,442	-	-	1,442	100	1,062	-	-	1,062	100%
Workers										
Permanent										
Male	4	-	-	4	100	7	-	-	7	100%
Female	0	-	-	0	100	-	-	-	-	-
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-



3. Details of remuneration/salary/wages:

a. Median remuneration/wages:

For details of the median remuneration/salaries, please refer to the Directors' Report for more details.

b. Gross wages paid to females as % of total wages paid by the entity

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	6%	6%

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 Internal Complaints Committee, along with the POSH (Prevention of Sexual Harassment) and human resources departments, is in charge of dealing with any human rights concerns or problems that arise from the Company's actions.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

EML is strongly against any human rights violations. The Company is dedicated to respecting global human rights standards and expects the same from its stakeholders and business partners. EML aligns its practices with international guidelines, like the UN Guiding Principles on Business and Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

To address concerns, EML has established straightforward policies, including a human rights policy, a whistleblower policy, and a POSH committee. These measures ensure that any human rights issues are handled appropriately. People can report problems without fear of retaliation. EML also conducts regular audits at its facilities to check for compliance with social and human rights standards.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	4	4	Nil	Nil	Nil	Nil
Discrimination at Workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other Human Rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	4	-
Complaints on POSH as a % of female employees/workers	0.23%	-
Complaints on POSH upheld	Investigation is in progress in all 4 complaints	-

8. Mechanisms to prevent adverse consequences to the complaint in discrimination and harassment cases.

We focus on making a respectful and dignified environment for everyone. Our POSH (Prevention of Sexual Harassment) policy provides guidelines to prevent misconduct, like discrimination and harassment. The POSH committee has set up a way to handle any complaints or concerns that are reported.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, all our agreements and contracts incorporate statutory and regulatory laws, including clauses on 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), which encompass human rights clauses.

**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	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

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**

There have been no process modifications introduced as a result of addressing human rights issues as there were no complaints or grievances identified.

2. Details of the scope and coverage of any Human rights due diligence conducted

EML is committed to respecting and upholding the human rights of all its stakeholders and work in accordance with applicable labour laws and regulations. EML has various policies and internal committees such as Human Rights policy, POSH committee that take care of human rights due diligence. These different committees assess the respective concerns and provide course corrections. Frequent internal audits are also conducted to ensure adherence to all the standards and protocols.

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. All our campuses have accessible workplaces and we build necessary infrastructure inside the corporate offices and the plants such as ramps, sideways and elevators that support differently abled employees and visitors as per Disabilities Act, 2016. Necessary sign-boards have been placed at every location to assist employees/workers with hearing aids. Wheelchairs are available in Occupational Health Centres in all major facilities.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	50%
Forced/involuntary labour	50%
Sexual harassment	50%
Discrimination at workplace	50%
Wages	50%

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

Currently, there are no significant risks or concerns identified during the assessment process and hence no corrective actions were undertaken.


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	Unit	FY 2023-24	FY 2022-23
From renewable sources			
Total electricity consumption (A)	GJ	1,23,858	74,707
Total fuel consumption (B)	GJ	-	-
Energy consumption through other sources (C)	GJ	-	-
Total energy consumed from renewable sources (A+B+C)	GJ	1,23,858	74,707
From non-renewable sources			
Total electricity consumption (D)	GJ	2,21,257	2,13,847
Total fuel consumption (E)	GJ	2,16,750	1,87,739
Energy consumption through other sources (F)	GJ	-	-
Total energy consumed from non-renewable sources (D+E+F)	GJ	4,38,007	4,01,586
Total energy consumed (A+B+C+D+E+F)	GJ	5,61,865	4,76,293
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	GJ / Rs. Crores	34.95	33.85
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP i.e. Revenue from operations in USD Lakhs)		28.93	33.85
Energy intensity in terms of physical output (per motorcycle)		0.61	0.57

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.

Core parameters are assured by BSI

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 have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Ground Water	6,511	7,061
(ii) Third Party Water	1,22,687	42,451
(iii) Seawater / desalinated water	-	-
(iv) Others - collected rainwater + condensate	32,651	34,366
(v) Others	39,041	83,738
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2,00,890	1,67,616
Total volume of water consumption (in kilolitres)	1,91,734	1,65,392
Water intensity per rupee of turnover (Total Water consumption/Revenue from operations)	11.93	11.75
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumed/Revenue from operations adjusted for PPP i.e. Revenue from operations in USD Lakhs)	9.87	14.75
Water intensity in terms of physical output (per motorcycle)	0.21	0.18

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.

Core parameters are assured by BSI

**4. Provide the following details related to water discharged:**

Parameter	FY 2023-24	FY 2022-23
No water discharge		

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

Core parameters are assured by BSI

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, EML has incorporated a Zero Liquid Discharge system across all its facilities and corporate offices. The utilisation of advanced technology has helped to prevent wastewater from polluting the environment. The treated wastewater is entirely recycled or reused for various processes such as Irrigation, heating, cooling, ventilation and Reverse Osmosis (RO) membrane cleaning.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	MT	Below the norms of CPCB	Below the norms of CPCB
SOx	MT	Below the norms of CPCB	Below the norms of CPCB
Particulate matter (PM)	MT	Below the norms of CPCB	Below the norms of CPCB
Persistent organic pollutants (POP)	Parts per million by volume	Below the norms of CPCB	Below the norms of CPCB
Volatile organic compounds (VOC)	Parts per million by volume	Below the norms of CPCB	Below the norms of CPCB
Hazardous air pollutants (HAP)	Parts per million by volume	Below the norms of CPCB	Below the norms of CPCB

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.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	14,516	11,510
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	44,006	55,945
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		3.6	4.8
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP i.e. Revenue from operations in USD Lakhs)		3.0	4.5
Total Scope 1 and Scope 2 emission intensity in terms of physical output (per motorcycle)		0.06	0.08

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.

Core parameters are assured by BSI



8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, the Company has undertaken the following projects to reduce the amount of greenhouse gas emissions at the factories and corporate offices:

- Development of solar energy capacities such as the 13MW group captive solar plant through which 1,97,37,222 kWh energy was generated during the financial year
- Usage of liquified natural gas (LNG) in the paint shops
- Replacing gas welding with laser welding in order to lower emissions from the welding process
- Planting and maintenance of 10,000+ trees across all units of the Company to function as a carbon sink

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	285	129
E-waste (B)	9	4
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	44	22
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	1,571	1,521
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	5,694	6,546
Total (A+B + C + D + E + F + G + H)	7,603	8,222
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.47	0.58
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP i.e. Revenue from operations in USD Lakhs)	0.39	0.73
Waste intensity in terms of physical output (per motorcycle)	0.01	0.01
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
i) Recycled	386	639
ii) Re-used	-	-
iii) Other recovery operations	-	-
Total	386	639
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
i) Incineration	-	-
ii) Landfilling	-	343
iii) Other disposal operations	1,185	416
Total	1,185	759

Note: Non-hazardous waste has not been considered while reporting the waste diverted from/directed to disposal

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Core parameters are assured by BSI

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.

EML waste management systems are well defined to manage manufacturing and operational waste. The Company's approach towards Reduce, Reuse, and Recycle (3R) concept promotes the circular economy of its business and ensures reducing use of virgin material and lowering the environmental impact. The Company is making various efforts and initiatives towards Zero waste to landfill (ZLD) and promotes the ideas to its employees in reducing the waste generation across the facilities. EML's paperless working culture helps in reducing the carbon footprint of the Company.

In addition, EML is certified under ISO 14001:2015 and the scope covers its entire operations. As part of the environmental management system, the Company has a standard waste management process for both hazardous and non-hazardous waste which includes identification, segregation, collection, recycling and final disposal.



- 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:**
No, EML does not operate in ecologically sensitive areas such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc. which require approvals/clearances.
- 12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**
The Company has not conducted any environmental impact assessments (EIA) of projects or industrial facility in FY 2023-24.
- 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:**
Yes

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:
- Name of the area**
 - Nature of operations**
 - Water withdrawal, consumption and discharge in the following format:**
Not Applicable

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.

No

- 2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	NA	NA
Total Scope 3 emissions per rupee of turnover		NA	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

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.

No

- 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.**
Not Applicable



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	Outcome of the initiative
1	Rooftop solar	75kWp rooftop solar installed at Headquarters	Saving conventional energy of 40639 kWh
2	Jlg density improvement	Jlg density improvement for capacity addition of Hunter in paint shop at Oragadam	Saving of 1,12,313 kWh
3	Sanding tool replacement	Replacement of Sanding tool connectors and hoses for performance optimisation	Resulted in saving of 99,875 kWh.
4	Variable Frequency Drive for scrubbers	Implementation of VFD for scrubbers & air blower at Plating lines at Tiruvottiyur	Resulted in saving of 64,963 kWh
5	Performance improvement in the air compressor	Improving air performance in the air compressor at HQ from 55kW compressor to 18kW compressor	Savings - 72,000 kWh

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web-link.

Yes, EML has a Risk Management Committee in place which formulates business continuity and disaster management plans. The committee works on creating a framework for identification of risks related to finance, operations, sectorial, sustainability and cyber security while taking appropriate measures for risk mitigation including systems and processes for internal control. It also monitors and oversees implementation of the risk management policy, including evaluating the adequacy of risk management systems.

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.

Currently, there are no significant adverse impacts to the environment caused by the Company arising from value chain activities.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

All the value chain partners are addressed for the environmental impacts.

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.

Eicher Motors has a total of 6 affiliations with trade and industry associations/chambers.

- 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

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

Not Applicable

**LEADERSHIP INDICATORS****1. Details of public policy positions advocated by the entity:**

Sr 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
Not Applicable					

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**

In FY 2023-24, no Social Impact Assessment were undertaken. However, for the relevant CSR projects undertaken by the Company, impact assessment studies are undertaken on a continuous basis.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable. Currently, EML is not associated with any ongoing projects on Rehabilitation and Resettlement.

3. Describe the mechanisms to receive and redress grievances of the community.

EML actively helps the communities where it operates and is always striving to help them grow. Therefore, the Company conducts an assessment in the areas near its operations. It also has a system in place to receive and address community grievances adopting the following approaches.

- Forums to express concerns regarding grievances
- Collaborating with local communities plays a crucial role in addressing grievances
- It also adopts a direct approach, allowing those with grievances to directly reach out to the programme partner of the Company.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers	~9%	~9%
Directly from within India	~71%	~67%

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 2023-24
Rural	-
Semi-urban	~44%
Urban	~12%
Metropolitan	~44%

Note: Metropolitan includes offices outside India. Reported figure includes contract workforce and trainees as well



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
Not applicable since no Social Impact Assessment were undertaken	Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

The Company believes in creating positive social impact in the community and uplift the lives of its beneficiaries by undertaking various CSR initiatives and projects. At present, Eicher is not operating its CSR projects under aspirational districts as all the CSR initiatives undertaken are in the localities close to operating locations but it is working on expanding its reach in the upcoming years.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)

The Company does not have a preferential procurement policy to purchase from suppliers comprising marginalised/vulnerable groups but it is directly working with various local suppliers and vendors for its supply.

(b) From which marginalised/vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute

Not Applicable

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:

Not Applicable

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.

No complaints regarding intellectual property related disputes have been registered and hence no corrective action was taken.

6. Details of beneficiaries of CSR Projects:

The Company had a total of 13 Board-approved projects in FY 2023-24 (The Himalayan Hub, Green Pitstops, The Himalayan Knot, The Great Himalayan Exploration, Responsible Travel, Rural Sports, Health and Education, Marine Conservation, Behaviour Change Communication, Skill Development Centres, Helmets for India, Local Area Development, Group Programmes and Disaster Relief). Each of these projects featured multiple individual projects delivering specific outcomes. The Company worked with more than 135 partners.

Through the projects conducted in FY 2023-24, the Company's work on ground had more than 1.22 Lakh direct primary stakeholders. Additionally, the projects impacted a cumulative of 1.29 Crore indirect stakeholders.

Note: We do not use the term beneficiaries since it implies an unequal relationship. We use the term primary stakeholders to indicate beneficiaries.

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner
1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

EML engages with its customers through the Royal Enfield app to gather feedback on sales and services. The relevant sales or service team monitors and addresses customer complaints promptly for faster resolution. Customers have the option to register their complaints through various channels such as Email, Toll-Free Numbers, Consumer Forums, and Social Media. All concerns are documented in the CRM Platform, MSD, and tickets are generated and closed upon resolution.

2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about

	As percentage of 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:

EML focusses on delivering exceptional experiences for its customers through various customer-centric initiatives such as MiY. The Company also reached out to thousands of customers through the Royal Enfield app and various social media platforms, in order to understand customers' feedback related to sales and services. Customer complaints are monitored and resolved by the respective service/sales team in order to facilitate faster resolution. Following are the % of customer complaints that are outstanding as of:

FY 2023-24: 0.03%

FY 2022-23: 1%

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	-	Not Applicable
Forced recalls	-	Not Applicable

No instances of product recalls on account of safety occurred for FY 2023-24.

5. Does the entity have a framework/policy on cyber security and risks related to data privacy?

Yes. EML has implemented an Information Security Policy to mitigate risks related to cybersecurity and data privacy. This policy entails a set of protective measures that are consistently implemented throughout the entire value chain, fostering a secure environment for seamless business operations. It outlines the necessary controls to safeguard EML's information assets, facilitating access, utilisation, and disclosure of information in adherence to relevant standards, laws, and regulations.

<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; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Not Applicable, no instances of issues relating to advertising, and delivery of essential services; cybersecurity resulting in data breach and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services noted during 2023-24.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches - 0
- Percentage of data breaches involving personally identifiable information of customers - Nil
- Impact, if any, of the data breaches - None



LEADERSHIP INDICATORS

1. Channels/platforms where information on products and services of the entity can be accessed (provide a web link, if available).

For proper management of information on its products and services, the Company has various checks and balances in place to ensure best of standards. The details on the same can be accessed on

<https://www.royalenfield.com/in/en/motorcycles/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

For EML, safety and responsible usage is of utmost value and we encourage all the consumers to adhere to all the safety protocols. EML encourages responsible travel and has promoted initiatives such as helmets for India encouraging usage of safe riding gears for the riders.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

EML discloses its discontinuation of products and services on its website and in the integrated report.

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.

Yes, adequate information is provided in the user manuals/website regarding the safe and appropriate use of our motorcycles.

5. 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)

Under the stakeholder engagement programme, EML has conducted various programmes such as customer satisfaction survey, market survey. With its customer-centricity initiative, EML has developed the Royal Enfield mobile app to make service operations smooth and enhance user experience.



INDEPENDENT ASSURANCE OPINION STATEMENT

To The Board of Directors of Eicher Motors Limited

Holds Statement No.: **SRA 813270**

The British Standards Institution (**BSI**) has conducted a reasonable assurance engagement on the sustainability information (described in the "Scope") in the Business Responsibility and Sustainability Report (BRSR Core KPI's) for FY 2023-2024 of **Eicher Motors Limited (EML)**.

Scope

The scope of engagement agreed upon with Eicher Motors Limited includes the following:

The reporting boundary is limited to three manufacturing units (Thiruvottiyur, Oragadam and Vallam), and HO+R&D facility at Sholinganallur, Chennai of Royal Enfield (A unit of Eicher Motors Limited). The assurance covers the information of the following subject matters in the Business Responsibility and Sustainability Report (BRSR Core KPI's) for the FY 2023-2024.

- Green-house gas (GHG) footprint - P6:E7
- Water footprint - P6:E3 and P6:E4
- Energy footprint - P6:E1
- Embracing circularity - P6:E9
- Enhancing Employee Wellbeing and Safety - P3:E1(C), P3:E11
- Enabling Gender Diversity in Business - P5:E3(B), P5:E7
- Enabling Inclusive Development - P8:E4, P8:E5
- Fairness in Engaging with Customers and Suppliers - P9:E7, P1:E8
- Open-ness of business – P1:E9

The selected information's are reported in accordance with Business Responsibility and Sustainability Report (BRSR Core KPI's). However, GHGs emissions from garden and sludge waste composting and GHGs emissions from sewage treatment plant are excluded in Scope 1 inventory due to unavailability of activity data.

The details of subject matters and their boundaries within the scope is described in Appendix A and Appendix B in this independent assurance opinion statement.

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Opinion Statement

We have conducted a reasonable assurance engagement on the sustainability information described in the "Scope" above (BRSR for FY 2023-2024 covering disclosures on Green-house gas (GHG) footprint, Water footprint, Energy footprint, Embracing Circularity, Enhancing Employee Wellbeing and Safety, Enabling Gender Diversity in Business, Enabling Inclusive Development, Fairness in Engaging with Customers and Suppliers, Open-ness of business).

In our opinion, the accompanying sustainability information is fairly presented, in all material respects, in accordance with the Business Responsibility and Sustainability Report (BRSR Core KPI's) for FY 2023-2024.

Methodology

Our assurance engagements were carried out in accordance with ISAE3000 (Revised) assurance standard following the principles of Integrity, Objectivity, Professional competence and due care, Confidentiality, Professional behaviour, and ISO 14064-3:2019 for GHG statement. Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- A top-level review of issues raised by external parties that could be relevant to Eicher Motors Limited (EML) policies to provide a check on the appropriateness of statements made in the report.
- Discussion with managers and staff on Eicher Motors Limited (EML) approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- Interviews with staffs involved in sustainability management, BRSR report preparation and provision of report information were carried out.
- Document review of relevant systems, policies, and procedures where available.
- Review of key organizational developments.
- Review of the findings of internal audits.
- Review of supporting evidence for claims made in the reports.
- Review of data pertaining to all the units of Eicher Motors Limited (EML) to confirm the data collection processes, record management practices, and check BRSR Core KPI's physically and through virtual mode.
- A sample-based assessment of the reliability and quality of information as provided in the BRSR towards EML's performance.

Responsibility

Eicher Motors Limited (EML) is responsible for the preparation and fair presentation of the sustainability information and BRSR report in accordance with the agreed criteria. BSI is responsible for providing an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

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Independence, Quality Control and Competence

BSI is independent to Eicher Motors Limited (EML) and has no financial interest in the operation of Eicher Motors Limited (EML) other than for the assurance of the sustainability statements contained in the Business Responsibility and Sustainability Report.

This independent assurance opinion statement has been prepared for the stakeholders of Eicher Motors Limited (EML) only for the purposes of verifying its statements relating to its environmental, social and governance (ESG) KPI's as required in SEBI-BRSR Core Format, more particularly described in the Scope above and detailed in Annexure A.

This independent assurance opinion statement is prepared on the basis of review by BSI of information presented to it by Eicher Motors Limited (EML). In making this independent assurance opinion statement, BSI has assumed that all information provided to it by Eicher Motors Limited (EML) is true, accurate and complete. BSI accepts no liability to any third party who places reliance on this statement.

BSI applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021-1:2015 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.

BSI is a leading global standards and assessment body founded in 1901. The BSI assurance team has extensive experience in conducting verification over environmental, social and governance (ESG), GRI Universal Standard 2021, AA1000AS, ISO10002, ISO 14001, ISO 45001, ISO 14064, ISO 14067, ISO 14068, ISO 50001, and ISO 9001, etc. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

Issue Date: 29-07-2024

For and on behalf of BSI:

S Krishnaraj, Lead Assurer

Theuns Kotze, Managing Director – IMETA Assurance

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Appendix A: [Data of subject matters within the scope].

Sr: No	Subject Matter / Attribute	Parameter	Unit of Measurement	Final Value
1	GHG Footprint	Total Scope-1 Emissions	tCO ₂ e	14,516.29
		Total Scope-2 Emissions	tCO ₂ e	44,005.56
		GHG Emission Intensity (Scope 1+2)	tCO ₂ e/Rs Crores (Revenue)	3.64
			tCO ₂ e/USD Lakh (Revenue adjusted for PPP)	3.01
			tCO ₂ e/No of product (Physical output)	0.06
2	Water Footprint	Total water consumption	KL	1,91,734
		Water consumption intensity	KL/Rs Crores (Revenue)	11.93
			KL/USD Lakh (Revenue adjusted for PPP)	9.87
			KL/No of product (Physical output)	0.21
		Water discharge by destination and levels of treatment	KL	(Zero Liquid Discharge, reused inside the premises)
3	Energy Footprint	Total energy consumed from renewable sources	GJ	1,23,858
		Total energy consumed from non-renewable sources	GJ	4,38,007
		Percentage of energy consumed from renewable sources	In % terms	22.04%
		Energy consumption intensity	GJ/Rs Crores (Revenue)	34.95
			GJ/USD Lakh (Revenue adjusted for PPP)	28.93
			GJ/No of product (Physical output)	0.61
4	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	MT	285.34
		E-waste (B)	MT	9.02
		Bio-medical waste (C)	MT	-
		Construction and demolition waste (D)	MT	-
		Battery waste (E)	MT	44.03
		Radioactive waste (F)	MT	-

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		Other Hazardous waste (G)	MT	1571
		Other Non-hazardous waste generated (H)	MT	5694.14
		Total waste generated (A+B + C + D + E + F + G + H)	MT	7603.53
		Waste generation intensity	MT/Rs Crores (Revenue)	0.47
			MT/USD Lakh (Revenue adjusted for PPP)	0.39
			MT/No of product (Physical output)	0.01
		Waste diverted from disposal	MT (Recycled)	386
			MT (Re-used)	-
			MT (Other recovery)	-
		Waste directed to disposal	MT (Incineration)	-
			MT (Landfilling)	-
			MT (Other disposal)	1185
		Waste recycled intensity	MT (Total waste recycled/Total waste generated)	0.05
5	Enhancing Employee Wellbeing and Safety	Spending on measures towards well being of employees and workers (including permanent and other than permanent)	Cost incurred on well-being measures as a % of total revenue of the company	0.35%
		Details of safety related incidents for employees and workers (including contract-workforce)	Number of Permanent Disabilities	-
			Lost Time Injury Frequency Rate (LTIFR)	0.03 (Considered only Recordable work-related Injuries)
			No. of fatalities	-
6	Enabling gender diversity in business	Gross wages paid to females as % of wages paid	In % age terms	6.1
		Complaints on POSH (including permanent and other than permanent)	Total Complaints on Sexual Harassment (POSH) reported	4
			Complaints on POSH as a % of female employees/workers	0.23
			Complaints on POSH upheld	Investigation under Progress
7	Enabling inclusive development	Input material directly sourced from MSMEs/ small producers from within India, as percentage of total purchase (Viz., raw material, spares, services, capex procurement items etc.)	In % of total purchases by value	8.63

BSI Group India Private Limited
The Mira Corporate Suites
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		Job creation in smaller towns - Wages paid to persons employed (including employees/workers employed on a permanent (or) non-permanent/on contract basis) as % of total wage cost	Rural, as % of total wage cost	NIL
			Semi-urban, as % of total wage cost	44
			Urban, as % of total wage cost	12
			Metropolitan, as % of total wage cost	44
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	Percentage of data breaches	NIL
		Number of days of accounts payable	Days	69
9	Open-ness of business	Concentration of Purchases	Purchases from trading houses as % of total purchases	-
			Number of trading houses where purchases are made from	-
			Purchases from top 10 trading houses as % of total purchases from trading houses	-
		Concentration of Sales	Sales to dealers / distributors as % of total sales	99.99
			Number of dealers / distributors to whom sales are made	1357
			Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	6.3
		Share of RPTs in percentage	Purchases with related parties / Total Purchases	3
			Sales to related parties / Total Sales	3
			Loans & advances given to related parties / Total loans & advances	70
			Investments in related parties / Total Investments made	3

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Appendix B: List of locations from the boundaries of "Green-house gas (GHG) footprint, Water footprint, Energy footprint, Embracing Circularity, Enhancing Employee Wellbeing and Safety, Enabling Gender Diversity in Business, Enabling Inclusive Development, Fairness in Engaging with Customers and Suppliers, Open-ness of business".

S:NO	Facility Name	Facility Address
1	Headquarters	296, Rajiv Gandhi Salai, ELCOT SEZ, Sholinganallur, Chennai, Tamil Nadu – 600119.
2	Vallam Plant	G121 / G122 Sipcot Industrial Park Vallam Vadagal Sriperambudur Kanchipuram Tamil Nadu India – 602105.
3	TVT Plant	Tiruvottiyur High Road, Tiruvottiyur, Chennai, Tamil Nadu – 600082.
4	Oragadam Plant	No A19/1 Sipcot Industrial Growth Centre, Wallajahbad Road, Oragadam Village, Kanchipuram – 602105.

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DIRECTORS' REPORT

To the Members of Eicher Motors Limited

The Directors have pleasure in presenting the 42nd Annual Report along with the Audited Financial Statements of your Company for the financial year ended March 31, 2024.

FINANCIAL RESULTS

Your Company has earned a total revenue from operations of Rs. 16,078.16 Crores during FY 2023-24. The profit before depreciation and interest amounted to Rs. 4,380.18 Crores, which is 27.2% of the total revenue. After accounting for other income of Rs. 1,168.14 Crores, interest expense of Rs. 19.20 Crores and depreciation of Rs. 559.10 Crores, profit before tax amounted to Rs. 4,970.02 Crores.

Profit after tax amounted to Rs. 3,749.42 Crores after an income tax provision of Rs. 1,220.60 Crores. Total Comprehensive income for the year, net of tax amounted to Rs. 3,738.76 Crores.

The financial statements are summarised below:

	Rs. in Crores	
Particulars	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Net Revenue from operations	16,078.16	14,066.64
Profit before depreciation and interest	4,380.18	3,393.50
Interest	19.20	12.97
Depreciation	559.10	512.05
Profit before other income and tax	3,801.88	2,868.48
Other income	1,168.14	639.84
Profit before tax	4,970.02	3,508.32
Provision for tax (including Deferred tax)	1,220.60	885.73
Net profit after tax	3,749.42	2,622.59
Other comprehensive income	(10.66)	9.95
Total Comprehensive income for the year/period, net of tax	3,738.76	2,632.54
Balance in statement of profit and loss brought forward from previous year	12,154.94	10,112.61
Amount available for appropriation: (Excluding exchange difference in translation of foreign operations)	15,880.47	12,729.13
Dividend for FY 2021-22, paid in FY 2022-23	-	574.19
Dividend for FY 2022-23, paid in FY 2023-24	1,012.87	-
Dividend proposed for FY 2023-24, to be paid in FY 2024-25	1,396.41	-
Earnings per share		
- Basic (Rs.)	136.98	95.91
- Diluted (Rs.)	136.75	95.74

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of the Company during the financial year under review.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY THAT HAVE OCCURRED AFTER MARCH 31, 2024 TILL THE DATE OF THIS REPORT

There have been no material changes or commitments affecting the financial position of the Company which have occurred after March 31, 2024 till the date of this report.

DIVIDEND

The Board of Directors at its meeting held on May 10, 2024, has recommended for approval of the shareholders, payment of dividend of Rs. 51/- per equity share of face value of Re. 1/- each (@ 5100%) out of the profits for FY 2023-24 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 Wednesday, August 7, 2024 (record date);
- b) To all Members in respect of shares held in physical form as of the close of business hours on Wednesday, August 7, 2024 (record date).

AMOUNTS TRANSFERRED TO RESERVES

During FY 2023-24, no amount was transferred to the General Reserve of the Company.

BRIEF DESCRIPTION OF THE STATE OF COMPANY'S AFFAIRS/BUSINESS PERFORMANCE

Your Company has sold 9,12,731 motorcycles in FY 2023-24, 9.3% higher when compared to 2022-23 sales of 8,34,895 motorcycles. Out of 9,12,731 motorcycles sold in 2023-24, 77,937 motorcycles were exported, a decrease of 22.1% over previous year export volume of 1,00,055 motorcycles.

Net Revenue from operations for financial year 2023-24 was Rs. 16,078.16 Crores, 14.3% higher when compared with previous year Rs. 14,066.64 Crores. Net Sales of spare parts, gears and services increased to Rs. 2,331.35 Crores in 2023-24 from Rs. 1,919.26 Crores in the previous year, with a growth of 21.5%.

Your Company's profit before depreciation, interest and tax was Rs. 4,380.18 Crores in financial year 2023-24, higher by 29.1% over Rs. 3,393.50 Crores recorded in financial year 2022-23.

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 FY 2023-24.

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, 2024, was Rs. 27,38,05,630/-. During the year under review, the Company has issued 3,24,060 Equity Shares (Face value Re. 1/- each) pursuant to its Employees Stock Option Plan, 2006 ("ESOP, 2006"). No shares have been issued against the exercise of stock units under the Company's Restricted Stock Units Plan, 2019 ("RSU Plan, 2019") during the financial year under review.

A Statement giving complete details as at March 31, 2024, 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://eicher.in/content/dam/eicher-motors/investor/financial-and-reports/annual-reports/Eicher-Motors-ESOP-Statement-2023-24%2023072024revised.pdf>

ESOP, 2006 and RSU Plan, 2019, for grant of stock options have been implemented in accordance with the aforesaid SEBI Regulations. A certificate from M/s. AGSB & Associates, Secretarial Auditors, in this regard 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 year under review.

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 Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year under review. 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 Act 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 Act and Regulation 16 of SEBI (LODR) Regulations, 2015. As on March 31, 2024, 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 Act, Mr. Govindarajan Balakrishnan, Whole-time Director and CEO-Royal Enfield, retires by rotation at the ensuing 42nd Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors recommends his reappointment.

Change in the Board and Key Managerial Personnel

During the year under review, the shareholders of the Company at the 41st Annual General Meeting held on August 23, 2023 approved the re-appointment of Mr. Vinod Kumar Aggarwal as Non-Executive Non-Independent Director of the Company for a period of 5 (five) years w.e.f. April 1, 2024. Mr. Inder Mohan Singh was re-appointed as Non-Executive Independent Director with effect from November 12, 2023, for a period of 5 consecutive years, with requisite approvals of the shareholders obtained through Postal Ballot on November 5, 2023.

Mr. S. Madhavan and Mr. Tejpreet Singh Chopra have been appointed as Non-Executive Independent Directors of the Company with effect from September 29, 2023, for a period of 5 consecutive years, with requisite approval of the shareholders obtained through Postal Ballot on November 5, 2023.

In terms of the provisions of rule 8(5)(iia) of the Companies (Accounts) Rules, 2014, the Board opines that the Independent directors appointed/re-appointed during the year hold highest standards of integrity and possess necessary expertise and experience.

There has been no other change in the Directors and Key Managerial Personnel of the Company during the financial year under review.

THE COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's Hiring & Employment Policy:

A number of factors are considered towards 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, 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 (indicative; other than as provided under the Companies Act, 2013):

- 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 in this regard.

The Company's Remuneration Policy:

The Company's Compensation Strategy defines the principles underlying compensation philosophy for its employees. Compensation is a critical piece of 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 manpower. 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 viz. 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 employee; advance towards medical insurance premiums; loans granted to enable grantees exercise ESOPs and towards deposit of perquisite tax thereon; loans/advances covered under 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 in an amount not exceeding his/her two months' gross salary.

Remuneration by way of commission to the Non-Executive Directors shall be decided by the Board of Directors within the ceiling of a sum, not exceeding 1% of the annual net profits of the Company in each of the financial year, 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 his/her responsibility areas, employee performance assessment etc.

The said Policy is also available on the website of the Company at <https://www.eicher.in/content/dam/eicher-motors/Remuneration-Compensation-Policy.pdf>

ANNUAL EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

Formal annual evaluation of the Board, its Committees and Individual Directors for FY 2023-24 is carried out by the Board 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. Once the evaluation process is complete, the Nomination & Remuneration Committee reviews the implementation of the manner specified by it for performance evaluation and effectiveness of the process.

The Independent Directors also reviewed the performance of the Non-Independent Directors, performance of the Board as a whole and performance of the Chairperson of the Company. Review of performance of the Chairperson was done after taking into account the views of the Executive Directors and Non-Executive Directors (excluding the Chairperson being evaluated).

MEETINGS OF BOARD OF DIRECTORS

Seven (7) meetings of the Board of Directors of the Company were conducted during the financial year under review. 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 ACT

The details of loans, guarantees and investments made by the Company during the financial year under review which are covered under Section 186 of the Companies Act, 2013 form part of the notes 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 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 attached as **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 41st Annual General Meeting (AGM) held on August 23, 2023 for certain related party transactions between VE Commercial Vehicles Limited (VECV), Subsidiary of the Company, and Volvo Group India Private Limited (VGIP), a related party of VECV, for FY 2023-24 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, same material related party transactions between VECV and VGIP for FY 2024-25 are proposed at the ensuing 42nd Annual General Meeting for the approval of the shareholders by way of Ordinary Resolution. Please refer to the notice of 42nd AGM 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. Sandilya (Chairman)
2	Ms. Manvi Sinha
3	Mr. Inder Mohan Singh
4	Mr. S. Madhavan

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/Eicher-Whistle-Blower-Policy.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 year under review.

Royal Enfield North America Limited (RENA) (Wholly-owned Subsidiary)

RENA was incorporated in March 2015 as a 100% subsidiary of Eicher Motors Limited to manage the distribution and sales of Royal Enfield products and services including motorcycles, spares and gear in North America. It sold 7,102 motorcycles (including 536 motorcycles sold to Royal Enfield Canada Limited, 100% subsidiary of RENA) during FY 2023-24 and achieved revenue of Rs. 261.01 Crores (including revenue of Rs. 19.73 Crores from sales to Royal Enfield Canada Limited). As of March 2024, RENA had contracted with 151 multi brand outlets in the USA. The company participated in 30 Dealer Demo Events and continued to support American Flat Track and Build Train Race (BTR) Programmes with participation in 54 collective events.

Royal Enfield Canada Limited (RECA) (Wholly-owned Subsidiary)

RECA is a 100% subsidiary of RENA. RECA was incorporated in April 2016 in Canada to manage the distribution and sales of Royal Enfield products and services including motorcycles, spares and gear in Canada. During the year 2023-24, the company sold 587 motorcycles and achieved revenue of Rs. 22.01 Crores. As of March 2024, RECA had contracted with

17 multi brand outlets in Canada. The Company participated in 10 dealer demo events.

Royal Enfield Brasil Comercio De Motocicletas Ltda. (Wholly-owned Subsidiary)

Royal Enfield started its operations in Brazil through a direct distribution company by the name of Royal Enfield Brasil Comercio de Motocicleta Ltda in 2016. During the financial year under review, Eicher Motors Limited and RE Brazil entered into a tripartite agreement with Dafra da Amazônia Indústria e Comércio de Motocicletas, a third-party CKD manufacturer, to assemble the components into motorcycles. It has sold 14,017 motorcycles in FY 2023-24 and achieved a revenue of Rs. 390.32 Crores.

Royal Enfield (Thailand) Ltd (Wholly-owned Subsidiary)

Royal Enfield (Thailand) Ltd. was incorporated on September 18, 2018 and commenced sales operations from September 2019. The Company's footprints are steadily growing and currently have 18 exclusive stores, 7 studio stores and 10 authorised sales and service points. The brand love has been demonstrated by the company's passionate Customers and Communities from various provinces in Thailand and has 30 passionate Royal Enfield communities across Thailand. Company is among the top 2 brands in the mid-segment in the Kingdom of Thailand, with a market share of 16% in FY 2023-24.

During the year 2023-24, the company received three awards from the coveted Grand Prix group, "The Original Unique Design award" for Classic 350, "Most popular Modern Classic award" was won by Hunter 350 and "Best Cruiser MiddleWeight award" was won by Super Meteor 650. The company has sold 3,603 motorcycles and achieved revenue of Rs. 133.13 Crores.

Royal Enfield UK Ltd (Wholly-owned Subsidiary)

Royal Enfield UK Ltd was incorporated in August, 2019 and commenced sales operations from June 2020. The company started trading directly in the United Kingdom, without a distributor, as of May 1, 2023. The network size finished the trading year with 71 sales and aftersales partners, including 10 exclusive stores, with a number of new dealers in development for the new business year.

During FY 2023-24, the company sold 2,291 motorcycles. The company was able to retain its market leading position within the mid-size market holding a 18.4% market share. The United Kingdom continues to be the only market outside of India to achieve this position. During FY 2023-24, the company recorded a revenue of Rs. 79.15 Crores.

Royal Enfield Europe B.V. (Wholly-owned Subsidiary)

On March 21, 2024, the Company incorporated a wholly-owned subsidiary "Royal Enfield Europe B.V.", in Netherlands. The equity infusion and operations shall commence in 2024-25.

**Eicher Polaris Private Limited (EPPL)**

Eicher Polaris Private Limited, a joint venture company, was involved in 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 voluntary liquidation (solvent liquidation) of EPPL and appointed an insolvency professional as the liquidator. The liquidation process is currently under progress.

VE Commercial Vehicles Limited and its step-down subsidiaries

Overview of performance covered separately in the Annual Report.

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 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

During the financial year under review, Royal Enfield Europe B.V. was incorporated on March 21, 2024 as a wholly-owned subsidiary of the Company in the Netherlands. No other company has become or ceased to be the Company's subsidiary, joint venture or associate company during FY 2023-24.

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, 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 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 will be given preference while formulating Annual Action Plans. The Company will continue to support social projects that are consistent with the Policy.

Corporate Social Responsibility Committee of the Company is constituted as follows:

1. Mr. S. Sandilya – Chairman
2. Mr. Siddhartha Lal
3. Mr. Inder Mohan Singh
4. Ms. Manvi Sinha

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 in the Annual Report. A statement containing the salient features of the financial statements of each of the subsidiary and joint venture in the prescribed Form AOC-1 is attached.

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 Rs. 3,987.33 Crores for FY 2023-24 as compared to Rs. 2,922.49 Crores for FY 2022-23.

AUDITORS**(a) Statutory Auditors and their report**

M/s S.R. Batliboi & Co., LLP, Chartered Accountants (Firm Registration Number: FRN 301003E/E300005) were re-appointed as Statutory Auditors in the 40th (Fortieth) Annual General Meeting (AGM) of the Company for second term of five consecutive years, from the conclusion of 40th AGM till the conclusion of 45th AGM to be held in the year 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 financial statements of the Company for the financial year ended March 31, 2024 pursuant to the provisions of the Act. 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 has appointed M/s. AGSB & Associates, Company Secretaries, to conduct Secretarial Audit for the financial year ended March 31, 2024. As required under Section 204 of the Companies Act, 2013, the Secretarial Audit Report 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, pursuant to provisions of Regulation 24A of the SEBI (LODR) Regulations, 2015, 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. 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 Auditors to carry out audit of the cost records of the Company for FY 2023-24 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 provisions of Section 143(12) of the Companies Act, 2013, the Statutory Auditors, the Secretarial Auditors and the Cost Auditors have not reported any incident of fraud to the Audit Committee or Board during the financial year under review.

CORPORATE GOVERNANCE, MANAGEMENT DISCUSSION & ANALYSIS AND BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTS

As per SEBI (LODR) Regulations, 2015, Corporate Governance Report together with the Auditors' certificate confirming compliance of conditions of Corporate Governance, Management Discussion & Analysis Report and Business Responsibility & Sustainability Report forms part of the Annual Report.

INTEGRATED REPORT

The Company has voluntarily prepared an Integrated Report which will help stakeholders to understand the Company's economic, environmental, social and governance performance more effectively and analysing the financial and non-financial performance of the Company. With this, stakeholders shall also have a better understanding of the Company's long-term perspective. The report is also 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://www.eicher.in/content/dam/eicher-motors/investor/financial-and-reports/annual-reports/Annual-Return\(MGT-7\)F.Y.%202023-24.pdf](https://www.eicher.in/content/dam/eicher-motors/investor/financial-and-reports/annual-reports/Annual-Return(MGT-7)F.Y.%202023-24.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, 2024, 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, 2024 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 2023-24 over FY 2022-23
1.	Mr. S Sandilya	Chairman & Non-Executive Independent Director	9.7	49.5
2.	Mr. Siddhartha Lal	Managing Director	388.8	13.6
3.	Mr. Govindarajan Balakrishnan	Whole-time Director and CEO-Royal Enfield	199.4	193.9 [#]
4.	Mr. Inder Mohan Singh	Non-Executive Independent Director	4.2	11.3
5.	Ms. Manvi Sinha	Non-Executive Independent Director	4.3	13.7
6.	Mr. Tejpreet Singh Chopra	Non-Executive Independent Director (Appointed w.e.f. September 29, 2023)	1.9	N.A.**
7.	Mr. S. Madhavan	Non-Executive Independent Director (Appointed w.e.f. September 29, 2023)	2.0	N.A.**
8.	Mr. Atul Sharma	Company Secretary (Appointed w.e.f. August 10, 2022)	-	N.A.**
9.	Ms. Vidhya Srinivasan	Chief Financial Officer (Appointed w.e.f. November 18, 2022)	-	N.A.**

*Remuneration of Directors/Key Managerial Personnel (KMP) who held their respective positions for a part of the year in either FY 2022-23 or in FY 2023-24 has not been annualised.

[#]The total remuneration of Rs. 16.03 Crores of Mr. Govindarajan Balakrishnan considered for calculating percentage increase in remuneration includes Rs. 9.22 Crores as perquisite value from exercise of employees' stock options during the financial year under review.

**The % change in remuneration is not comparable as the said Directors/KMPs held their respective positions for a part of the year either in FY 2022-23 or in FY 2023-24 and hence the same is not provided.

Note:

Mr. Vinod Kumar Aggarwal, a Non-Executive Director of the Company is also the Managing Director and CEO of VE Commercial Vehicles Ltd (VECV), a material subsidiary of the Company and draws 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 is 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 2024-25, 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: 4%
- 3) Number of permanent employees on the rolls of Company as at March 31, 2024: 5,249 employees.
- 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 14.1% and the increase in the managerial remuneration was 16.0%. If we include the perquisite value of employees stock options exercised during the last financial year, the percentage increase for employees (other than managerial personnel) was 19.2% and increase in managerial remuneration was 43.0%.
- 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) & (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 Annual General Meeting.

RISK MANAGEMENT

Requisite information is provided under Management Discussion and Analysis Report which forms part of the Annual Report.

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

Requisite information is provided under the Corporate Governance Report which forms part of the Annual Report.

PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

DHL Supply Chain India Private Limited (DHL) had filed an application with National Company Law Tribunal (NCLT), New Delhi bench for initiation of Corporate Insolvency Resolution Process against the Company under the Insolvency and Bankruptcy Code, 2016 (IBC). NCLT, New Delhi bench vide its order dated May 29, 2023, dismissed application filed by DHL.

Thereafter, National Company Law Appellate Tribunal (NCLAT) vide its order dated August 2, 2023 also dismissed the appeal filed by DHL on June 28, 2023.

Other than the above, 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 year under review, 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

Siddhartha Lal
Managing Director
DIN: 00037645
Place: Leicestershire,
United Kingdom
Date: May 11, 2024

S. Sandilya
Chairman
DIN: 00037542
Place: Leicestershire,
United Kingdom
Date: May 11, 2024



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 Paint Shop Robot Line - 1 UPS rating optimised from 100 KVA to 10 KVA resulted in energy saving of 32,249 kWh.
2. Implementation of Electrical Hoist at vehicle assembly line 2 and 7; line 3 at Oragadam resulted in energy saving of 44,610 kWh.
3. Jlg density improvement for capacity addition of Hunter (frame, tank, side panel) in Paintshop at Oragadam resulted in saving of 1,12,313 kWh.
4. Mechanical evaporator running optimisation resulted in saving of 20,400 kWh.
5. Energy consumption reduction of air handling unit (AHU) through chemical deep cleaning at Oragadam resulted in saving of 18,200 kWh.
6. Chiller energy consumption reduction through articomaster device at ORG resulted in saving of 23,147 kWh.
7. RO plant ultrafiltration enhancement resulted in saving of 11,550 kWh.
8. Powder coating capacity enhancement in the jig density resulted in saving of 10,235 kWh.
9. 75kWp rooftop solar at Royal Enfield headquarters (REHQ) generated 40,639 kWh of renewable power.
10. Installation of VFD (Variable Frequency Drive) at Engine Power coating filter booth in Vallam resulted in saving of 20,000 kWh.
11. Implementation of 5th Stage RO to reduce the working hour Mechanical evaporator equipment at Vallam resulted in saving of 18,681 kWh.
12. Ideal time reduction of Compressor by reducing pressure from 7.2 bar to 6.8 bar resulted in saving of 14,560 kWh.
13. Replacement of Sanding tool connectors and hoses for performance optimisation resulted in saving of 99,875 kWh.
14. Implementation of brushless direct current fan over induction fan at Tiruvottiyur (TVT) resulted in saving of 25,704 kWh.
15. Implementation of variable frequency drive for scrubbers & air blower at Plating line 2 & 3 respectively at TVT resulted in saving of 64,963 kWh.
16. Elimination of the AC unit by replacing it with AHU resulted in saving of 17,464 kWh.
17. Improving air performance in the air compressor at REHQ from 55 kW compressor to 18 kW compressor Savings - 72,000 kWh.
18. Air-cooled chiller optimisation of Setpoint of air cooled condenser has been reduced from 7 to 10. The C unit at REHQ saves 14,300 kWh.
19. Improving Energy efficiency in the Air-cooled chiller by controlling the water flow at REHQ from 111 m³ Hr to 90 m³ Hr Unit savings 5,000 units.
20. Various other energy saving measures resulted in 1,11,252 kWh of energy saving.

(ii) The steps taken by the Company for utilising alternate sources of energy

1. 9 MWp offsite in progress. Renewable energy use from June 2024, generates approx. 17,00,000 kWh of renewable energy.
2. 75 kWp rooftop solar installed at REHQ resulting in saving the conventional energy of 40,639 kWh.

(iii) The capital investment on energy conservation equipment

Rs. 5.57 Crores

(B) TECHNOLOGY ABSORPTION

Engine Development

J Engine 350cc

- ♦ Development of Flex fuel engine with parts compatible with higher grade of Ethanol
- ♦ Piston profile optimisation is done to improve the piston life

Twin Engine 650cc

- ♦ Suppressor cap wire bound resistance upgraded to ceramic shoulder resistance to avoid spark misfire
- ♦ Service improvement done by eliminating Tappet adjustment at 500 km



Himalayan Engine 410cc

- ◆ Cold startability improved up to -20 degree centigrade achieved by alternate oil grades
- ◆ Spiny cylinder liner introduced to improve structural rigidity & thermal conductivity

K Engine (450cc)

- ◆ Ride by wire throttle with integrated electronic control unit (ECU)
- ◆ Water cooling with fully internal coolant bypass system
- ◆ Plated aluminium cylinder bore
- ◆ Forged piston
- ◆ Direct acting double overhead cams
- ◆ Low friction diamond-like carbon coatings (gudgeon pin and tappets)
- ◆ Semi-dry sump system (dry sump but internal to crankcases)
- ◆ Plain bearings on assembled crank
- ◆ Machined angled squish combustion chamber
- ◆ Thin wall aluminium castings
- ◆ Hydraulic cam chain tensioner
- ◆ Rare earth ACG for low weight
- ◆ FLS Friction (FCC Leaning Segment) material with A&S (Assist and Slip) for reduced clutch effort

Computer-aided engineering

- ◆ Developed methodology accounting for the clearance and assembly loads with Chassis and Engine to capture the failures observed in the Overload/Off-Road test
- ◆ Developed Battery Digital Twin development for software testing
- ◆ EV Battery, On-Board charger & Motor Conjugate Heat Transfer (CHT) simulation to predict the temperature distribution
- ◆ Developed methodology for transient thermal analysis of electronic components in Vehicle Control Unit (VCU) & OBC (On Board Charger)
- ◆ Battery module model & shock analysis
- ◆ Functional safety ISO 26262 workflow developed for Battery Management System (BMS) using Ansys Medini
- ◆ Battery management system application layer algorithms for contactor controls, charging sequence developed

- ◆ Printed Circuit Board Assembly (PCBA) physics-based reliability assessment using Ansys Sherlock
- ◆ Developed Vehicle jump test model with Biomotion Motorcycle Rider - Account for the rider influence on ride dynamics
- ◆ Emotor Noise Vibration & Harshness (NVH) analysis and balancing study in Romax and Transfer Path Analysis (TPA) of EV - methodology made to predict handlebar & footpeg vibrations made
- ◆ Flow-induced noise simulations using Computational Fluid Dynamics (CFD) & acoustic transmission (ACTRAN) for exhaust created
- ◆ Methodology of signal processing of all testing track sensor data Power Spectral Density (PSD) for using it in durability evaluations of the structures created
- ◆ Exhaust orifice noise measurement analysis & psychoacoustic analysis for sound quality assessment
- ◆ Torque roll axis calculation and engine mount optimisation

Vehicle Development

J Platform vehicles - Meteor / Classic / Hunter/ Bullet

- ◆ Flex Fuel vehicle variant demonstrator done
- ◆ Bullet 350 vehicle introduced on J Engine platform
- ◆ Non ABS variants introduced for SAARC Countries
- ◆ Mirror with central pivoted stem to have improved adjustability introduced
- ◆ Investment cast footrests introduced
- ◆ Shut off valve introduced in the EVAP system
- ◆ RRR Study (Reusability, Recyclability, Recoverability) study done as part of AIS 129 Part 2B and J platform is at Recyclability of 97% and Recoverability of 99%

Vehicle Design (Super Meteor 650 & Shotgun 650):

Chain life enhanced for Super Meteor & Shotgun through alternate source & higher thickness. Shotgun - Removable subframe for solo riding.

Vehicle Design (Interceptor / GT 650):

SS Throttle Cable introduced. RRR study done as part of Automotive Industry Standard 129 Part 2B and 650cc platform is at Recyclability of 97% and Recoverability of 99%.

Vehicle Design (Himalayan 450)

- ◆ Long Travel Upside fork with Separate Function Fork (SFF)
- ◆ Side Laced adventure tubeless wire spoked wheels
- ◆ 20mm Height adjustable seat without tools
- ◆ Handlebar risers that are rotatable to allow for two position handlebar ergonomics



- ♦ Anti vibration rubber mounted rider foot controls
- ♦ Horizontal linkage rear suspension
- ♦ Fully stressed frame and engine architecture with swingarm pivot integrated into crankcases

Electrical & Electronics

New Himalayan

- ♦ Ride by Wire throttle with rider modes
- ♦ Switch cubes equipped with joystick to navigate instruments
- ♦ 4" Tripper Dash with thin film transistor and WiFi streaming of Google maps for navigation
- ♦ LED Brake & Tail Lamp with integrated turn signal lamps
- ♦ Over the air updates of firmware through RE App and instrument cluster
- ♦ Type C USB implemented
- ♦ Metal-oxide-semiconductor field-effect transistor and Schottky diodes based Regulator Rectifier units for low loss

Meteor Aurora 350: LED headlamp implemented in new model. Switch module LH micro-switch for headlamp control.

Super Meteor & Shotgun 650 – RE Wingman:

Telematics with 2G Global System for Mobile Communications (GSM) and Global Positioning System (GPS) implemented in Super Meteor 650.

Interceptor & Continental GT 650: Suppressor cap implemented with ceramic resistor for improved corrosion resistance. Type C USB implemented.

RE Mechanic: Bluetooth based e-diagnostics tool for RE technicians developed and introduced.

The expenditure incurred on Research and Development:

- Revenue: Rs. 148.98 Crores
- Capital: Rs. 314.69 Crores

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, total foreign exchange earnings were Rs. 1,602.25 Crores (Previous year Rs. 1,694.28 Crores). Foreign exchange outflow amounting to Rs. 648.31 Crores (Previous year Rs. 642.32 Crores) was towards import of components, spare parts, capital goods, salaries & wages, advertisement, business travel and consulting fees during the year under review.



ANNEXURE-2

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act 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.

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S-LENGTH BASIS: No such Contracts or Arrangements or Transactions during the financial year

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S-LENGTH BASIS:

a) 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 ("VGIL"), a related party of VECV. Eicher Motors Limited is not a party to this transaction. VECV and VGIL 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 Mr. Jan Gustav Gurander was a common director till May 9, 2023 and Mr. Joachim Henry Rosenberg and Ms. Sofia Helena Frandberg became common directors w.e.f. June 16, 2023 on the Board of both VECV and VGIL.
b) Nature of contracts/ arrangements/transaction	The related party transactions involve: (i) Purchase of goods; (ii) Purchase of capital goods/services; (iii) Sale of finished goods/services; (iv) Incentives on part sales, expenses recovered; (v) Reimbursement of expenses, purchase consideration and other related transactions. The RPTs are at arm's-length and in the ordinary course of business of VECV and VGIL.
c) Duration of the contracts/ arrangements/transaction	Ongoing transactions (Shareholders have accorded their approval for the transaction at the 41 st AGM held on August 23, 2023 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 41st AGM available on the website of the Company at www.eichermotors.com. Threshold of Rs. 4,000 Crores was fixed by the shareholders of Eicher Motors Limited for said transaction for FY 2023-24. Actual value of the transaction during FY 2023-24 was Rs. 2,891 Crores. The pricing mechanism followed for RPTs is based on arm's-length principle.
e) Date of approval by the Board	May 11, 2023
f) Amount paid as advances, if any	As per the agreement signed between VECV and VGIL

For **Eicher Motors Limited**

Siddhartha Lal
Managing Director
DIN: 00037645
Place: Leicestershire, United Kingdom
Date: May 11, 2024

S. Sandilya
Chairman
DIN: 00037542
Place: Leicestershire, United Kingdom
Date: May 11, 2024



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

Rs. in Crores											
Sl. No.	Name of Subsidiary	VE Commercial Vehicles Ltd. (VECV)	VECV Lanka (Private) Ltd	VECV South Africa (PTY) Ltd.	VE Electro-Mobility Limited	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	Eicher Group Foundation (Licence under Section 8(1) of the Companies Act, 2013)
		Subsidiary of the Company u/s 2(87) and accounted for as Joint Venture as per the Accounting Standards	Subsidiary of VECV	Subsidiary of VECV	Subsidiary of VECV	Wholly-owned subsidiary of Company	Wholly-owned subsidiary of Company	Wholly-owned subsidiary of Company	Wholly-owned Subsidiary of RENA	Wholly-owned subsidiary of Company	Subsidiary of company (50% of share capital is 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**	-	-	-	-	-	-	-	-	-	-
2	The date since when subsidiary was acquired	March 07, 2008	April 09, 2013	January 22, 2016	April 27, 2022	August 18, 2014	September 18, 2018	March 23, 2015	April 19, 2016	August 20, 2019	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 = Rs. 0.2759	ZAR 1 ZAR = Rs. 4.4077	INR	BRL 1 BRL = Rs. 16.6238	THB 1 THB = Rs. 2.2939	USD 1 USD = Rs. 83.3739	CAD 1 CAD = Rs. 61.5572	GBP 1 GBP = Rs. 105.2935	INR
4	Share Capital (INR in Crores)	10.00	5.43	11.50	35.00	253.61	42.38	43.71	0.11	32.64	0.05
5	Other Equity (INR in Crores)	4,732.76	(5.11)	6.08	(0.43)	(122.25)	(17.03)	(10.83)	1.48	(23.60)	1.27
6	Total Assets (INR in Crores)	12,848.20	0.60	38.89	79.35	279.96	59.67	297.75	4.37	137.23	5.25
7	Total Liabilities (INR in Crores)	8,105.44	0.28	21.31	44.78	148.61	34.32	264.86	2.78	128.19	3.94
8	Investments (current & non-current) (INR in Crores)	46.64	-	-	-	-	-	0.11	-	-	-
9	Turnover (Gross) (INR in Crores)	21,894.90	-	60.33	7.36	390.32	133.13	261.01	22.01	79.15	-
10	Contribution received (INR in Crores)	-	-	-	-	-	-	-	-	-	36.43
11	Profit before Taxation (INR in Crores)	1,268.02	0.29	2.84	(0.51)	(4.12)	(8.07)	(53.48)	(0.15)	(30.49)	(33.82)
12	Provision for Taxation (INR in Crores)	445.37	-	0.77	(0.13)	0.06	-	(7.08)	(0.03)	(6.50)	-
13	Profit after Taxation (INR in Crores)	822.65	0.29	2.07	(0.38)	(4.18)	(8.07)	(46.40)	(0.12)	(24.00)	(33.82)
14	Proposed Dividend (INR in Crores)	250.00	-	-	-	-	-	-	-	-	-
15	% of Shareholding ***	54.40%	54.40%	54.40%	54.40%	99.99%	99.99%	100.00%	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.

*** (1) EML holds 54.4% of equity share capital in VECV. VECV holds 100% of equity share capital in VECV Lanka (Private) Limited, VECV South Africa (PTY) Ltd and VE Electro-Mobility Limited. (2) In order to comply 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.

Note: On March 21, 2024, the Company incorporated a wholly-owned subsidiary "Royal Enfield Europe B.V.", in Netherlands. The equity infusion and operations are likely to commence in 2024-25.



PART B - JOINT VENTURE

Sl. No.	Name of Joint Venture	Eicher Polaris Private Limited (EPPL)
1	Latest audited Balance Sheet	March 31, 2024
2	Date on which joint venture was associated/acquired	October 10, 2012
Shares of Joint Venture held by the Company on the year end		
3	No. as on March 31, 2024	32,54,89,000 Shares
	Amount of Investment in Joint Venture - Rs. Crores	325.49
	Extend of Holding %	50%
4	Description of how there is significant influence	There is no significant influence by Eicher Motors Limited (EML) since EPPL is a joint venture company with 50% shareholding held by EML.
5	Reason why joint venture is not consolidated	Not applicable as the JV is under liquidation
6	Net worth attributable to Shareholding as per latest audited Balance Sheet - Rs. Crores	3.01
	Profit/Loss for the year	
7	i. Considered in Consolidation - Rs. Crores	Refer Note below
	ii. Not Considered in Consolidation - Rs. Crores	Refer Note below

Note :

- EPPL had commenced voluntary liquidation proceedings pursuant to the Insolvency & Bankruptcy Code, 2016 w.e.f. February 18, 2020.
- During FY 2023-24, the Company has not considered any impairment loss (Rs. Nil for the years ended from March 31, 2020 to March 31, 2024. Impairment loss for the year ended March 31, 2019 and year ended March 31, 2018 : Rs. 17.52 Crores and Rs. 311.98 Crores respectively). The cumulative impairment till March 31, 2024 is Rs. 329.50 Crores, including an amount of Rs. 4.01 Crores towards the Company share of cost to wind down the operations.
- EPPL incurred a loss of Rs. 1.28 Crores during FY 2023-24 of which the Company's share of loss is Rs. 0.64 Crore.

ANNEXURE-4

Annual Report on Corporate Social Responsibility (CSR) Activities for FY 2023-24

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 shall be eligible for grants.

Following CSR themes are given preference while formulating Annual Action Plans:

- Local Area Development
- Social Mission - (Responsible Travel & Environmental Sustainability)
- Road Safety

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:

- Clearly defined objectives consistent with the Policy
- A system for monitoring actual spending by the grantees
- Impact assessment, wherever required
- A reporting framework/system

Prospective 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.

Your 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.

Your 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. S. Sandilya	Chairman, Non-Executive Independent Director	5	5
2	Mr. Siddhartha Lal	Member, Managing Director	5	4
3	Mr. Inder Mohan Singh	Member, Non-Executive Independent Director	5	5
4	Ms. Manvi Sinha	Member, Non-Executive Independent Director	5	5

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:**

Below is the executive summary of the impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014. The detailed impact assessment report(s) can be accessed on the website of the Company at <https://www.eicher.in/investors-overview/corporate-governance/csr>

Impact Assessment 1: Electrical Infrastructure Upgrade Project at Dr Shroff Charity Eye Hospital (SCEH)

Project Background: Dr. Shroff Charity Eye Hospital previously relied on an ageing diesel generator to power the patient area, particularly during frequent power outages, especially in the summer months. The setup then posed challenges in terms of compliance and capacity. To address these issues, the project offered a new generator set and transformer that not only adhered to regulatory standards but also significantly increased capacity. The key findings to date are:

- a) **Improved Operational Efficiency:** The installation of a new generator set has made the hospital compliant with Delhi Pollution Control Committee norms. With the doubled transformer capacity, the generator set is able to provide backup power in patient and non-patient areas in less than two minutes, which ensures continuous functionality.
- b) **Enhanced Quality of Hospital Services:** The patient waiting period has reduced from four to two hours as the improved electricity supply allowed the introduction of an electronic medical records system.
- c) **Improvement in Patient Care:** Hospital capacity increased from six to ten operation theatres. The addition of new equipment with a 155-tonnes capacity was supported by the electrical upgrade. There was an increase in capacity to support patient flow by 1.4x (1,85,590 patients to 2,58,221) and an increase in the ability to support 1.6x (16,405 surgeries to 26,095) more surgeries without interruptions compared to 2019-2020.

Impact Assessment 2: COVID Isolation Centre Project at Dr Shroff Charity Eye Hospital (SCEH)

Project Background: During the onset of the second wave of the COVID-19 pandemic, Delhi experienced a severe shortage of space in intensive care wards. Some medical and non-medical staff members of Dr. Shroff Charity Eye Hospital (SCEH) were infected and required assistance, including access to beds. To address this urgent need, a COVID isolation centre was established with support from the Company.

Presently the centre functions as an outpatient department (OPD), enhancing patient workflow efficiency by reducing the waiting period by 50% (from 4 to 2 hours). Oxygen concentrators are being used in wards, and if the need arises in the future, a similar isolation centre could be set up within 48 hours with the existing infrastructure.

Impact Assessment 3: Oxygen plant project across five hospitals in India

Project Background: During the COVID-19 pandemic, India experienced the highest demand for oxygen among low, lower-middle, and upper-middle-income countries, as reported by the PATH Oxygen Needs Tracker. At the peak of infections in September 2020, with around 56,000 cases, Tamil Nadu required 260 metric tonnes (MT) of oxygen daily. By April 2021, with over 1,00,000 active cases, the daily oxygen requirement had surged beyond 350 MT. To address this critical need, the Company provided support for the establishment of three oxygen plants at Chennai, Thanjavur, and Tenkasi military and government hospitals, as well as two in Almora and Ranikhet. The key findings to date are:

- a) **Improvement in patient care:** During COVID-19, the oxygen plant project supported approximately 50-100 patients daily. In certain hospitals, it supplemented existing oxygen plants, while in others, it introduced new infrastructure.
- b) **Increased operational efficiency:** The project addressed acute oxygen shortages during the second wave of COVID-19. When cylinder refilling became a challenge due to long queues, it reduced the hassle by 60%. It provided a permanent solution to the hospital's oxygen needs, continuing to meet demand effectively.
- c) **Enhanced quality of hospital services:** It enhanced the preparedness of the hospital in the event of a new pandemic and reduced the need for people to visit nearby factories and fill oxygen cylinders manually.
- d) **Improved Equitable Access:** In government hospitals, the oxygen plants cater to the oxygen demands of paediatric and intensive care units at no cost. In military hospitals, the oxygen plants fulfil the needs of all wards with patients requiring oxygen.

5. (a) **Average net profit of the Company as per sub-section (5) of section 135:**
Rs. 2,590.40 Crores
- (b) **Two percent of average net profit of the company as per sub-section (5) of section 135:** Rs. 51.81 Crores
- (c) **Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:**
Rs. 0.06 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)]: Rs. 51.87 Crores

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 15.79 Crores

(b) Amount spent in Administrative Overheads: Rs. 2.27 Crores (includes overheads on previous years projects spends)

(c) Amount spent on Impact Assessment, if applicable: Rs. 0.02 Crores

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 18.08 Crores

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (Rs. in Crores)	Amount Unspent (Rs. 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
18.08	33.79	April 29, 2024		Not Applicable	

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (Rs. in Crores)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	51.81
(ii)	Total amount spent for the Financial Year	18.08
(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	0.06
(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 (Rs. in Crores)	Balance Amount in Unspent CSR Account as on April 1, 2023, under sub-section (6) of section 135 (Rs. in Crores)	Amount Spent in the Financial Year (Rs. 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 (Rs. in Crores)	Deficiency, if any
					Amount (Rs. in Crores)	Date of Transfer	
1	FY 2020-21	24.92	4.01	4.01	Not Applicable	0.00	Not Applicable
2	FY 2021-22	24.97	8.84	7.26	Not Applicable	1.58	Not Applicable
3	FY 2022-23	32.13	32.13	7.22	Not Applicable	24.91	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: 1



Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

(1)	(2)	(3)	(4)	(5)	(6)		
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	Development of IT Infrastructure at Blara Farms, Village Ghanel, P.O. Dhamandari, Theog, Himachal Pradesh	171209	February 1, 2024 to March 29, 2024	1.15 Crores	CSR00005785	Eicher Group Foundation	3 rd 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 2023-24, as mentioned under Para 6, unspent CSR amount was transferred to a separate unspent CSR account pursuant to the provisions of Section 135 of the Act read with Schedule VII and relevant rules prescribed thereunder. The Company has plans to spend the entire money in the unspent CSR accounts towards its CSR projects within the prescribed timelines.

Siddhartha Lal

Managing Director

DIN: 00037645

Place: Leicestershire, United Kingdom

Date: May 11, 2024

S. Sandilya

Chairman, CSR Committee

DIN: 00037542

Place: Leicestershire, United Kingdom

Date: May 11, 2024



ANNEXURE-5

FORM MR-3 SECRETARIAL AUDIT REPORT

For the financial year ended on March 31, 2024

[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
3rd Floor, Select Citywalk
A-3, District Centre, Saket
New Delhi - 110017

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, 2024 ('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 thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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, save as otherwise provided elsewhere in this report, 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 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 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, we are of the opinion that the Company has in place adequate systems and processes in the Company 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 had allotted equity shares to its employees and officers of the Company pursuant to Employee Stock Option Plan, 2006 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

Amit Gupta

Partner

ACS No.: 57453

CP No.: 21705

PR: 1891/2022

UDIN: A057453F000253110

Place: New Delhi

Date: April 26, 2024

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
3rd Floor, Select Citywalk
A-3, District Centre, Saket
New Delhi - 110017

Our Secretarial Audit Report of even date, for the financial year ended March 31, 2024 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 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, standards are the responsibility of the management. Our examination was limited to the verification of procedures on 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

Amit Gupta

Partner

ACS No.: 57453

CP No.: 21705

PR: 1891/2022

UDIN: A057453F000253110

Place: New Delhi

Date: April 26, 2024



ANNEXURE-6

FORM MR-3 SECRETARIAL AUDIT REPORT

For the financial year ended on March 31, 2024

[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 Citywalk
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 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, 2024 ('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, 2024, 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, the Company did not have any specific events / actions having a major

bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **AGSB & Associates**
Company Secretaries

Amit Gupta

Partner

ACS No.: 57453

CP No.: 21705

PR: 1891/2022

UDIN: A057453F000241582

Place: New Delhi

Date: April 25, 2024

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 Citywalk
A-3, District Centre, Saket
New Delhi - 110 017

Our Secretarial Audit Report of even date, for the financial year ended March 31, 2024 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: 1891/2022

UDIN: A057453F000241582

Place: New Delhi

Date: April 25, 2024



CORPORATE GOVERNANCE REPORT

1. THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance continues to be a strong focus area for the Company.

Our philosophy on Corporate Governance in Eicher 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 include creation of empowered sub-committees of the Board to oversee the functions of executive management. These sub-committees of the Board mainly comprise 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 is responsible for the management of the affairs of the Company. As on March 31, 2024, the Board consists of eight Directors comprising five Non-Executive Independent Directors of which one is a woman Director, one Non-Executive Non-Independent Director and two Executive Directors. Seven Board meetings were held during the financial year ended March 31, 2024, on May 11, 2023, August 3, 2023, August 18, 2023, September 29, 2023, November 10, 2023, February 13, 2024 and March 27, 2024. The Directors participated in the meetings of the Board and Committees through video conferencing/physical presence.

Details about attendance in the Board meetings and other details of the Directors are given below:

Sl. No.	Name of the Director	Category	No. of Board Meetings held during tenure	No. of Board Meetings attended	Whether attended the 41 st AGM held on August 23, 2023	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. S. Sandilya DIN: 00037542	Chairman-Non-Executive Independent Director	7	7	Yes	-	-	-
2.	Mr. Siddhartha Lal DIN: 00037645	Promoter-Managing Director	7	5	Yes	1	-	-
3.	Mr. Govindarajan Balakrishnan DIN: 03093035	Whole Time Director & Chief Executive Officer-Royal Enfield	7	7	Yes	-	-	-
4.	Mr. Vinod K. Aggarwal DIN: 00038906	Non-Executive Non-Independent Director	7	7	Yes	2	-	-
5.	Ms. Manvi Sinha DIN: 07038675	Non-Executive Independent Director	7	7	Yes	-	-	-
6.	Mr. Inder Mohan Singh DIN: 07114750	Non-Executive Independent Director	7	6	Yes	2	2	-
7.	Mr. S. Madhavan DIN: 06451889	Non-Executive Independent Director	3	3	NA	5	9	4
8.	Mr. Tejpreet Singh Chopra DIN: 00317683	Non-Executive Independent Director	3	3	NA	5	3	2



Notes:

1. Mr. Vinod Kumar Aggarwal (DIN: 00038906) was re-appointed as Non-Executive Non-Independent Director with effect from April 1, 2024, for a period of 5 years, with requisite approval of the shareholders obtained at the 41st Annual General Meeting held on August 23, 2023.
2. Mr. Inder Mohan Singh (DIN: 07114750) was re-appointed as Non-Executive Independent Director with effect from November 12, 2023, for a period of 5 consecutive years, with requisite approval of the shareholders obtained through Postal Ballot on November 5, 2023.
3. Mr. S. Madhavan (DIN: 06451889) and Mr. Tejpreet Singh Chopra (DIN: 00317683) have been appointed as Non-Executive Independent Directors with effect from September 29, 2023, for a period of 5 consecutive years, with requisite approvals of the shareholders obtained through Postal Ballot on November 5, 2023.
4. Directorship, committee memberships and chairmanship of Mr. S Madhavan as reported in the table above includes positions held in Welspun Enterprises Limited with effect from April 1, 2024.
5. Directorship of Mr. Tejpreet Singh Chopra as reported in the table above includes a position held in Indraprastha Medical Corporation Limited with effect from April 1, 2024.
6. 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.
7. For the purpose of reckoning the limit, chairmanship(s)/ membership(s) of the Audit Committee and the Stakeholders' Relationship Committee alone are considered. Number of memberships of a Director in a Committee under column no. 8 of the table above also includes his/her membership held through chairperson position in Committees.

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.

Mr. Inder Mohan Singh is a Non-Executive Independent Director in JTEKT India Limited. Mr. S. Madhavan is a Non-Executive Independent Director in Sterlite Technologies Limited, ICICI Bank Limited, HCL Technologies Limited and Procter & Gamble Health Limited. In addition, Mr. Madhavan has also been appointed as a Non-Executive Independent Director with effect from April 1, 2024 in Welspun Enterprises Limited. Mr. Tejpreet Singh Chopra is a Non-Executive Independent Director in Tube Investments of India Limited, Indian Energy Exchange Limited and Gujarat Pipavav Port Limited (Chairman). In addition, Mr. Tejpreet Singh Chopra has also been appointed as a Non-Executive Independent Director with effect from April 1, 2024 in Indraprastha Medical Corporation Limited and ceases to be a Non-Executive Independent Director upon completion of his second term in SRF Limited w.e.f. the closing of business hours of March 31, 2024. All of the above are listed companies.

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.

Your Company's Board has an optimum combination of Executive, Non-Executive and Independent Directors with one Independent Woman Director, as per the requirements of Regulation 17 of SEBI (LODR) Regulations, 2015. 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 meet 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 has also obtained a certificate of the 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 Chief Executive Officer. Mr. S. Sandilya is the Chairman of the Board of Directors and Mr. Siddhartha Lal is the Managing Director and Chief Executive Officer of the Company. Mr. Sandilya is not related to Mr. Siddhartha Lal as per the definition of the term "relative" under the Companies Act, 2013.

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 letters 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 other senior management and on a continuous basis, the Board seeks to ensure 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

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (LODR)



Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on February 13, 2024, without the attendance of Non-Independent Directors and members of management.

2.5 Shareholding of Non-Executive Directors

As on March 31, 2024, Mr. S. Sandilya, Chairman and Non-Executive Independent Director of the Company holds 1,19,860 equity shares of face value of Re. 1 each, Mr. Vinod Kumar Aggarwal, Non-Executive Director holds 15,000 equity shares of face value of Re. 1 each and Mr. Inder Mohan Singh, Non-Executive Independent Director holds 50 equity shares of face value of Re. 1 each in the Company. Ms. Manvi Sinha, Non-Executive Independent Director, Mr. S. Madhavan, Non-Executive Independent Director and Mr. Tejpreet Singh Chopra, 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, 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. 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 vision and insights provided by 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 are required in the Company's industry and business environment.

Amongst the above listed competencies, our 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. S. Sandilya	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Siddhartha Lal	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes	Yes
Mr. Govindarajan Balakrishnan	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes	Yes
Ms. Manvi Sinha	Yes	Yes	Yes	-	Yes	Yes	-	Yes	Yes	Yes
Mr. Vinod K. Aggarwal	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Inder Mohan Singh	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

3. AUDIT COMMITTEE

Composition and terms of reference of the Audit Committee of Directors 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, 2024, the Audit Committee consists of four 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 Rs. 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

Four Meetings of the Audit Committee of Directors of the Company were held during the financial year ended March 31, 2024 on May 10, 2023, August 3, 2023, November 10, 2023, and February 12, 2024. 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. Sandilya	Chairman	4	4
2.	Ms. Manvi Sinha	Member	4	4
3.	Mr. Inder Mohan Singh	Member	4	4
4.	Mr. S. Madhavan*	Member	1	1

*Mr. S. Madhavan, Non-Executive Independent Director was appointed as member of the Audit Committee w.e.f. November 10, 2023.

Mr. Siddhartha Lal, Managing Director ceased to be a member of the Audit Committee w.e.f. September 29, 2023. He attended one meeting out of the two held during his tenure as a member of the Audit Committee.

Mr. S. Sandilya, Chairman of the Audit Committee was present at the last Annual General Meeting held on August 23, 2023 for answering the shareholders' queries.

Managing Director, Whole-time Director, Non-Executive Director, Chief Financial Officer, the Head of Internal Audit and the Statutory Auditors are invited for 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, 2024, consists of three Non-Executive Independent Directors. The Committee looks into the redressal of shareholders' complaints relating to transmission of shares, transfer of shares, if any, Non-receipt of Annual Report, Non-receipt of dividends, issue of letter of confirmation in lieu of duplicate shares, general meetings, review of measures taken for effective exercise of voting rights by shareholders, review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent, 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/statutory notices, if any, by the shareholders of the Company and also reviews investor complaint redressal mechanism.

4.1 Meetings and Attendance

Four Meetings of the Stakeholders' Relationship Committee of Directors of the Company were held during the financial year ended March 31, 2024, on May 10, 2023, August 3, 2023, November 10, 2023 and February 12, 2024. 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. Manvi Sinha	Chairperson	4	4
2.	Mr. S. Sandilya	Member	4	4
3.	Mr. Inder Mohan Singh	Member	4	4

Ms. Manvi Sinha, Chairperson of the Committee was present at the last Annual General Meeting.

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.

4.2 Status of Complaints

Sl. No.	Particulars	Numbers
1.	Complaints received during FY 2023-24	255
2.	Complaints replied/resolved during FY 2023-24	253
3.	Pending complaints as on March 31, 2024	2

5. NOMINATION & REMUNERATION COMMITTEE

The Company has a Nomination & Remuneration Committee comprising three Directors as at March 31, 2024, all being Non-Executive Independent Directors. 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

- 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;
- With respect to every 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.
- Laying down the evaluation criteria for performance evaluation of Individual Directors, Board as whole and its Committees;
- Review the implementation and compliance of the performance evaluation process in the Company;
- 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;
- Devising a policy on diversity of Board of Directors;
- 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;
- To undertake and perform all such functions, powers of administration 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;
- 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

Five Meetings of the Nomination & Remuneration Committee of Directors of the Company were held during the financial year ended March 31, 2024 on May 10, 2023, August 3, 2023, August 18, 2023, September 29, 2023 and November 10, 2023. 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. Manvi Sinha	Chairperson	5	5
2.	Mr. S. Sandilya	Member	5	5
3.	Mr. Inder Mohan Singh	Member	5	4

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

5.3 Performance Evaluation Criteria for Independent Directors

The Company has adopted an Evaluation policy to evaluate performance of Individual Directors, the Board as a whole and its committees. Nomination and Remuneration Committee of the Company has specified the manner for effective evaluation of performance of Board, its committees and Individual Directors. Amongst others, evaluation of Individual Directors including Independent Directors is carried out by the entire Board in accordance with the applicable provisions. Evaluation factors include various criteria including thought contribution, business insight, applied knowledge, etc.

Formal annual evaluation of the Board, its committees, the Chairman and Individual Directors including Independent Directors was carried out at the Board Meeting held on May 10 and 11, 2024.

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, 2024. 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

- 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;

- Recommending the amount of expenditure to be incurred on the activities referred to in Company's CSR policy;
- Monitoring the CSR Policy of the Company from time to time;
- 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 Directors of the Company were held during the financial year ended March 31, 2024, on May 10, 2023, August 3, 2023, November 10, 2023, February 12, 2024 and March 27, 2024. 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. Sandilya	Chairman	5	5
2.	Mr. Siddhartha Lal	Member	5	4
3.	Mr. Inder Mohan Singh	Member	5	5
4.	Ms. Manvi Sinha	Member	5	5

The Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee.

7. RISK MANAGEMENT COMMITTEE

In terms of Regulation 21 of the SEBI (LODR) Regulations, 2015, the Company has a Risk Management Committee which, as on March 31, 2024, consists of four Directors and the Chief Financial Officer. The composition and the role of the Committee are in conformity with the above provisions.

7.1 Major terms of Reference:

- To assist the Board in formulating the Risk Management Plan and Practises;
- To monitor and review risk management plan and practises of the Company as approved by the Board;
- To monitor and review the risks & measures related to cyber security;
- To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG-related risks), information, 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 shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

7.2 Meetings and Attendance

Two Meetings of the Risk Management Committee of the Company were held during the financial year ended March 31, 2024 on September 8, 2023 and February 12, 2024. 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 meeting attended
1.	Mr. Siddhartha Lal	Chairman	2	2
2.	Mr. S. Sandilya	Member	2	2
3.	Mr. Govindarajan Balakrishnan	Member	2	2
4.	Mr. Tejpreet Singh Chopra*	Member	1	1
5.	Ms. Vidhya Srinivasan (Chief Financial Officer)	Member	2	2

*Mr. Tejpreet Singh Chopra, Non-Executive Independent Director was appointed as member of the Risk Management Committee w.e.f. November 10, 2023.

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.

8. SHARES COMMITTEE

The Company has appointed 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. Basis review of documents by Link Intime India Pvt. Ltd., the shares committee approves the requests of the shareholders. As at March 31, 2024, 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, 2024, 25 meetings of the Committee were held to approve:

- (i) name deletion for 88,010 shares,
- (ii) name change/correction for 46,360 shares,
- (iii) issue of 1,45,370 duplicate shares,
- (iv) transmission of 18,530 shares, and
- (v) dematerialisation of 4,08,500 shares.

The above also includes duplicate share certificates issued for 1,13,730 equity shares of face value of Re. 1 each which were subsequently dematerialised for the purpose of transfer to the Investor Education and Protection Fund Authority ("IEPF Authority") pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 (Act) and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules).

Further, the Committee approved transfer of 1,457 equity shares of face value of Re. 1 each held in demat accounts of the shareholders to the IEPF Authority in terms of Section 124 and 125 of the aforesaid Act and Rules.



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 2023-24 and effective date
Mr. Siddhartha Lal	Managing Director & Chief Executive Officer	No Change
Mr. Govindarajan Balakrishnan	Whole-time Director and CEO-Royal Enfield	No Change
Ms. Vidhya Srinivasan	Chief Financial Officer	No Change
Mr. Atul Sharma	Company Secretary	No Change
Mr. Mark Wells	Chief of Design	No Change
Mr. Mohit Dhar Jayal	Chief Brand Officer	No Change
Mr. Rajeev Sharma	Chief Human Resource Officer	No Change
Mr. Simon Warburton	Chief Program Manager	No Change
Mr. Sudhakar Bhagavatula	Chief Information Officer	No Change
Mr. Umesh Krishnappa	Chief Technology Officer - Electric Vehicles	No Change
Mr. Yadvinder Singh Guleria	Chief Commercial Officer	No Change
Mr. Mario Alvisi	Chief Growth Officer - Electric Vehicles	Yes. Appointed w.e.f. June 12, 2023
Mr. Mahesh Tripathi	Chief Operations Officer	Yes. Appointed w.e.f. June 19, 2023
Mr. Paolo Brovedani	Chief of Product Development	Yes. Retired w.e.f. December 15, 2023

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, 2024 is as under:

(Rs. in Crores)					
Name of the Director	Salary (including perquisites)	Statutory contributions	Commission	Service Contract	
				Tenure	Notice period
Mr. Siddhartha Lal, Managing Director	15.51	4.13*	11.616	5 years (Members approved re-appointment of Mr. Siddhartha Lal as Managing Director w.e.f. May 1, 2021 up to April 30, 2026, by way of an Ordinary Resolution passed through the Postal Ballot on October 24, 2021)	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, Whole-time Director and CEO-Royal Enfield	16.03#	0.00	0.00	5 years (Members at their AGM held on August 24, 2022, approved appointment of Mr. Govindarajan Balakrishnan as Whole-time Director w.e.f. August 18, 2021 up to August 17, 2026)	3 months' notice or salary in lieu of notice for 3 months or for such period which falls short of 3 months

(*)Represents National Insurance payable on fixed salary and commission and pension payable on fixed salary, to HMRC UK, as per UK laws.

(#) Consists of the following:

- 1) Fixed compensation – Rs. 4.96 Crores.
- 2) Yearly payment of Variable compensation – Rs. 1.85 Crores.
- 3) Long-Term Incentives – Rs. 9.22 Crores as perquisite value from exercise of employees' stock options during the financial year under review.
- 4) Excludes post-employment and other long-term benefits of Rs. 0.27 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 commission to be paid to the Managing Director and variable compensation to the Whole-time Director and CEO-Royal Enfield is based on achievement of organisational performance parameters and other metrics inter-alia total revenue, net profit, strategic milestones or such other parameters/metrics as may be determined by the Board and/or Nomination and Remuneration Committee from time to time.

No sitting fees have been paid to Mr. Siddhartha Lal and Mr. Govindarajan Balakrishnan.

As already disclosed in the previous year's report, a grant of 16,500 stock options pursuant to Company's Restricted Stock Unit Plan, 2019 (RSU Plan) was made to Mr. Govindarajan during the financial year under review (on May 11, 2023) with a vesting period of 3 years from grant date and exercise price of Re. 1 per stock option. Vesting and exercise of above stock options shall be contingent upon continuous employment with the Company and terms of Company's RSU Plan. All stock options shall be exercised within a period of seven years from the date of vesting. No stock options have been granted to Mr. Siddhartha Lal under the Company's RSU Plan and Employee Stock Options Plan, 2006.

10.2 Remuneration to Non-Executive and Independent Directors

The remuneration comprising sitting fees and commission to Non-Executive and Independent Directors for the financial year ended March 31, 2024 is as under:

(Rs. in Lakhs)		
Name of the Director	Remuneration	
	Sitting fees	Commission
Mr. S. Sandilya – Chairman and Non-Executive Independent Director	7.60	70.00
Ms. Manvi Sinha – Non-Executive Independent Director	7.30	27.50
Mr. Inder Mohan Singh – Non-Executive Independent Director	6.55	27.50
Mr. S. Madhavan – Non-Executive Independent Director	1.80	13.94
Mr. Tejpreet Singh Chopra – Non-Executive Independent Director	1.65	13.94
Total	24.90	152.88

Note:

Mr. Vinod Kumar Aggarwal, a Non-Executive Director of the Company is also the Managing Director and CEO of VE Commercial Vehicles Ltd (VECV), a material subsidiary of the Company and draws 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 is 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 2024-25, 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.

Criteria of making payment to Non-Executive Directors as on March 31, 2024:

Remuneration paid to Non-Executive Independent Directors represents sitting fees of Rs. 50,000/- for attending each meeting of the Board of Directors, Rs. 30,000/- for attending each meeting of the Audit Committee and Rs. 25,000/- for attending each meeting of the Nomination and Remuneration Committee. Sitting fees of Rs. 15,000/- is paid for attending each meeting of Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. Amount of sitting fees as above is fixed by the Board of Directors of the Company.

Shareholders of the Company 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 including thought contribution, business insight, applied knowledge, performance of the Company etc. while determining the amount of commission to be paid to Non-Executive Directors of the Company. The aforesaid annual commission approved by the Board and payable to Non-Executive Independent Directors is subject to approval of annual financial statements by the shareholders at the forthcoming 42nd Annual General Meeting of the Company. Independent Directors are not entitled to any stock options.



There has been no other pecuniary relationship or business transactions by the Company with any of the Non-Executive Directors of the Company.

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 by the Company 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 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 re-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-subsidaries.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 are no materially significant related party transactions entered into during the financial year ended March 31, 2024, which is considered to have potential conflict with the interests of the Company at large. 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 41st Annual General Meeting held on August 23, 2023 for certain material related party transactions between VE Commercial Vehicles Limited (VECV), Subsidiary of the Company, and Volvo Group India Private Limited (VG IPL), a related party of VECV, for FY 2023-24 as per the amended provisions of SEBI (LODR) Regulations, 2015. Further, based on the recommendations of the Audit Committee and the Board, said transactions between VECV and VG IPL for FY 2024-25 are proposed for the approval of shareholders by way of Ordinary Resolution at the ensuing 42nd 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/Policy-on-Materiality-of-and-Dealing-with-Related-Party-Transactions.pdf>. All the Related Party Transactions are dealt with in accordance with the provisions of the Companies Act, 2013, Regulation 23 of the SEBI (LODR) Regulations, 2015 and the Company's RPT Policy.

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 Directors 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 & Chief Executive Officer 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, inter alia, 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 CEO / CFO Certification

The CEO and the CFO of the Company have certified to the Board with regard to the compliance in terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015 and that the certificate 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 Non-Executive Chairman of the Company is entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.
2. The Statutory Auditors have expressed no qualification in their reports on financial statements of the Company.
3. The Internal Auditor reports directly to the Audit Committee on a quarterly basis.
4. The Chairman of the Company is a Non-Executive & Independent Director and his position is separate from that of the Managing Director & CEO of the Company.

12.7 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.

12.8 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://www.eicher.in/content/dam/eicher-motors/Eicher-Whistle-Blower-Policy.pdf>. No person has been denied access to the Audit Committee.

12.9 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>

12.10 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 4 complaints of sexual harassment. As per the process the enquiries have been conducted and will be closed soon.



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 14,527 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.

12.11 Commodity price risk or foreign exchange risk and hedging activities

The Company procures the Components & Services from the Suppliers who in turn procure input Raw Materials from the Raw Material Suppliers. Hence direct purchase of Raw Materials by the Company is marginal. However, to facilitate Suppliers for procuring right Quality of Raw Materials at competitive prices, Company adopts Group Buying strategy to consolidate the Raw Materials 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 are 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). Further, hedging activities (by way of Foreign Exchange derivatives) have been undertaken by the Company to manage the Foreign Exchange risk on net open positions.

12.12 Details of payments made to Statutory Auditors and its network firms by the Company and its subsidiaries:

(Rs. in Crores)

S No.	Particulars	Payments made by the Company	Payments made by subsidiaries of the Company including VECV	Total
1	Audit fee*	1.29	1.66	2.95
2	Fee for other services	0.82	0.39	1.21
	Total	2.11	2.05	4.16

*includes fees for services which can be obtained only from the Statutory Auditors.

12.13 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 9% to 9.3% per annum and the credit period is up to 120 days. The balances at any point in time have remained within the overall limit approved by the Audit Committee. As at March 31, 2024, the outstanding balance is Rs. 476.84 Crores.

12.14 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

- The consolidated quarterly and annual results are generally published in the Business Standard or Financial Express (English) - All editions and Business Standard or Jansatta (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.
- 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.
- 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
 - ♦ 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, 2023 to March 31, 2024.

14.3 General Body Meetings

Year	Date	Day	Time	Location	Whether passed any Special Resolution
April 1, 2022 – March 31, 2023	23.08.2023 (41 st AGM)	Wednesday	1:00 P.M.	Video conferencing (VC)/Other Audio Visual Means (Deemed venue of the meeting: 3 rd Floor - Select Citywalk, A-3 District Centre, Saket, New Delhi- 110 017)	No
April 1, 2021 – March 31, 2022	24.08.2022 (40 th AGM)	Wednesday	1:00 P.M.	Video conferencing (VC)/Other Audio Visual Means (Deemed venue of the meeting: 3 rd Floor - Select Citywalk, A-3 District Centre, Saket, New Delhi- 110 017)	No
April 1, 2020 – March 31, 2021	17.08.2021 (39 th AGM)	Tuesday	1:00 P.M.	Video conferencing (VC)/Other Audio Visual Means (Deemed venue of the meeting: 3 rd Floor - Select Citywalk, A-3 District Centre, Saket, New Delhi- 110 017)	Yes-1

Notes:

- No Special Resolution was passed at the 41st and 40th AGM.
- One Special Resolution was passed at the 39th AGM held on August 17, 2021 related to payment of remuneration to Mr. S. Sandilya, Chairman (Non-Executive & Independent Director) for FY 2020-21, which exceeds fifty per cent of the total remuneration payable to all the Non-Executive Directors of the Company.
- During the year under review, the following Special Resolutions were passed by the Company through Postal Ballot (concluded on November 5, 2023):



Resolution	Votes cast in favor (in %)	Votes cast against (in %)
Appointment of Mr. Subramanian Madhavan (DIN: 06451889) as an Independent Director of the Company for a term of 5 consecutive years	95.29	4.71
Appointment of Mr. Tejpreet Singh Chopra (DIN: 00317683) as an Independent Director of the Company for a term of 5 consecutive years	96.49	3.51
Re-appointment of Mr. Inder Mohan Singh (DIN: 07114750) as an Independent Director of the Company for a second term of 5 consecutive years	86.28	13.72

Mr. Vijay Gupta, Chartered Accountant, Managing Partner of VKGN & Associates, was appointed as the Scrutinizer for conducting Postal Ballot process through remote e-voting, in a fair and transparent manner. The Postal Ballot concluded on November 5, 2023 and the aforesaid resolutions were duly passed & the result of the postal ballot was announced on November 6, 2023.

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 the services of 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 2023-2024

Adoption of Quarterly/ Annual Results for the quarter/year ended	Date of Board Meetings	Date of Publication	Name of Newspapers
June 30, 2023 (Quarterly Results)	3/08/2023	4/08/2023	Business Standard - All Editions (English), and Business Standard (Hindi), Delhi Edition
September 30, 2023 (Quarterly Results)	10/11/2023	11/11/2023	Business Standard - All Editions (English), and Business Standard (Hindi), Delhi Edition
December 31, 2023 (Quarterly Results)	13/02/2024	14/02/2024	Business Standard - All Editions (English), and Business Standard (Hindi), Delhi Edition
March 31, 2024 (Quarterly & Annual Results)	10/05/2024	12/05/2024	Financial Express - All Editions (English), and Jansatta (Hindi), Delhi Edition (Proposed)

Tentative Financial Calendar – for the financial year ending March 31, 2025

Quarterly results for the quarters ending June 30, 2024, September 30, 2024, December 31, 2024 and quarterly/annual results for the quarter/year ending March 31, 2025 will be approved in the Board Meetings which will be tentatively held in the month of August 2024, November 2024, February 2025 and May 2025 respectively (subject to the finalisation of dates by the Board of Directors). Annual General Meeting for FY 2024-25 will be tentatively held in between July-August 2025. The Consolidated quarterly and annual results will likely be published in the Business Standard or Financial Express (English) in all Editions and in Business Standard or Jansatta (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 42nd AGM

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 2024-25.

14.7 Name of Depositories for dematerialisation of equity shares and stock code/symbol

Name of the Depository	ISIN No.
National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL)	INE066A01021

The equity shares are quoted under the following Code/ Symbol:

Stock Exchanges	Code / Symbol
BSE Limited, Mumbai (BSE)	505200
National Stock Exchange of India Limited, Mumbai (NSE)	EICHERMOT

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:

Link Intime India Pvt. Ltd.
Registrar and Share Transfer Agent
C-101, 247 Park
LBS Marg, Vikhroli (West),
Mumbai - 400083
Tel No.: +91-22-49186270
Email: rnt.helpdesk@linkintime.co.in

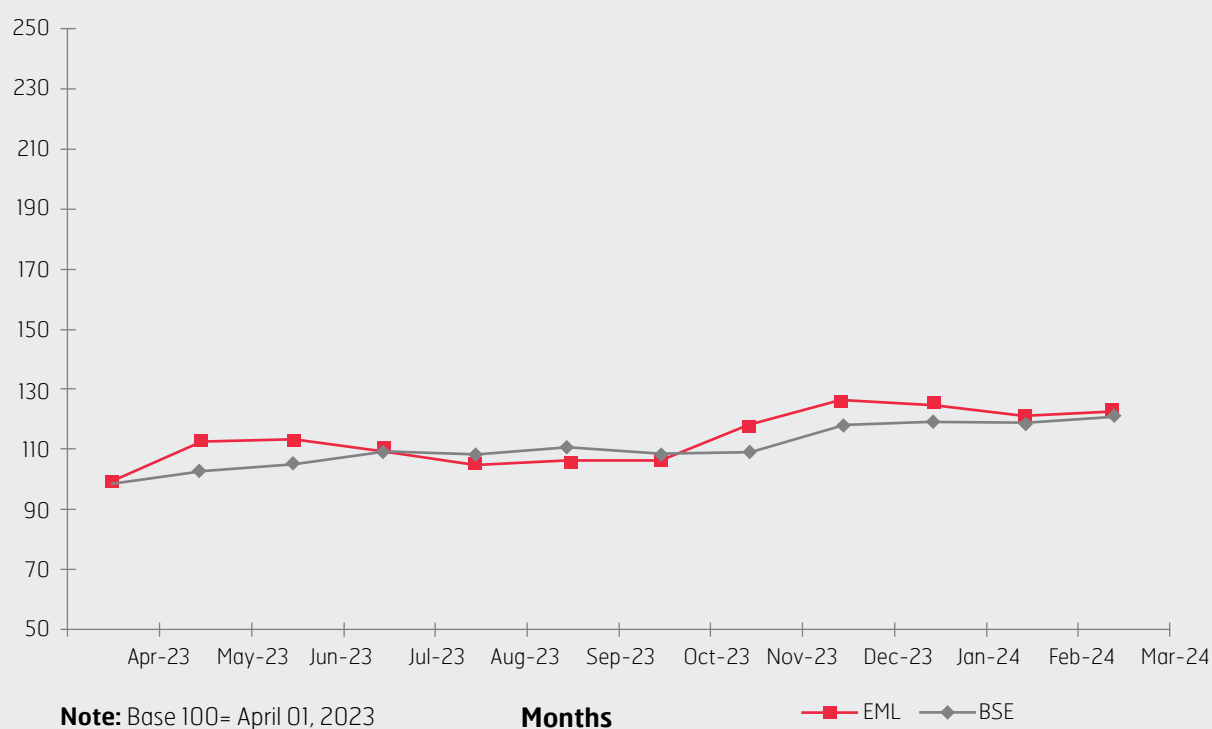
Members may write for any queries/information at Eicher Motors Limited, 3rd Floor-Select Citywalk, A-3 District Centre, Saket, New Delhi - 110017, or at #96, Sector 32, Gurugram - 122001, Haryana, or any query can be sent by email to investors@eichermotors.com.

14.9 Market Price Data at BSE and NSE

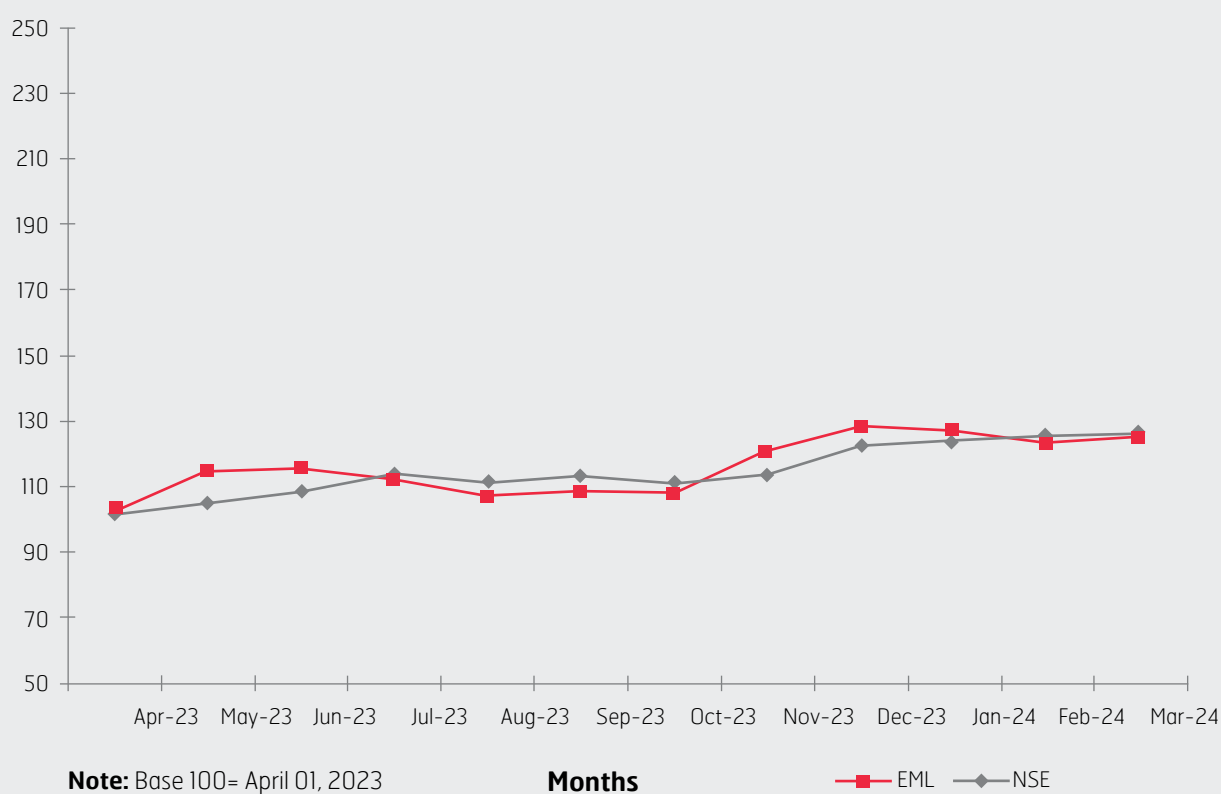
April 2023 to March 2024	BSE			NSE		
	High (Rs. per share)	Low (Rs. per share)	Volume (No. of Shares)	High (Rs. per share)	Low (Rs. per share)	Volume (No. of Shares)
April 2023	3,304.50	2,923.25	2,22,766	3,308.70	2,922.20	1,13,17,884
May 2023	3,726.20	3,320.00	4,93,410	3,727.00	3,321.00	1,69,25,559
June 2023	3,746.25	3,467.60	2,15,485	3,748.00	3,465.05	1,02,49,693
July 2023	3,664.90	3,159.20	7,69,032	3,666.00	3,160.00	2,88,14,053
August 2023	3,478.15	3,275.55	5,75,699	3,478.85	3,274.90	1,45,34,373
September 2023	3,539.00	3,309.05	2,88,370	3,539.20	3,308.00	1,25,38,620
October 2023	3,546.00	3,288.00	2,31,589	3,546.85	3,287.20	78,12,168
November 2023	3,920.00	3,272.35	3,15,696	3,920.00	3,275.00	1,18,57,998
December 2023	4,201.70	3,850.00	5,44,921	4,200.00	3,847.55	1,51,42,899
January 2024	4,143.05	3,564.00	3,59,022	4,145.00	3,562.45	1,34,56,052
February 2024	4,016.55	3,729.05	5,20,604	4,018.95	3,726.60	1,39,01,488
March 2024	4,074.95	3,675.00	3,22,981	4,075.00	3,672.00	1,41,04,643



Share Price Performance Eicher Motors Limited (EML) vs BSE Index:



Share Price Performance Eicher Motors Limited (EML) vs NSE Index:



14.10 Share transfer system

The Company has appointed Link Intime India Pvt. Ltd. as its Registrar and Share Transfer Agent (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. During the financial year ended March 31, 2024, due process was followed for effecting the transfer of shares of the Company. All valid requests for transfer/transmission, if any, 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, by Link Intime India Pvt. Ltd.

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.

In terms of amended provisions of Regulation 40 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, effective from April 1, 2019 read with SEBI circular dated September 7, 2020, transfer of shares held in physical form is not permitted. Accordingly, the Company has not been accepting requests for transfer of shares held in physical form since the said cut-off date of March 31, 2021 in terms of aforesaid provisions. SEBI has vide its circular dated January 25, 2022 has also 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. Link Intime India Pvt. Ltd. issues letter of confirmation after processing the service requests which shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerialising the said securities.

In terms of provisions of SEBI circular SEBI/HO/MIRSD/DOPI/CIR/P/2018/73 dated April 20, 2018, members holding shares in physical form are requested to register and/or update their PAN/Bank account/KYC details with the Company's Registrar & Share Transfer Agent and those holding shares in electronic form shall register/update such details with their Depository Participants (DPs) with whom they are maintaining their demat accounts.

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, 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 received from the Member will not be processed until the aforesaid details/documents are provided to RTA 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. 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. 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.

14.11 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 (DP), 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 DPs with whom they have opened Demat Account.

27,20,11,410 shares constituting 99.34% of the total paid up equity share capital of the Company are in dematerialised form with NSDL and CDSL as on March 31, 2024.



14.12 Distribution of shareholding as on March 31, 2024

Category	No. of shareholders	% holders	No. of shares of face value of Re. 1/- each	% Shareholding
1-500	2,60,870	96.72	75,55,584	2.76
501-1,000	4,178	1.55	33,69,850	1.23
1,001-2,000	2,312	0.86	36,92,029	1.35
2,001-3,000	710	0.26	17,54,772	0.64
3,001-4,000	308	0.11	10,97,924	0.40
4,001-5,000	188	0.07	8,59,495	0.31
5,001-10,000	351	0.13	25,54,172	0.93
10,001-50,000	456	0.17	1,05,45,053	3.85
50,001-1,00,000	127	0.05	89,65,761	3.27
1,00,001 and above	230	0.09	23,34,10,990	85.25
Total	2,69,730	100.00	27,38,05,630	100.00

The Company has not issued any GDRs / ADRs, and there are no outstanding warrants or any convertible instruments.

14.13 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:

For the Financial Year	Due date for transfer to the Central Government
2016-17 (April to March)	September 14, 2024
2017-18 (April to March)	September 13, 2025
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

*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.

**14.14 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"), as on date the Company has transferred 23,89,591 (0.87%) equity shares of face value of Re. 1 each, on which dividend remained unclaimed or unpaid for a period of seven consecutive years or more, belonging to 3,201 shareholders, to the Investor Education and Protection Fund Authority (IEPF Authority).

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.iepf.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.

14.15 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 thereof.

The details with respect to the unclaimed shares of the Company for the financial year ended March 31, 2024 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	3	870
(ii)	Number of shareholders who approached the Company for transfer of shares from the Suspense Account during the year	1	260
(iii)	Number of shareholders to whom shares were transferred from the Suspense Account during the year	1	260
(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	530
(v)	Aggregate number of shareholders and the outstanding shares lying in the Suspense Account at the end of the year	1	80

The voting rights on shares lying in Suspense Account shall remain frozen till the rightful owner of such shares claims the shares.

14.16 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.

14.17 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.



14.18 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.

14.19 Registered Office

3rd Floor- Select Citywalk

A-3 District Centre, Saket

New Delhi - 110 017

Tel. No. (011) - 41095173

Website: www.eichermotors.com

14.20 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

14.21 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)

This Corporate Governance Report of the Company for the Financial Year ended March 31, 2024 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

Managing Director & Chief Executive Officer

DIN: 00037645

Place: Leicestershire, United Kingdom

Date: May 11, 2024

S. Sandilya

Chairman

DIN: 00037542

Place: Leicestershire, United Kingdom

Date: May 11, 2024

**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

3rd Floor, Select Citywalk, A-3,

District Centre, Saket, New Delhi- 110017

- Eicher Motors Limited** (CIN: L34102DL1982PLC129877) is having its registered office at 3rd Floor, Select Citywalk, A-3 District Centre, Saket, New Delhi- 110017 (hereinafter referred as "Company"). The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.
- I have examined the relevant disclosures (DIR-8 and MBP-1), registers, records, forms and 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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- In our opinion and to the best of our information and according to the verifications and examination of the disclosures under sections 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, we certify that none of the below named Directors on the Board of the Company as on March 31, 2024 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	Managing Director & Chief Executive Officer	01-05-2006
2.	Vinod Kumar Aggarwal	00038906	Non-Executive Non-Independent Director	01-04-2019
3.	Srinivasan Sandilya	00037542	Chairman-Non-Executive Independent Director	26-10-1999
4.	Manvi Sinha	07038675	Non-Executive Independent Director	13-02-2015
5.	Inder Mohan Singh	07114750	Non-Executive Independent Director	12-11-2018
6.	Govindarajan Balakrishnan	03093035	Whole Time Director & Chief Executive Officer-Royal Enfield	18-08-2021
7.	Tejpreet Singh Chopra	00317683	Non-Executive Independent Director	29-09-2023
8.	Subramanian Madhavan	06451889	Non-Executive Independent Director	29-09-2023

* the date of appointment is as per the MCA Portal.

- 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.
- This certificate is based on the information and records available up to this date and we 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: F008231F000088410

Peer Review Certificate No.: 5419/2024

Place: New Delhi
Date: April 11, 2024



ANNEXURE-2

DECLARATION

As per Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Board Members and the Senior Management Personnel have affirmed to the compliance with the Code of Conduct for Board of Directors and Senior Management for the financial year ended March 31, 2024.

For **Eicher Motors Limited**

Siddhartha Lal

Managing Director &
Chief Executive Officer
DIN: 00037645

Place: Leicestershire, United Kingdom
Date: May 10, 2024



ANNEXURE-3

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

We, Siddhartha Lal - Managing Director & Chief Executive Officer 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, 2024 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, 2024 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, 2024;
 - (ii) there have not been any significant changes in accounting policies during the year ended March 31, 2024; and
 - (iii) there has not been any instance during the financial year ended March 31, 2024 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.

Siddhartha Lal
Managing Director & Chief Executive Officer

Place: Leicestershire, United Kingdom
Date: May 10, 2024

Vidhya Srinivasan
Chief Financial Officer

Place: Leicestershire, United Kingdom
Date: May 10, 2024



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,
 3rd Floor - Select Citywalk,
 A-3, District Centre,
 Saket, New Delhi-110017

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, 2024 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, 2024 and verified that at least 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, 2023 to March 31, 2024:
 - (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 wherein such related party transactions have been pre-approved 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, 2024, 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 **Sanjay Vij**

Partner

Place of Signature: Gurugram

Date: May 11, 2024

Membership Number: 095169

UDIN: 24095169BKFNCT8885



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 accompanying standalone financial statements of Eicher Motors Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Loss, 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, 2024, its profit including other comprehensive loss, 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 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, 2024. 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 policies in Note 3, accounting judgements & estimation uncertainty in Note 39 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 capitalisation. 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 recognised 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 policy is in compliance with Ind AS 38 "Intangible Assets". - We assessed the design, implementation and operating effectiveness over management process of identifying and capitalising the development expenditure in accordance with the accounting principles of capitalisation 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.

**Key audit matters****How our audit addressed the key audit matter**

- ♦ We performed test of details of development expenditure capitalised by reviewing the key assumptions including the authorisation 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, usually on delivery of goods. 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 management's process of recognising 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 deliveries 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 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 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 loss, 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 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 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, 2024 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 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 Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (e) 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;
 - (f) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 these 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, 2024 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 (refer 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 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 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 (refer note 57(viii) to the standalone financial statements), no funds have been received by the Company from any persons or entities, 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 financial statements, the Company has 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 in respect of certain investments, inventories, traded goods and service type warranties where audit trail feature was not enabled. Further, as explained in Note 56, audit trail feature is not enabled for direct changes to database using certain access rights and other accounting software used by the Company to maintain records of certain service type warranties. Wherever audit trail is enabled, during the course of our audit, we did not come across any instance of audit trail feature being tampered with respect to the accounting software.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner

Membership Number: 095169
UDIN: 24095169BKFNC9330

Place of Signature: Gurugram
Date: May 10, 2024



ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 OF THE SECTION “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.
- (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant and Equipment were physically verified by the management during the year in

Description of the properties	Carrying value as at March 31, 2024 (Rs. Crores)	Held in the 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 Ltd.	No	02-08-2004	The properties were acquired through Group restructuring and management has informed us that they are taking necessary steps to get the property 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, 2024.
- (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) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of

accordance with a planned programme of verifying them over 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, 2024 for which title deeds were not available with the Company and hence we are unable to comment on the same.

10% or more in aggregate were not noted for each class of inventory.

Inventories lying with third parties have been confirmed by them as at March 31, 2024 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.

- (b) As disclosed in note 21 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores from one bank during the year on the basis of security of debt mutual funds of the Company. The requirements to file quarterly returns/statements by the Company is not stipulated by the bank.



- (iii) (a) During the year the Company has provided guarantees for its subsidiary companies, bill discounting facility on behalf of its Joint venture Company and loans to employees as detailed in table below. There are no loans, advances in the nature of loans to any other companies, firms, Limited Liability Partnerships or any other parties.

(Amount in Rupees)

	Guarantees	Security	Bill discounting (loans granted on behalf of Joint Venture)	Loans to employees	Advances in nature of loans
Aggregate amount granted/ provided during the year					
- Subsidiaries	291.02 Crores	-	-	-	-
- Joint Ventures	-	-	588.90 Crores*	-	-
- Associates	-	-	-	-	-
- Others	-	-	-	8.60 Crores	-
Balance outstanding as at balance sheet date in respect of above cases					
- Subsidiaries	291.02 Crores	-	-	-	-
- Joint Ventures	-	-	476.84 Crores	-	-
- Associates	-	-	-	-	-
- Others	-	-	-	0.74 Crores	-

*Represents the maximum value of facility used at any point in time during the current year by the Joint venture Company. The individual transactions under the bill discounting facility provided to its Joint Venture Company 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 Company.

- (b) The investments made, terms and conditions of the grant of all loans (including loans granted on behalf of its Joint venture Company), guarantees given and advances in the nature of loans 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 and advances in the nature of loans during the year to companies and other parties, where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans (including loans granted on behalf of its Joint venture company) including 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 company) or advances in the nature of loan granted to companies or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue 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 company) or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies. 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 accounts 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, in respect of products manufactured by the Company, 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 provident fund, employees' state insurance, income-tax, goods and service tax, customs duty, cess and other statutory dues applicable to it. As explained to us, the Company did not have any dues on account of duty of excise, sales tax, service

tax and value added tax. 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.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, 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 (Rs. crores)*	Amount unpaid (Rs. 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
Tamil Nadu Central Sales Tax	CST	Appellate Tribunal	1994-95, 2006-07, 2007-08, 2014-15	1.05	0.13
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, Uttar Pradesh VAT Act, 2008	Sales Tax/ Value added Tax	Joint/ Deputy/ Assistant Commissioner (Appeals)	1986-87, 1987-88, 2004-05, 2008-09	0.07	0.02
Uttar Pradesh Sales Tax Act, 1948, Uttar Pradesh VAT Act, 2008	Sales Tax/ Value added Tax	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/ Value added 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/ Value added 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, Rajasthan Value Added Tax Act, 2003	Sales Tax/ Value added Tax	Sales 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, Rajasthan Value Added Tax Act, 2003	Sales Tax/ Value added 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



Name of Statute	Nature of Dues	Forum where it is pending	Period to which it relates	Amount involved (Rs. crores)*	Amount unpaid (Rs. crores)
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
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	2017-18, 2018-19	129.81	129.81
Goods and Service Tax Act, 2017	GST	High Court	2017-18	23.58	23.58
Goods and Service Tax Act 2017	GST	Commissioner of GST (Appeals)	2017-18 to 2021-22	6.26	6.10
Finance Act, 1994	Service Tax	CESTAT	2006-07 to 2011-12	0.39	0.36
Customs Act, 1962	Customs Duty	Addl. D.G.F.T (Appeals)	1998-99	3.47	3.47
The Central Sales Tax Act, Kerala	CST	Appellate Authority	2015-16	0.08	0.08
The Punjab Value Added Tax	VAT	Assessing Officer	2015-16	1.17	1.17
The Gujarat Value Added Tax	VAT	Appellate Authority	2018-19	0.02	0.02
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, 2023-24 & 2024-25	59.70	11.68
The Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	2015-16	3.95	-

*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 loans or other borrowings or in the payment of interest thereon to any lender.
- (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 or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures. Hence, the requirement to report on clause (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 cost auditor/ secretarial auditor or 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) 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), 3(xii)(b) and 3(xii)(c) of the Order are 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)(c) 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 or 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 realisation 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 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 Sanjay Vij
Partner

Membership Number: 095169
UDIN: 24095169BKFNC9330

Place of Signature: Gurugram
Date: May 10, 2024



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 over financial reporting of Eicher Motors Limited ("the Company") as of March 31, 2024 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. 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 over financial reporting 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting 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 internal financial controls over financial reporting with reference to these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

A company's internal financial control over financial reporting with reference to these 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 control over financial reporting with reference to these 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 OVER FINANCIAL REPORTING WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these 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 over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2024, 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.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner

Membership Number: 095169
UDIN: 24095169BKFNC9330

Place of Signature: Gurugram

Date: May 10, 2024



STANDALONE BALANCE SHEET

AS AT March 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	1,911.10	1,962.66
(b) Capital work-in-progress	5	210.04	74.16
(c) Intangible assets	6	690.66	461.88
(d) Right of use assets	52	172.21	175.74
(e) Intangible assets under development	7	343.45	394.32
(f) Financial assets			
(i) Investments in subsidiaries & joint ventures	8,9	358.40	187.31
(ii) Other investments	10	10,767.56	9,872.40
(iii) Other financial assets	12	1,855.43	18.78
(g) Non-current tax assets (net)	25	100.58	82.51
(h) Other non-current assets	17	188.77	145.83
Total non-current assets		16,598.20	13,375.59
Current assets			
(a) Inventories	13	1,068.63	910.94
(b) Financial assets			
(i) Investments	10	180.92	219.89
(ii) Loans / Bill discounting	11	476.88	588.94
(iii) Trade receivables	14	572.68	702.02
(iv) Cash and cash equivalents	15	54.02	27.58
(v) Bank balances other than (iv) above	16	39.10	676.77
(vi) Other financial assets	12	1,253.32	125.96
(c) Other current assets	17	229.06	247.81
Total current assets		3,874.61	3,499.91
Total assets		20,472.81	16,875.50
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	18	27.38	27.35
(b) Other equity	19	15,666.20	12,859.55
Total equity		15,693.58	12,886.90
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	163.46	62.96
(ii) Lease liabilities	52	25.22	27.57
(iii) Other financial liabilities	20	15.07	15.51
(b) Provisions	23	173.72	101.34
(c) Deferred tax liabilities (net)	24	480.48	303.40
(d) Government grant	26	133.28	96.37
(e) Other non-current liabilities	28	428.10	336.38
Total non-current liabilities		1,419.33	943.53
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	8.82	35.84
(ii) Lease liabilities	52	12.25	13.96
(iii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises	42	31.70	29.45
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,996.05	1,723.25
(iv) Other financial liabilities	20	296.87	214.56
(b) Provisions	23	98.45	154.37
(c) Government grant	26	25.69	32.45
(d) Contract liabilities	27	261.49	178.89
(e) Other current liabilities	28	416.78	441.61
(f) Current tax liabilities (net)	25	211.80	220.69
Total current liabilities		3,359.90	3,045.07
Total liabilities		4,779.23	3,988.60
Total equity and liabilities		20,472.81	16,875.50

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 Sanjay Vij
Partner
Membership No: 095169

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary

Place: Leicestershire, UK
Date: May 10, 2024

B Govindarajan
Whole-time Director & CEO of Royal Enfield
DIN: 03093035

S. Sandilya
Chairman
DIN: 00037542

Siddhartha Lal
Managing Director
DIN: 00037645

Vinod Aggarwal
Director
DIN: 00038906

Place: Gurugram
Date: May 10, 2024



STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED March 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from contract with customers		15,827.33	13,874.98
Other operating income		250.83	191.66
Revenue from operations	29	16,078.16	14,066.64
Other income	30	1,168.14	639.84
Total Income		17,246.30	14,706.48
Expenses			
Cost of raw material and components consumed	31	8,674.18	7,812.32
Purchases of traded goods	32	287.67	252.75
Change in inventories of finished goods, work-in-progress and traded goods	33	(222.47)	64.39
Employee benefits expense	34	1,146.95	935.07
Finance costs	35	19.20	12.97
Depreciation and amortisation expense	36	559.10	512.05
Other expenses	37	1,811.65	1,608.61
Total expenses		12,276.28	11,198.16
Profit before tax		4,970.02	3,508.32
Tax expense			
Current tax	38	1,039.95	808.55
Deferred tax	38	180.65	77.18
Total income tax expense		1,220.60	885.73
Net profit after tax		3,749.42	2,622.59
Other comprehensive income/(expense)			
Items that may be reclassified to profit or loss in subsequent periods:-			
Exchange differences in translating the financial statements of foreign operations		18.86	16.26
Income tax impact on the above	38	(4.75)	(4.09)
Net gain/(loss) on debt instruments through other comprehensive income		(1.17)	5.15
Income tax impact on the above	38	0.29	(1.30)
Net other comprehensive income / (loss) to be reclassified to profit or loss in subsequent periods		13.23	16.02
Items that will not be reclassified to profit or loss:-			
Re-measurement gains/(losses) on defined benefit plans		(31.92)	(8.11)
Income tax effect	38	8.03	2.04
Net other comprehensive income / (loss) not to be reclassified to profit or loss in subsequent periods		(23.89)	(6.07)
Other comprehensive income / (loss) for the year, net of tax		(10.66)	9.95
Total comprehensive income / (loss) for the year, net of tax		3,738.76	2,632.54
Earnings per equity share of Re. 1 each (in Rs.)			
(a) Basic	44	136.98	95.91
(b) Diluted	44	136.75	95.74

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 Sanjay Vij
Partner
Membership No : 095169

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary

Place: Leicestershire, UK
Date: May 10, 2024

B Govindarajan
Whole-time Director & CEO of Royal Enfield
DIN: 03093035

S. Sandilya
Chairman
DIN: 00037542

Siddhartha Lal
Managing Director
DIN: 00037645

Vinod Aggarwal
Director
DIN: 00038906

Place: Gurugram
Date: May 10, 2024



STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED March 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

A EQUITY SHARE CAPITAL

	Number of Shares	Amount
Balance as at April 01, 2022	27,34,23,102	27.34
Issue of equity shares under employee stock option plan / restricted stock units plan (refer note 49)	58,468	0.01
Balance as at March 31, 2023	27,34,81,570	27.35
Issue of equity shares under employee stock option plan / restricted stock units plan (refer note 49)	3,24,060	0.03
Balance as at March 31, 2024	27,38,05,630	27.38

B OTHER EQUITY

Particulars	Reserves and surplus						Items of OCI			Total equity
	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Share based payments reserve	Retained earnings	Hedge reserve	Debt instruments through other comprehensive income	Foreign currency translation reserve	Total
Balance as at April 01, 2022	0.25	1.41	241.05	339.89	40.96	10,112.61	0.04	-	31.02	10,767.23
Profit for the year	-	-	-	-	-	2,622.59	-	-	-	2,622.59
Other comprehensive income / (expense) for the year, net of income tax	-	-	-	-	-	(6.07)	-	3.85	12.17	9.95
Total comprehensive income / (loss) for the year	-	-	-	-	-	2,616.52	-	3.85	12.17	2,632.54
Share-based payments (refer note 49)	-	-	-	-	22.76	-	-	-	-	22.76
Payment of cash dividend	-	-	-	-	-	(574.19)	-	-	-	(574.19)
Proceeds from issue of equity shares under employee stock option plan / restricted stock units plan	-	-	11.21	-	-	-	-	-	-	11.21
Transfer to securities premium on issue of equity shares	-	-	5.41	-	(5.41)	-	-	-	-	-
Balance as at March 31, 2023	0.25	1.41	257.67	339.89	58.31	12,154.94	0.04	3.85	43.19	12,859.55
Profit for the year	-	-	-	-	-	3,749.42	-	-	-	3,749.42
Other comprehensive income / (expense) for the year, net of income tax	-	-	-	-	-	(23.89)	-	(0.88)	14.11	(10.66)
Total comprehensive income / (loss) for the year	-	-	-	-	-	3,725.53	-	(0.88)	14.11	3,738.76
Share-based payments (refer note 49)	-	-	-	-	34.22	-	-	-	-	34.22
Payment of cash dividend	-	-	-	-	-	(1,012.87)	-	-	-	(1,012.87)
Proceeds from issue of equity shares under employee stock option plan / restricted stock units plan	-	-	46.54	-	-	-	-	-	-	46.54
Transfer to securities premium on issue of equity shares	-	-	15.39	-	(15.39)	-	-	-	-	-
Balance as at March 31, 2024	0.25	1.41	319.60	339.89	77.14	14,867.60	0.04	2.97	57.30	15,666.20

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

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

per Sanjay Vij
Partner
Membership No : 095169

Vidhya Srinivasan
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Managing Director
DIN: 00037645

Atul Sharma
Company Secretary

S. Sandilya
Chairman
DIN: 00037542

Vinod Aggarwal
Director
DIN: 00038906

Place: Gurugram
Date: May 10, 2024

Place: Leicestershire, UK
Date: May 10, 2024



STANDALONE STATEMENT OF CASH FLOW

FOR THE YEAR ENDED March 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES		
Profit before tax	4,970.02	3,508.32
Adjustments for:		
Depreciation and amortisation expense	559.10	512.05
Gain on sale of property, plant and equipment	(0.82)	(1.34)
Loss on sale of property, plant and equipment	2.24	0.89
Dividend from joint venture company	(95.20)	(40.80)
Grant income on soft loan from State Industries Promotion Corporation of Tamil Nadu Ltd. (SIPCOT)	(65.78)	(45.75)
Net gain on financial instruments at fair value through profit or loss	(719.80)	(301.12)
Liabilities no longer required, written back	(24.51)	-
Interest income recognised in profit or loss	(203.51)	(176.58)
Expenses recognised in respect of equity-settled share-based payments	34.22	22.76
Exchange difference on reinstatement of property, plant and equipment, intangible assets including capital work-in progress and intangible assets under development	(20.07)	(4.49)
Unrealised foreign exchange difference	(1.09)	(11.42)
Finance income on lease	(0.12)	(0.70)
Gain on exercise of termination option of leases	(0.63)	-
Provision for credit impaired trade receivables and advances (including write off)	0.65	6.58
Finance costs recognised in profit or loss	19.20	12.97
Operating profit before changes in working capital	4,453.90	3,481.37
Changes in working capital:		
Adjustments for (increase) / decrease in non-current assets:		
Other financial assets	(4.84)	(0.39)
Other assets	(17.64)	(27.35)
Adjustments for (increase) / decrease in current assets:		
Inventories	(157.69)	(12.57)
Trade receivables	129.94	(201.01)
Other financial assets	(13.79)	7.63
Other assets	18.75	(10.34)
Adjustments for increase / (decrease) in non-current liabilities:		
Other financial liabilities	(1.93)	(0.12)
Provisions	67.73	29.55
Government grant	12.52	5.83
Other liabilities	91.72	99.84
Adjustments for increase / (decrease) in current liabilities:		
Trade payables	299.56	(12.00)
Other financial liabilities	75.35	14.78
Provisions	(87.84)	25.22
Government grant	(11.49)	13.07
Contract liabilities	82.60	10.81
Other liabilities	(24.83)	118.76
Cash generated from operating activities	4,912.02	3,543.08
Income tax paid (net of refunds)	(1,066.91)	(757.38)
Net cash flow from / (used in) operating activities (A)	3,845.11	2,785.70



STANDALONE STATEMENT OF CASH FLOW

FOR THE YEAR ENDED March 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
B. CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES		
Payment for Property, plant and equipment and Intangible assets including capital work-in progress, intangible assets under development, capital advance and capital creditors	(807.96)	(653.94)
Proceeds from disposal of property, plant and equipment and intangible assets	2.58	6.55
Investment in subsidiary companies	(171.09)	-
Investment in equity instruments	(4.05)	(443.03)
Proceeds from sale of debt mutual funds and bonds	5,968.03	5,080.05
Purchases of debt mutual funds and bonds	(6,101.55)	(8,660.39)
Investments in fixed deposits	(3,260.00)	(753.04)
Maturity proceeds from fixed deposits	1,040.79	2,700.53
Bill discounting on behalf of a related party (net) (refer note 46)	112.06	87.85
Dividend from joint venture company	95.20	40.80
Interest received from bank deposits	111.74	204.59
Net cash flow from / (used in) investing activities (B)	(3,014.25)	(2,390.03)
C. CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		
Soft loan received from SIPCOT	185.76	131.41
Interest paid	(0.29)	(0.11)
Proceeds from issue of equity share capital under employee stock option plan (including securities premium)	46.57	11.22
Lease receivables	2.28	7.18
Interest on lease liabilities paid	(3.13)	(3.50)
Payment of principal portion of lease liabilities	(14.58)	(12.84)
Dividend paid	(1,012.87)	(574.19)
Net cash flow from / (used in) financing activities (C)	(796.26)	(440.83)
Change in foreign currency translation arising on foreign branch accounts (D)		
Exchange difference on conversion of foreign branch accounts	18.86	16.26
Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)+(D)	53.46	(28.90)
Cash and cash equivalents at the beginning of the year	(8.26)	20.64
Cash and cash equivalents at the end of the year	45.20	(8.26)

Particulars	As at March 31, 2024	As at March 31, 2023
Components of cash and cash equivalents		
Cash on hand	0.01	0.01
Balances with banks:		
In current accounts	54.01	27.57
Cash and cash equivalents as per balance sheet (refer note 15)	54.02	27.58
Bank overdrafts (refer note 21)	8.82	35.84
Cash and cash equivalents as per statement of cash flows	45.20	(8.26)

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 **Sanjay Vij**
Partner
Membership No : 095169

Place: Gurugram
Date: May 10, 2024

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary

Place: Leicestershire, UK
Date: May 10, 2024

B Govindarajan
Whole-time Director & CEO of Royal Enfield
DIN: 03093035

S. Sandilya
Chairman
DIN: 00037542

Siddhartha Lal
Managing Director
DIN: 00037645

Vinod Aggarwal
Director
DIN: 00038906



NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

1. CORPORATE INFORMATION

Eicher Motors Limited ("the Company") CIN: L34102DL1982PLC129877, is a public 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 New Delhi, India and its corporate office at Gurugram, Haryana, India. The Company has its equity shares listed on the BSE Limited and National Stock Exchange of India Limited. The standalone financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 10, 2024.

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. 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 realisation 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 unconditional 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 to sell the asset or transfer the liability takes place either:

NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

- ♦ 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, 2024

ALL AMOUNTS ARE IN RS. 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 3.16 Provisions.

The Company provides 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 3.17 Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability 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 goods or services



NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

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 and leases of low-value assets. 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 25 years
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 3.1.3 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



NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

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 and leases of low-value assets**

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 and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Company transfers substantially all the risks and rewards incidental to ownership of an underlying asset are classified as finance leases.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

In case of finance lease, as a lessor, the company recognises, at the commencement date, assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment

in the lease. Interest rate implicit is used to measure the net investment in the lease. Initial direct costs, other than those incurred by the company, are included in the initial measurement of the net investment in the lease and reduce the amount of income recognised over the lease term. The interest rate implicit in the lease is arrived in such a way that the initial direct costs are included automatically in the net investment in the lease.

At the commencement date, the lease payments included in the measurement of the net investment in the lease comprise the following payments for the right to use the underlying asset during the lease term that are not received at the commencement date:

(a) fixed payments less any lease incentives payable, (b) variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date; (c) any residual value guarantees provided to the lessor by the lessee, a party related to the lessee or a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee, (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and (e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

At the commencement date, as a manufacturer or dealer the Company recognises the following for each of its finance leases:

(a) revenue being the fair value of the underlying asset, or, if lower, the present value of the lease payments accruing to the lessor, discounted using a market rate of interest; (b) the cost of sale being the cost, or carrying amount if different, of the underlying asset less the present value of the un-guaranteed residual value; and (c) selling profit or loss (being the difference between revenue and the cost of sale) in accordance with its policy for outright sales to which Ind AS 115 applies. The company also recognise selling profit or loss on a finance lease at the commencement date, regardless of whether the company transfers the underlying asset as described in Ind AS 115.



NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

The company as a manufacturer or dealer lessor recognises as an expense costs incurred in connection with obtaining a finance lease at the commencement date because they are mainly related to earning the manufacturer or dealer's selling profit. Costs incurred by the company in connection with obtaining a finance lease are excluded from the definition of initial direct costs and, thus, are excluded from the net investment in the lease.

Subsequent measurement

The company recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

The finance income is allocated over the lease term on a systematic and rational basis. The company applies the lease payments relating to the period against the gross investment in the lease to reduce both the principal and the unearned finance income. The company applies the de-recognition and impairment requirements in Ind AS 109 to the net investment in the lease. The company reviews regularly estimated un-guaranteed residual values used in computing the gross investment in the lease. If there has been a reduction in the estimated un-guaranteed residual value, the company revises the income allocation over the lease term and recognises immediately any reduction in respect of amounts accrued.

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



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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 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 recognises 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 recognises 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.

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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 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;

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 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.



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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 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.

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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.

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 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:



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Particulars	Useful life (in years)
Buildings	10-60
Buildings (temporary structures)	2-3
Plant and equipment	5-15 (except in respect of moulds and dies covered above)
Furniture and fixtures	2-10
Office equipment	2-5
Vehicles	5

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 and intangible assets recognised in the previous GAAP as deemed cost at the transition date.

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.

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 a period of 3 to 10 years, the estimated minimum useful life of the related products. Cost of software is amortised over a period of 3 years or less depending on the estimated useful life of

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asset. The useful lives for intangible assets are given below:

Particulars	Useful life (in years)
Product designs, prototypes, etc.	3 to 10
Computer software	3

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 Investment property

Investment property is a property held to earn rentals and capital appreciation. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured in accordance with Ind AS 16's requirements for cost model. The Company depreciates building component of investment property over 30 years from the date of capitalisation.

Investment properties are de-recognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

3.15 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.



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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.

3.16 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).

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.

3.17 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 initially measured at fair value 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.

3.18 Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value through profit and loss



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or fair value through other comprehensive income, depending on the classification of the financial assets.

Classification 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 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):

- ♦ 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



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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.

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.

3.19 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 recognised 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.

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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 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.

3.20 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.

3.21 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.

3.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3.23 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.



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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 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 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.



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4. PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Office equipments [#]	Vehicles	Total
Cost							
At April 01, 2022	85.95	826.77	2,323.80	36.26	224.10	108.30	3,605.18
Additions	-	119.26	286.34	3.46	42.49	28.10	479.65
Disposals	-	(0.12)	(45.01)	(1.58)	(3.27)	(16.30)	(66.28)
Adjustments (Exchange difference)	-	1.68	1.76	0.07	0.57	0.81	4.89
At March 31, 2023	85.95	947.59	2,566.89	38.21	263.89	120.91	4,023.44
Additions	-	13.78	266.45	3.47	35.90	49.23	368.83
Disposals	-	(10.31)	(16.01)	(1.32)	(8.68)	(10.35)	(46.67)
Written off	-	-	(112.33)	-	(64.29)	-	(176.62)
Adjustments (Exchange difference)	-	2.17	2.30	0.09	0.77	1.23	6.56
At March 31, 2024	85.95	953.23	2,707.30	40.45	227.59	161.02	4,175.54
Accumulated depreciation							
At April 01, 2022	-	177.62	1,298.48	22.58	159.22	55.79	1,713.69
Charge for the year	-	37.30	305.63	4.03	38.99	18.91	404.86
Disposals	-	(0.15)	(43.28)	(1.37)	(3.37)	(12.01)	(60.18)
Adjustments (Exchange difference)	-	0.37	0.61	0.05	0.60	0.78	2.41
At March 31, 2023	-	215.14	1,561.44	25.29	195.44	63.47	2,060.78
Charge for the year	-	35.45	318.15	4.17	39.69	22.63	420.09
Disposals	-	(8.53)	(15.88)	(1.20)	(8.61)	(8.45)	(42.67)
Written off	-	-	(112.33)	-	(64.29)	-	(176.62)
Adjustments (Exchange difference)	-	0.43	0.97	0.05	0.72	0.69	2.86
At March 31, 2024	-	242.49	1,752.35	28.31	162.95	78.34	2,264.44
Net carrying amount							
At March 31, 2024	85.95	710.74	954.95	12.14	64.64	82.68	1,911.10
At March 31, 2023	85.95	732.45	1,005.45	12.92	68.45	57.44	1,962.66

Cost and net carrying amount of office equipments include computers and information systems of Rs. 75.80 crores as at March 31, 2024 (Rs. 84.21 crores as at March 31, 2023) and Rs. 25.22 crores as at March 31, 2024 (Rs. 16.15 crores as at March 31, 2023), respectively.

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 Thiruvottiur units upto the carrying value of Rs. 361.01 crores (March 31, 2023: Rs. 361.01 crores) are secured by first charge towards the Soft loan obtained from SIPCOT.



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5. CAPITAL WORK-IN-PROGRESS*

Particulars	As at March 31, 2024	As at March 31, 2023
Opening	74.16	133.38
Additions	504.22	420.30
Capitalised	(368.83)	(479.65)
Adjustments (Exchange difference)	0.49	0.13
Closing	210.04	74.16

As at March 31, 2024

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	194.98	7.66	7.28	0.12	210.04
Projects temporarily suspended	-	-	-	-	-
Total	194.98	7.66	7.28	0.12	210.04

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024

As at March 31, 2023

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	58.53	14.08	1.23	0.32	74.16
Projects temporarily suspended	-	-	-	-	-
Total	58.53	14.08	1.23	0.32	74.16

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023

*Capital work in progress comprises of expenditure for plant in the course of construction and machineries yet to be installed.

6. INTANGIBLE ASSETS

Particulars	Product designs, prototypes	Computer softwares	Total
Cost			
At April 01, 2022	418.34	166.30	584.64
Additions	184.25	41.75	226.00
Disposals / write off	-	-	-
Adjustments (Exchange difference)	4.93	0.23	5.16
At March 31, 2023	607.53	208.29	815.81
Additions	302.87	43.62	346.49
Disposals / write off	-	-	-
Adjustments (Exchange difference)	9.74	0.30	10.04
At March 31, 2024	920.14	252.21	1,172.34
Accumulated amortisation			
At April 01, 2022	141.61	115.69	257.30
Charge for the year	59.19	34.30	93.49
Disposals / write off	-	-	-
Adjustments (Exchange difference)	2.89	0.25	3.14
At March 31, 2023	203.69	150.24	353.93



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Particulars	Product designs, prototypes	Computer softwares	Total
Charge for the year	87.21	36.92	124.13
Disposals / write off	-	-	-
Adjustments (Exchange difference)	3.32	0.30	3.62
At March 31, 2024	294.22	187.46	481.68
Carrying amount			
At March 31, 2024	625.92	64.75	690.66
At March 31, 2023	403.84	58.05	461.88

7. INTANGIBLE ASSETS UNDER DEVELOPMENT*

Particulars	As at March 31, 2024	As at March 31, 2023
Opening	394.32	370.80
Additions	286.16	241.85
Capitalised	(329.96)	(226.00)
Written off	(16.53)	-
Adjustments (Exchange difference)	9.46	7.67
Closing	343.45	394.32

As at March 31, 2024

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	180.01	87.45	43.55	32.44	343.45
Projects temporarily suspended	-	-	-	-	-
Total	180.01	87.45	43.55	32.44	343.45

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024.

As at March 31, 2023

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	155.90	94.36	58.98	85.08	394.32
Projects temporarily suspended	-	-	-	-	-
Total	155.90	94.36	58.98	85.08	394.32

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023

*Intangible assets under development mainly consists of cost of new products under development.



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Investments in subsidiaries & joint ventures

8. INVESTMENT IN EQUITY INSTRUMENTS OF SUBSIDIARY COMPANIES (AT COST)

Particulars	As at March 31, 2024	As at March 31, 2023
	Non-current	Non-current
Unquoted Investments		
15,25,56,568 numbers (March 31, 2023 : 7,90,41,569 numbers) shares of Brazilian Real 1 each fully paid up of	245.01	121.01
Royal Enfield Brasil Comércio de Motocicletas Ltda		
1,00,000 numbers (March 31, 2023 : 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, 2023 : 2,29,50,000 numbers) shares of Thai Baht 5 each fully paid up of Royal Enfield (Thailand) Limited"	42.21	25.76
31,00,000 numbers (March 31, 2023 : 1,00,000 numbers) shares of GBP 1 each fully paid up of Royal Enfield UK Limited	31.57	0.93
Sub-total (A)	352.96	181.87

9. INVESTMENT IN EQUITY INSTRUMENTS OF JOINT VENTURE COMPANIES (AT COST)

Particulars	As at March 31, 2024	As at March 31, 2023
	Non-current	Non-current
Unquoted Investments		
54,40,000 numbers (March 31, 2023 : 54,40,000 numbers) Equity shares of Rs.10 each fully paid up of VE Commercial Vehicles Limited	5.44	5.44
32,54,89,000 numbers (March 31, 2023 : 32,54,89,000 numbers) Equity shares of Rs.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)*	-	-
Sub-total	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)	358.40	187.31

On March 21, 2024, the Company incorporated a wholly owned subsidiary "Royal Enfield Europe B.V.", in Netherlands for the purpose of expanding its operations. The equity infusion and full scale operations are likely to commence in the coming year.

* Cost of investment is stated as Rs. Nil as the same cannot be distributed to the members in the event of liquidation. Actual cost of investment of Rs. 0.03 crores has been charged to the Statement of Profit and Loss in the financial year 2015-16.

Particulars	As at March 31, 2024	As at March 31, 2023
	Non-current	Non-current
Aggregate carrying value of unquoted investments	358.40	187.31
Aggregate amount of impairment in value of investments	325.49	325.49



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10. OTHER INVESTMENTS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current	Non-Current	Current
Unquoted Investments				
(a) Investment in equity instruments of companies at FVTPL				
(i) 16,80,000 numbers (March 31, 2023 : 16,80,000 numbers) Equity shares of Rs. 10 per share fully paid up of Suryadev Alloys and Power Private Limited	5.04	-	5.04	-
(ii) 10,26,250 numbers (March 31, 2023 : 5,20,000 numbers) Equity shares of Rs. 10 per share fully paid up of Flamesun Solar Private Limited	8.21	-	4.16	-
(b) Investment in equity instruments of companies at FVTOCI				
(i) 55,363 numbers (March 31, 2023 : 55,363 numbers) Equity shares of EUR 0.01 per share fully paid up of Stark Future S.L. #	443.03	-	443.03	-
Sub-total (A)	456.28	-	452.23	-
# During the year ended March 31, 2023, the Company has 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 10.88% (undiluted basis) stake in the investee as on March 31, 2024 (March 31, 2023: 11.48% (undiluted basis)). The Company has determined that it cannot exercise any significant influence over the investee (Note 39).				
Quoted Investments				
(c) (i) Investments in mutual funds carried at FVTPL	7,273.13	180.92	6,561.09	122.91
(ii) Investments in Target Maturity Index Funds at FVTOCI**	2,836.42	-	2,503.32	-
Sub-total (B)	10,109.55	180.92	9,064.41	122.91
(d) Investment in instruments carried at amortised cost Sub-total (C)	201.73	-	355.76	96.98
Total (A+B+C)	10,767.56	180.92	9,872.40	219.89
** 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 realise cash flows from these investments upon maturity or upon sale.				
Aggregate carrying value of quoted investments	10,311.28	180.92	9,420.17	219.89
Aggregate market value of quoted investments	10,311.18	180.92	9,418.84	219.97
Aggregate carrying value of unquoted investments	456.28	-	452.23	-
Category-wise investments - as per Ind AS 109 Classifications				
Financial assets carried at FVTPL				
Unquoted				
Investment in equity instruments	13.25	-	9.20	-
Quoted				
Investment in mutual funds	7,273.13	180.92	6,561.09	122.91
Financial assets carried at FVTOCI				
Unquoted				
Investment in equity instruments	443.03	-	443.03	-
Quoted				
Investment in mutual funds	2,836.42	-	2,503.32	-
Financial assets carried at amortised cost				
Quoted				
Investment in bonds	201.73	-	355.76	96.98

Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities and quoted 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 as 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 previous 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.



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11. LOANS / BILL DISCOUNTING

Particulars	As at March 31, 2024	As at March 31, 2023
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)	476.84	588.90
Total	476.88	588.94

Disclosure required under Sec 186(4) of the Companies Act, 2013

[#] Represents bills discounted to vendors of VE Commercial Vehicles Limited (VECV) at 9% to 9.3% per annum having a credit period up to 120 days. The balances at any point in time have remained within the overall sanction limit.

12. OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Unsecured, considered good, unless stated otherwise		
Security deposits	23.62	18.78
Bank deposits with remaining maturity greater than twelve months	1,790.00	-
Interest accrued on fixed deposits and bonds	41.81	-
Total	1,855.43	18.78
Current		
Unsecured, considered good, unless stated otherwise		
Bank deposits with remaining maturity less than twelve months	1,170.02	91.54
Interest accrued on fixed deposits and bonds	72.18	22.22
Lease receivables (refer note 52)	-	2.16
Facilitation income receivable	10.03	9.16
Insurance claim receivable	0.80	0.80
Others	0.29	0.08
Total	1,253.32	125.96

13. INVENTORIES

(At lower of cost or net realisable value)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials [includes in transit Rs. 74.03 crores (previous year Rs. 84.17 crores)]	388.03	454.25
Work in progress	52.65	36.36
Finished goods	510.15	307.46
Traded goods	85.23	81.74
Stores and spares	19.58	18.07
Loose tools	12.99	13.06
Total	1,068.63	910.94

Inventories are net of non-moving/slow-moving provisions. During the year Rs. 26.15 crores (March 31, 2023 : Rs. 17.81 crores) was recognised as an expense in the Statement of Profit and Loss.

The mode of valuation of inventories has been stated in note 3.15.



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14. TRADE RECEIVABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	337.21	330.66
Receivables from related parties (refer note 46)	235.47	371.36
Total	572.68	702.02
Current		
Considered good - secured	127.54	112.39
Considered good - unsecured, unless stated otherwise	445.14	589.63
Receivables - credit impaired	5.88	5.39
Trade receivables	578.56	707.41
Less: Provision for credit impaired receivables	(5.88)	(5.39)
Total	572.68	702.02

Trade receivables ageing

As at March 31, 2024

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	389.74	181.88	0.51	0.41	0.14	-	572.68
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	1.19	1.57	2.40	0.17	0.54	5.87
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	0.01	0.01
Total	389.74	183.07	2.08	2.81	0.31	0.55	578.56

As at March 31, 2023

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	616.45	84.82	0.59	0.16	-	-	702.02
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	3.40	0.50	0.17	0.06	0.53	4.66
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	0.73	0.73
Total	616.45	88.22	1.09	0.33	0.06	1.26	707.41

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

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.



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15. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.01	0.01
Balances with banks:		
In current accounts	54.01	27.57
Total	54.02	27.58

At March 31 2024, the Company had available Rs. 91.18 crores (March 31, 2023: Rs. 64.16 crores) of undrawn borrowing facilities. The Company has pledged a part of its debt mutual funds to fulfil collateral requirements.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.01	0.01
Balances with banks:		
In current accounts	54.01	27.57
	54.02	27.58
Bank overdrafts (refer note 21)	(8.82)	(35.84)
Cash and cash equivalents as per statement of cash flows	Total 45.20	(8.26)

Changes in liabilities arising from financing activities

Particulars	April 1, 2023	Net cash flows	Others*	March 31, 2024
Obligation under finance lease	41.53	(17.71)	13.65	37.47
Soft loan received from SIPCOT	62.96	185.47	(84.97)	163.46
Total liabilities from financing activities	104.49	167.76	(71.32)	200.93

Changes in liabilities arising from financing activities

Particulars	April 1, 2022	Net cash flows	Others*	March 31, 2023
Obligation under finance lease	46.98	(16.34)	10.89	41.53
Soft loan received from SIPCOT	-	131.30	(68.34)	62.96
Total liabilities from financing activities	46.98	114.96	(57.45)	104.49

*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.

16. OTHER BANK BALANCES

Particulars	As at March 31, 2024	As at March 31, 2023
In unpaid dividend accounts [#]	13.73	14.84
Unspent CSR accounts [#]	25.37	12.66
On deposit accounts		
- Original maturity more than 3 months but less than 12 months	-	649.27
Total	39.10	676.77

[#] There are restrictions in the balances in Unpaid Dividend accounts and Unspent CSR accounts.



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17. OTHER ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Unsecured, considered good, unless stated otherwise		
Capital advances	102.26	76.96
Prepaid expenses	68.57	47.57
Balance with government authorities	17.94	21.30
Total	188.77	145.83
Current		
Unsecured, considered good, unless stated otherwise		
Advance to suppliers		
Considered good	92.75	123.08
Considered doubtful	21.34	21.34
	114.09	144.42
Less: Provision for doubtful balance	(21.34)	(21.34)
	92.75	123.08
Advance to employees	11.62	11.98
Prepaid expenses	38.16	40.98
Balance with government authorities		
Considered good	78.13	64.01
Considered doubtful	-	1.11
	78.13	65.12
Less: Provision for doubtful balance	-	(1.11)
	78.13	64.01
Government grant receivable	8.40	7.76
Total	229.06	247.81

18. SHARE CAPITAL

(a) Equity share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Equity share capital		
30,00,00,000 numbers - Equity shares of Re. 1 each (March 31, 2023 : 30,00,00,000 numbers - Equity shares of Re. 1 each)	30.00	30.00
Total	30.00	30.00
Issued, subscribed and fully paid up		
27,38,05,630 numbers - Equity shares of Re. 1 each (March 31, 2023 : 27,34,81,570 numbers - Equity shares of Re. 1 each)	27.38	27.35
Total	27.38	27.35

The Company has only one class of equity shares having a par value of Re. 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.



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(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, 2024		For the year ended March 31, 2023	
	Nos.	Rs. in crores	Nos.	Rs. in crores
At the beginning of the year	27,34,81,570	27.35	27,34,23,102	27.34
Issued during the year - ESOP (refer note 49)	3,24,060	0.03	58,468	0.01
Outstanding at the end of the year	27,38,05,630	27.38	27,34,81,570	27.35

(ii) Details of shareholders holding more than 5% equity shares in the Company:

Particulars	As at March 31, 2024		As at March 31, 2023	
	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	43.94%	12,03,06,480	43.99%

(iii) Share options granted under the Company's employee share option plan carry no rights to dividend and no voting rights. Further details of the employee share option plan are provided in note 49.

(b) Preference share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Preference share capital		
1,01,000 numbers (March 31, 2023 : 1,01,000 numbers) Redeemable preference shares of Rs. 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, 2024

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 Rs. 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	29,13,940	(28,470)	28,85,470	1.05%	(0.02%)#
The Simran Siddhartha Tara Benefit Trust (Trustee- Vikram Lal)	12,03,06,480	-	12,03,06,480	43.94%	(0.05%)
The Brinda Lal Trust, Trustee- Vikram Lal	48,57,070	-	48,57,070	1.77%	(0.01%)
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	-	493	0.00%	0.00%
Siddhartha Lal Trust	33,000	28,470	61,470	0.02%	0.01%#
Total	13,45,65,087	-	13,45,65,087	49.15%	

% Change due to transfer of 28,470 equity shares to the Promoter Group

*Change in shareholding of Promoter & Promoter Group is on account of allotment of equity shares by the Company under its Employee Stock Option Plan 2006 and Restricted Stock Unit Plan 2019, during the FY 2023-24.



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As at March 31, 2023

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 Rs. 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	29,46,940	(33,000)	29,13,940	1.07%	(0.01)%#
The Simran Siddhartha Tara Benefit Trust (Trustee- Vikram Lal)	12,03,06,480	-	12,03,06,480	43.99%	(0.01%)
The Brinda Lal Trust, Trustee- Vikram Lal	48,57,070	-	48,57,070	1.78%	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	445	48	493	0.00%	0.00%
Siddhartha Lal Trust	-	33,000	33,000	0.01%	0.01%#
Total	13,45,65,039	48	13,45,65,087	49.20%	

% Change due to transfer of 33,000 equity shares to the Promoter Group

*Change in shareholding of Promoter & Promoter Group is on account of allotment of equity shares by the Company under its Employee Stock Option Plan 2006 and Restricted Stock Unit Plan 2019, during the FY 2022-23.

19. OTHER EQUITY

Particulars	As at March 31, 2024	As at March 31, 2023
Capital reserves	0.25	0.25
Capital redemption reserve	1.41	1.41
Securities premium	319.60	257.67
General reserves	339.89	339.89
Share based payments reserve	77.14	58.31
Foreign currency translation reserve	57.30	43.19
Hedge reserve	0.04	0.04
Debt instruments through other comprehensive income	2.97	3.85
Retained earnings	14,867.60	12,154.94
Total	15,666.20	12,859.55

Particulars	As at March 31, 2024	As at March 31, 2023
A Capital reserve		
Opening balance	0.25	0.25
Add / Less: Movement during the year	-	-
Closing balance	0.25	0.25



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Particulars	As at March 31, 2024	As at March 31, 2023
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 utilise the same for the purpose of issue of fully paid-up bonus shares to its members.

Particulars	As at March 31, 2024	As at March 31, 2023
C Securities premium		
Opening balance	257.67	241.05
Add : Proceeds from issue of equity shares	46.54	11.21
Add : Transferred from share options outstanding account	15.39	5.41
Closing balance	319.60	257.67

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, 2024	As at March 31, 2023
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 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 Companies Act, 2013.

Particulars	As at March 31, 2024	As at March 31, 2023
E Share based payments reserve		
Opening balance	58.31	40.96
Add : Share-based expense during the year	34.22	22.76
Less : Transferred to securities premium on issue of shares	(15.39)	(5.41)
Closing balance	77.14	58.31

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.



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Particulars	As at March 31, 2024	As at March 31, 2023
F Foreign currency translation reserve		
Opening balance	43.19	31.02
Add : Exchange differences in translation of foreign operations	14.11	12.17
Closing balance	57.30	43.19

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, 2024	As at March 31, 2023
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, 2024	As at March 31, 2023
H Debt instruments through other comprehensive income		
Opening balance	3.85	-
Add: Other comprehensive income for the year	(0.88)	3.85
Closing balance	2.97	3.85

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, 2024	As at March 31, 2023
I Retained earnings		
Opening balance	12,154.94	10,112.61
Add: Profit for the year	3,749.42	2,622.59
Add: Other Comprehensive income: from Remeasurement of defined benefit obligation net of income tax	(23.89)	(6.07)
Less: Dividend for FY 2021-22 paid in FY 2022-23 (amount per share Rs. 21)	-	(574.19)
Less: Dividend for FY 2022-23 paid in FY 2023-24 (amount per share Rs. 37)	(1,012.87)	-
Total appropriations	(1,012.87)	(574.19)
Balance at end of year	14,867.60	12,154.94

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. 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.



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Financial Liabilities :

20. OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Security deposits received	15.07	15.51
Total	15.07	15.51
Current		
Employee dues	187.43	127.20
Capital creditors	76.58	68.51
Unpaid dividend *	13.73	14.84
Provision for constructive obligation towards the discontinued operations of a joint venture	4.01	4.01
Others	15.12	-
Total	296.87	214.56

* 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, 2024	As at March 31, 2023
Non-current		
Secured		
- From Others		
Soft loan - State Industries Promotion Corporation of Tamilnadu Ltd. (SIPCOT)*	163.46	62.96
Total	163.46	62.96
Current		
Secured		
- From bank		
Overdraft facility**	8.82	35.84
Total	8.82	35.84

*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 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 Rs. 361.01 crores (March 31, 2023: 361.01 crores)

**Secured overdraft facility carries interest @ 5.6% to 8.4% per annum (March 31, 2023: 5.6% per annum), secured by the Company's debt mutual funds (March 31, 2023: secured by fixed deposits).

The Company has not defaulted on any loans and interest payable.

22. TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises		
Dues to micro and small enterprises (refer note 42)	31.70	29.45
Sub-total (A)	31.70	29.45
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Other trade payables	1,932.26	1,645.78
Trade payables to related parties (refer note 46)	63.79	77.47
Sub-total (B)	1,996.05	1,723.25
Total (A+B)	2,027.75	1,752.70



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As at March 31, 2024

Particulars	Unbilled 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	
Total outstanding dues of micro enterprises and small enterprises	-	31.70	-	-	-	31.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	622.80	1,366.28	4.91	-	-	1,993.99
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	2.06	-	-	2.06
Total	622.80	1,397.98	6.97	-	-	2,027.75

The Company has balance with the below-mentioned company struck off under section 248 of Companies Act, 2013

Name of the company	Nature of transactions with struck-off company	Relationship with the struck off company	As at March 31, 2024	As at March 31, 2023
Vikas Scientific Instruments Private Limited	Trade payables	External Vendor	0.01	-

As at March 31, 2023

Particulars	Unbilled 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	
Total outstanding dues of micro enterprises and small enterprises	-	29.45	-	-	-	29.45
Total outstanding dues of creditors other than micro enterprises and small enterprises	650.80	1,072.45	-	-	-	1,723.25
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	650.80	1,101.90	-	-	-	1,752.70

Terms and conditions of the above financial liabilities:

For terms and conditions pertaining to related party dues, refer note 46



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23. PROVISIONS

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Employee benefits - refer note (i) below		
Compensated absences	35.29	23.11
Other employee benefits	4.30	7.86
Warranties - refer note (ii) below	134.13	70.37
Total	173.72	101.34
Current		
Employee benefits - refer note (i) below		
Compensated absences	1.75	0.43
Other employee benefits	0.30	0.28
Sub-total (A)	2.05	0.71
Warranties - refer note (ii) below	93.72	139.48
Onerous contract - refer note (ii) below	2.68	14.18
Sub-total (B)	96.40	153.66
Total (A+B)	98.45	154.37

(i) The provision for employee benefits includes earned leave, sick leave and vested long service reward.

(ii) Movement in warranties and onerous contract provisions

As at March 31, 2024

Particulars	Warranties	Onerous contract
Opening balance	209.85	14.18
Arising during the year	91.41	-
Amount utilised during the year	(78.06)	(11.50)
Unwinding of discount and changes in the discount rate	4.65	-
Closing balance	227.85	2.68

As at March 31, 2023

Particulars	Warranties	Onerous contract
Opening balance	136.51	25.87
Arising during the year	137.21	5.52
Amount utilised during the year	(68.33)	(17.21)
Unwinding of discount and changes in the discount rate	4.46	-
Closing balance	209.85	14.18

The 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.



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24. DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities on		
Property, plant and equipment and intangible assets	241.80	239.73
Investments measured at FVTPL	251.93	101.89
Loan from State Industries Promotion Corporation of Tamilnadu Ltd.	38.69	17.23
Right of use assets	7.00	7.89
Others	16.65	11.21
Sub-total (A)	556.07	377.95
Less: Deferred tax assets on		
Accrued expenses deductible on payment	9.27	2.10
Deferred revenue	33.01	46.17
Provision for compensated absences and other employee benefits	9.22	5.93
Provision for doubtful debts and advances	7.13	6.17
Lease liabilities	9.43	10.45
Others	7.53	3.73
Sub-total (B)	75.59	74.55
Total (A-B)	480.48	303.40

Movement of deferred tax liabilities/assets For the year ended March 31, 2024

Particulars	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities on				
Property, plant and equipment and intangible assets	239.73	2.07	-	241.80
Investments measured at FVTPL	101.89	150.04	-	251.93
Loan from State Industries Promotion Corporation of Tamilnadu Ltd.	17.23	21.46	-	38.69
Right of use assets	7.89	(0.89)	-	7.00
Others	11.21	5.44	-	16.65
Sub-total (A)	377.95	178.12	-	556.07
Less: Deferred tax assets on				
Accrued expenses deductible on payment	2.10	7.17	-	9.27
Deferred revenue	46.17	(13.16)	-	33.01
Provision for compensated absences and other employee benefits	5.93	3.29	-	9.22
Exchange differences in translating the financial statements of foreign operations	-	4.75	(4.75)	-
Debt instruments through other comprehensive income	-	(0.29)	0.29	-
Remeasurement of defined benefit obligation	-	(8.03)	8.03	-
Provision for doubtful debts and advances	6.17	0.96	-	7.13
Lease liabilities	10.45	(1.02)	-	9.43
Others	3.73	3.80	-	7.53
Sub-total (B)	74.55	(2.53)	3.57	75.59
Total (A-B)	303.40	180.65	(3.57)	480.48



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For the year ended March 31, 2023

Particulars	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities on				
Property, plant and equipment and intangible assets	228.15	11.58	-	239.73
Investments measured at FVTPL	41.66	60.23	-	101.89
Loan from State Industries Promotion Corporation of Tamilnadu Ltd.	-	17.23		17.23
Right of use assets	9.42	(1.53)		7.89
Others	8.17	3.04	-	11.21
Sub-total (A)	287.40	90.55	-	377.95
Less: Deferred tax assets on				
Accrued expenses deductible on payment	1.23	0.87	-	2.10
Deferred revenue	33.35	12.82	-	46.17
Provision for compensated absences and other employee benefits	4.64	1.29	-	5.93
Exchange differences in translating the financial statements of foreign operations	-	4.09	(4.09)	-
Debt instruments through other comprehensive income	-	1.30	(1.30)	-
Remeasurement of defined benefit obligation	-	(2.04)	2.04	-
Provision for doubtful debts and advances	6.39	(0.22)	-	6.17
Lease liabilities	11.83	(1.38)	-	10.45
Others	7.10	(3.37)	-	3.73
Sub-total (B)	64.54	13.36	(3.35)	74.55
Total (A-B)	222.86	77.19	3.35	303.40

25. CURRENT TAX LIABILITIES / NON-CURRENT TAX ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Current tax liabilities		
Provision for current tax (net)	211.80	220.69
Total	211.80	220.69
Non-current tax assets		
Advance income tax (net)	100.58	82.51
Total	100.58	82.51

26. GOVERNMENT GRANT

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Deferred revenue arising from Government grant (refer note (i) and (ii) below)	133.28	96.37
Total	133.28	96.37
Current		
Deferred revenue arising from Government grant (refer note (i) and (ii) below)	25.69	32.45
Total	25.69	32.45



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(i) The deferred revenue arises as a result of:

- The benefit 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 Her Majesty's Revenue & Customs (HMRC).
- 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 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.

These grants will be recognised 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 grant

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	128.82	83.14
Additions during the year	116.56	114.18
Amount recognised as income during the year	(86.41)	(68.50)
Closing balance	158.97	128.82

27. CONTRACT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Contract liabilities	261.49	178.89
Total	261.49	178.89

28. OTHER LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Deferred revenue	428.10	336.38
Total	428.10	336.38
Current		
Advance from customers	-	126.19
Deferred revenue	193.98	138.58
Statutory remittances (contributions to PF and ESIC, withholding taxes, GST, etc.)	119.89	115.52
Unspent CSR liabilities (refer note 51)	60.27	44.79
Others (includes discounts/incentives)	42.64	16.53
Total	416.78	441.61



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29. REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operations		
Revenue from contract with customers (Goods transferred at a point in time)		
Manufactured goods	14,806.14	13,029.45
Traded goods	930.98	781.34
Revenue from contract with customers (Services transferred over time)		
Service type warranties	90.21	64.19
Sub-total (A)	15,827.33	13,874.98
Other operating revenue		
Government grant (Export incentives)	69.17	83.34
Scrap sale	34.82	34.42
Income from other operating revenues	146.84	73.90
Sub-total (B)	250.83	191.66
Total (A+B)	16,078.16	14,066.64

Also refer accounting policy 3.3 on Revenue from contract with customers

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Details of products sold		
Manufactured goods		
Two wheelers	13,642.82	12,029.62
Spare parts and other components	1,163.32	999.83
Total	14,806.14	13,029.45
Traded goods		
Accessories and other allied products	930.98	781.34
Total	930.98	781.34
Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price	16,079.22	14,076.52
Adjustments:		
- Trade Discount	108.81	76.90
- Incentives	45.88	32.38
- Deferral of revenue (FSC, RSA) and others	97.20	92.26
- Significant financing component		
Total	15,827.33	13,874.98



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Contract Balances

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	572.68	702.02
Non-current liabilities		
- Sale of two wheelers		
- Deferred revenue	428.10	336.38
Current liabilities		
- Contract liabilities	261.49	178.89
- Advance from customers	-	126.19
- Deferred revenue	193.98	138.58

Trade receivables mainly decreased on account of reduction in the overall 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, 2024	For the year ended March 31, 2023
Amount of Revenue recognised from:		
Amounts included in other liabilities (deferred revenue, contract liabilities, advance from customers) at the beginning of the year	375.85	305.08

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 INDAS 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 expedient under INDAS 115, no additional disclosure is provided in respect of remaining unsatisfied performance obligations.



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30. OTHER INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income on financial assets carried at amortised cost		
Bank deposits and bonds	160.98	135.52
Discount on bills (refer note 46)	42.05	39.88
Others	0.48	1.18
	203.51	176.58
Dividend income		
Dividend from joint venture company	95.20	40.80
	95.20	40.80
Other non-operating income		
Grant income on soft loan from SIPCOT	65.78	45.75
Gain on financial instruments at fair value through profit or loss (mutual funds)	719.80	301.12
Facilitation income	52.65	43.47
Liabilities no longer required, written back	24.51	-
Profit on sale of property, plant and equipment	0.82	1.34
Finance income on lease	0.12	0.70
Gain on exercise of termination option of leases	0.63	-
Other income	0.61	5.61
Exchange gain (net)	4.51	24.47
	869.43	422.46
Total	1,168.14	639.84

31. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the beginning of the year	454.25	381.32
Add: Purchases	8,692.21	8,041.48
	9,146.46	8,422.80
Less: Inventories at the end of the year	388.03	454.25
Less: Material cost of vehicles capitalised	9.67	5.89
	8,748.76	7,962.66
Less: Sale of raw materials to suppliers on cost to cost basis	74.58	150.34
Total	8,674.18	7,812.32

32. PURCHASES OF TRADED GOODS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accessories and other allied products	287.67	252.75
Total	287.67	252.75



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33. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the beginning of the year		
Finished goods	307.46	369.52
Work-in-progress	36.36	41.62
Traded goods	81.74	78.81
Total (A)	425.56	489.95
Inventories at the end of the year		
Finished goods	510.15	307.46
Work-in-progress	52.65	36.36
Traded goods	85.23	81.74
Total (B)	648.03	425.56
Net change (A-B)	(222.47)	64.39

34. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	1,019.95	834.96
Contribution to provident and other funds (refer note 43)	36.17	29.01
Share-based payments (refer note 49)	34.22	22.76
Staff welfare expenses	56.61	48.34
Total	1,146.95	935.07

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

35. FINANCE COSTS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on debt and borrowings	11.42	5.01
Unwinding of discount on provisions	4.65	4.46
Interest on lease liabilities (refer note 52)	3.13	3.50
Total	19.20	12.97



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36. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment (refer note 4)	420.09	404.86
Amortisation of intangible assets (refer note 6)	124.13	93.49
Amortisation of right of use assets (refer note 52)	14.88	13.70
Total	559.10	512.05

37. OTHER EXPENSES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of Stores and machinery spares (including loose tools and packing material)	238.77	261.96
Loss on sale of property, plant and equipment and intangible assets	2.24	0.89
Power and fuel	80.53	72.91
Insurance	36.68	33.54
Repairs and maintenance		
Buildings	7.08	6.27
Plant and equipment	52.53	44.02
Others	94.39	83.78
Rates and taxes	36.90	4.56
Advertisement	36.44	25.41
Freight and handling charges	212.99	198.90
Provision for warranty and onerous contract	103.80	144.64
Other selling and distribution expenses	499.27	389.77
Expense related to short term leases	41.46	27.88
Legal and professional charges*	73.95	49.57
Travelling expenses	127.22	102.81
Development expenses	35.66	14.40
Corporate social responsibility expenditure (refer note 51)	51.87	45.18
Provision for credit impaired trade receivables and advances (including write off)	0.65	6.58
Miscellaneous expenses	79.22	95.54
Total	1,811.65	1,608.61

* Including payment to auditors as below (excluding GST):

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditors:		
a) For audit	0.50	0.40
b) For limited reviews of unaudited financial results	0.29	0.32
Total	0.79	0.72
In other capacity:		
a) For other services	0.43	0.39
b) For reimbursement of expenses	0.07	0.06
Total	0.50	0.45

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38. INCOME TAX RECOGNISED IN STATEMENT OF PROFIT AND LOSS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
In respect of the current year	1,039.95	808.55
Sub-total (A)	1,039.95	808.55
Deferred tax		
Relating to origination and reversal of temporary differences	180.65	77.18
Sub-total (B)	180.65	77.18
Total income tax expense recognised in the statement of profit and loss Total (A+B)	1,220.60	885.73

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax	4,970.02	3,508.32
Income tax expense calculated at 25.168% (previous year @ 25.168%)	1,250.85	882.97
Effect on long-term capital gain from investment in mutual funds	(174.24)	(66.72)
Effect of ESOP expenses not deductible in determining taxable profits	8.61	5.73
Effect of income exempt from taxation (Dividend income)	(23.96)	(9.99)
Effect of mark to market on mutual funds	150.04	60.23
Effect of CSR Expenses	13.07	11.37
Others	(3.77)	2.14
	1,220.60	885.73
Income tax expense recognised in statement of profit and loss	1,220.60	885.73
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%

Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Deferred tax charge/(benefit)		
Arising on income and expenses recognised in other comprehensive income:		
Exchange differences in translating the financial statements of foreign operations	4.75	4.09
Debt instruments through other comprehensive income	(0.29)	1.30
Remeasurement of defined benefit obligation	(8.03)	(2.04)
Total income tax recognised in other comprehensive income Total	(3.57)	3.35
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that may be reclassified to profit or loss	4.46	5.39
Items that will not be reclassified to profit or loss	(8.03)	(2.04)
Total	(3.57)	3.35



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39. CRITICAL ACCOUNTING JUDGEMENTS 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 indications 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.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date. As at March 31, 2024 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.

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 49.

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.

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 10.88% (undiluted basis) as at March 31, 2024 (March 31, 2023: 11.48% (undiluted basis)). This investment was irrevocably designated at initial recognition as fair value through OCI considering it to be strategic in nature.

40. RESEARCH AND DEVELOPMENT COSTS

Research and development costs incurred during the year ended March 31, 2024 that are capitalised, aggregates to Rs. 314.69 crores (March 31, 2023: Rs. 228.13 crores). Research and development costs that are not eligible for capitalisation have been expensed in the period incurred during the year ended March 31, 2024 of Rs. 148.98 crores (March 31, 2023: Rs. 81.44 crores), and they are recognised in other expenses.



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41. CONTINGENT LIABILITIES NOT PROVIDED FOR

Particulars	As at March 31, 2024	As at March 31, 2023
a) In respect of following:		
- Excise duty matters	18.69	18.69
- Sales tax matters	8.52	6.66
- Service tax matters	0.39	0.39
- Customs duty matters	3.48	3.48
- Goods and Services tax	136.07	2.00
b) Claims against the Company not acknowledged as debts	15.54	11.73
c) Guarantees given:-		
to bank/others for credit facility granted to 100% subsidiary Companies	298.85	274.77

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.

42. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	31.70	29.45
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of payment made to the supplier beyond the appointed day	0.33	0.65
(iv) The amount of interest due and payable for the year	0.02	0.01
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.10	0.08
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

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, 2024	For the year ended March 31, 2023
Detail of amount recognised as expense for defined contribution plans is given below:-		
a) Provident fund*	23.53	19.64
b) Superannuation fund	0.31	0.34
c) Employee State Insurance Corporation	0.09	0.06
d) Other funds	22.66	18.45
Total	46.59	38.49

*includes Rs. 2.32 crores (March 31, 2023: Rs. 0.83 crores) capitalised during the year and Rs. 8.10 crores (March 31, 2023: Rs. 8.65 crores) considered in pre-operative expenditure (pending allocation)

Out of the total contribution made for employees' provident fund, Rs. 9.31 crores (March 31, 2023: Rs. 7.41 crores) is made to Eicher Executive Provident Fund Trust, while the remaining contribution has been made to government administered provident fund.



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B. Defined benefit plans:

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.
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, 2024 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. 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.

The principal assumptions used for the purposes of the actuarial valuations were as follows :-

Principal assumptions:	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Discount rate	7.15%	7.40%
Future salary increase	12.00%	7.25%
Retirement age	58 years	58 years
Rate of withdrawal	8.75%	2.00%
In service mortality	IALM (2012 - 14)	IALM (2012 - 14)

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows :-

Particulars	Gratuity	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Service cost:		
Current service cost	11.54	6.30
Net Interest expense	-	-
Components of defined benefit costs recognised in profit or loss	11.54	6.30
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	0.80	0.73
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	(5.82)	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	38.74	0.71
Actuarial (gains)/ losses arising from experience adjustments	(1.80)	6.67
Components of defined benefit costs recognised in other comprehensive income	31.92	8.11
Total	43.46	14.41



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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	
	As at March 31, 2024	As at March 31, 2023
Present Value of funded defined benefit obligation	90.57	47.28
Fair value of plan assets	90.57	47.28
Net liability arising from defined benefit obligation	-	-

Movements in the present value of the defined benefit obligation are as follows :-

Particulars	Gratuity	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening defined obligation	47.28	35.33
Current service cost	11.54	6.30
Interest cost	3.50	2.56
Actuarial (gains)/ losses	31.12	7.39
Benefits paid	(2.87)	(4.30)
Closing defined benefit obligation	90.57	47.28

Movements in the fair value of the plan assets are as follows

Particulars	Gratuity	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening fair value of plan assets®	47.28	35.33
Interest income	3.50	2.56
Actuarial gains/ (losses)	(0.80)	(0.73)
Contribution	43.46	14.42
Benefit paid	(2.87)	(4.30)
Closing fair value of plan assets®	90.57	47.28

® 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, 2024	March 31, 2023
Government securities	47.18	23.04
Debt instruments categorised by issuers' credit rating:		
AAA	27.38	17.73
AA+/AA/A1+	9.90	2.86
Cash, deposits, Equity, etc.	6.11	3.65
Total	90.57	47.28

The fair values of the above instruments are determined based on quoted market prices in active market. The actual return on plan assets was Rs. 2.70 crores for the year ended March 31, 2024.



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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 Rs. 4.49 crores (increase by Rs. 4.88 crores) [as at March 31, 2023: Decrease by Rs. 3.42 crores (increase by Rs. 3.80 crores)].
- If the expected salary growth increases (decreases) by 50 basis points, the defined benefit obligation would increase by Rs. 4.63 crores (decrease by Rs. 4.32 crores) [as at March 31, 2023: Increase by Rs. 3.79 crores (decrease by Rs. 3.44 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 recognised 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	As at March 31, 2024	As at March 31, 2023
Average duration of the defined benefit obligation (in years)	9.50	19.63

The estimated contribution during next year is Rs. 12.68 crores (March 31, 2023 : Rs. 7.37 crores) to the defined benefit plan.

The defined benefit obligations maturing after year ended March 31, 2024 are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
0 to 1 year	5.48	1.66
1 to 2 year	7.95	1.29
2 to 3 year	7.97	1.47
3 to 4 year	6.59	2.05
4 to 5 year	5.93	1.25
5 to 6 year	5.90	1.11
6th year onwards	50.75	38.45
Total	90.57	47.28



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44. EARNINGS PER SHARE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic earnings per share (in Rs.)	136.98	95.91
Diluted earnings per share (in Rs.)	136.75	95.74
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 (Rs. in crores)	3,749.42	2,622.59
Weighted average number of equity shares for the purposes of basic earnings per share	27,37,12,460	27,34,54,538
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 (Rs. in crores)	3,749.42	2,622.59
Weighted average number of equity shares for the purposes of basic earnings per share	27,37,12,460	27,34,54,538
Shares deemed to be issued for no consideration in respect of :		
- employee stock option plan / restricted stock units plan	4,76,771	4,61,430
Weighted average number of equity shares for the purposes of diluted earnings per share	27,41,89,231	27,39,15,968

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".

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.

	Domestic	Overseas	Total
Revenue from operations			
For the year ended March 31, 2024	14,548.68	1,529.48	16,078.16
For the year ended March 31, 2023	12,231.32	1,835.32	14,066.64
Non-current segment assets			
As at March 31, 2024	2,909.43	1,065.78	3,975.21
As at March 31, 2023	2,670.48	813.93	3,484.41

- Domestic segment includes sales and services to customers located in India.
- Overseas segment includes sales and services rendered to customers located outside India.
- Non-current segment assets represents total non current assets excluding non current financial assets.
- 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.



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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, 2023: 100%)	Milwaukee, USA
Royal Enfield Canada Ltd.	(RECA)	100% subsidiary company of RENA (March 31, 2023: 100%)	Vancouver BC, Canada
Royal Enfield Brasil Comercio de Motocicletas Ltda	(RE Brasil)	99.99% Subsidiary company (March 31, 2023: 99.99%)	São Paulo, Brasil
Royal Enfield (Thailand) Ltd.	(RET)	99.99% Subsidiary company (March 31, 2023: 99.99%)	Bangkok, Thailand
Royal Enfield (UK) Ltd	(REUK)	100 % Subsidiary company (March 31, 2023: 100%)	Leicestershire, UK
Royal Enfield Europe B.V.	(REEU)	100 % Subsidiary company (March 31, 2023: Not applicable)	Gelderland, Netherlands
VE Commercial Vehicles Limited	(VECVL)	54.40% Joint venture company (March 31, 2023: 54.40%)	New Delhi, India
VECV Lanka (Private) Limited	(VECV Lanka)	100% Subsidiary company of VECVL (March 31, 2023: 100%)	Colombo, Srilanka
VECV South Africa (PTY) Ltd.	(VECV Africa)	100% Subsidiary company of VECVL (March 31, 2023: 100%)	Centurion, South Africa
VE Electro-Mobility Limited	(VEEM)	100% Subsidiary company of VECVL (March 31, 2023: 100%)	New Delhi, India
Eicher Polaris Private Limited	(EPPL)	50% Joint venture company (March 31, 2023: 50%)	New Delhi, India
Eicher Group Foundation	(EGF)	50% Joint venture company (March 31, 2023: 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	(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)	Managing Director 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
Ms. Natasha Jamal		Relative of KMP	



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b. Key management personnel:

Mr. Siddhartha Lal	Managing Director
Mr. B Govindarajan	Whole-time Director & Chief Executive Officer of Royal Enfield
Mr. S. Sandilya	Chairman
Ms. Manvi Sinha	Independent director
Mr. Inder Mohan Singh	Independent director
Mr. S. Madhavan	Independent director (w.e.f. September 29, 2023)
Mr. Tejpreet Chopra	Independent director (w.e.f. September 29, 2023)
Mr. Vinod Aggarwal	Non-executive director
Mr. Kaleeswaran Arunachalam	Chief Financial Officer (up to September 2, 2022)
Ms. Vidhya Srinivasan	Chief Financial Officer (w.e.f. November 18, 2022)
Mr. Atul Sharma	Company Secretary (w.e.f. August 10, 2022)

c. Transactions with the key management personnel during the year:

Particulars	Nature of transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Reumuneration to key management personnel	Short-term benefits	28.10	23.60
	Post-employment benefits	0.30	0.10
	Other long-term benefits	0.07	0.13
	Share-based payments	9.22	-
	Sitting fees	0.25	0.20
	Commission	14.75	12.86
		52.69	36.89

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, 2024

d. Transactions with the related parties

Name of related party	Nature of transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
VE Commercial Vehicles Limited	Purchase of raw materials and components / services	238.43	241.31
	Corporate service charges	2.55	2.07
	Dividend income	95.20	40.80
	Discount on bills	42.05	39.88
Eicher Polaris Private Limited	Purchase of Property, plant and equipment	0.01	-
Eicher Goodearth Private Limited	Corporate service charges	0.96	0.96
	Rent	3.56	4.00
Eicher Goodearth India Private Limited	Brand fees	5.00	5.00
Royal Enfield North America Ltd	Guarantee given / forex revaluation (increase)/decrease	(2.20)	(12.72)
	Sale of products	124.06	316.89
	Expenses reimbursed	16.64	12.75



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Name of related party	Nature of transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Royal Enfield Brasil Comercio de Motocicletas Ltda	Guarantee given / forex revaluation (increase)/decrease	(1.16)	(6.70)
	Sale of products	141.82	191.55
	Supply of Completely Knocked Down (CKD) tools/consumables	-	8.87
	Expenses reimbursed	4.82	5.00
	Investment in share capital of subsidiary company	124.00	-
Royal Enfield (Thailand) Ltd	Guarantee given / forex revaluation (increase)/decrease	(0.39)	(2.26)
	Sale of products	53.21	53.56
	Supply of Completely Knocked Down (CKD) tools/consumables	-	0.10
	Expense recovered	0.25	0.75
	Expenses reimbursed	0.93	7.54
	Royalty income	3.31	1.91
	Investment in share capital of subsidiary company	16.45	-
Royal Enfield UK Limited	Guarantee given / forex revaluation (increase)/decrease	(21.06)	-
	Sale of products	86.01	151.13
	Expenses recovered	4.70	14.63
	Sales and marketing service expense	17.47	10.36
	Investment in share capital of subsidiary company	30.64	-
Eicher Group Foundation	Corporate social responsibility expenditure	28.91	37.30
Eicher Executive Provident Fund	Contribution to provident fund	9.31	7.41
Eicher Tractors Executive Staff Superannuation Fund	Contribution to superannuation fund	0.25	0.26
Eicher Motors Limited Employees Gratuity Trust	Contribution to gratuity fund	43.46	14.42
	Benefits paid	(2.87)	(4.30)
Sunshine Automobiles	Sale of motorcycles, spares, apparel and accessories	41.12	41.54
	Payment for Free service coupon and warranty claims	1.23	0.71
	Expense recovered	0.57	0.29
Shardul Amarchand Mangaldas & Co.	Professional charges	0.25	0.66



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e. Balances outstanding at the year end

Name of related party	Nature	As at March 31, 2024	As at March 31, 2023
VE Commercial Vehicles Limited	Trade payables	42.27	56.26
	Advances	0.12	0.12
	Investment in equity instruments	5.44	5.44
	Bills discounted*	476.84	588.90
Eicher Polaris Private Limited	Trade payables	0.01	-
Eicher Group Foundation	Receivable of unspent CSR fund (including surplus)	0.26	0.16
Eicher Goodearth Private Limited	Security deposits receivable	1.09	1.09
	Corporate service charges	0.29	0.22
Eicher Goodearth India Private Limited	Trade payables	5.00	5.00
Royal Enfield North America Ltd	Trade receivables	53.38	76.20
	Trade payables	4.22	5.54
	Investment in equity instruments	34.17	34.17
	Guarantee given (including forex revaluation)	158.41	156.21
Royal Enfield Brasil Comercio de Motocicletas Ltda	Trade receivables	76.83	187.32
	Trade Payables	0.35	0.66
	Investment in equity instruments	245.01	121.01
	Guarantee given (including forex revaluation)	83.37	82.22
Royal Enfield (Thailand) Ltd	Trade receivables	13.91	9.17
	Trade Payables	0.61	0.11
	Investment in equity instruments	42.21	25.76
	Guarantee given (including forex revaluation)	28.18	27.79
Royal Enfield UK Limited	Trade receivables	91.36	98.67
	Trade Payables	11.35	9.90
	Investment in equity instruments	31.57	0.93
	Guarantee given (including forex revaluation)	21.06	-
Mr. Siddhartha Lal	Commission payable (including National insurance)	13.22	11.93
Key management personnel	Post-employment benefits	0.93	0.63
Non-executive and independent directors	Commission payable	1.53	0.93
Sunshine Automobiles	Security deposit payable	0.02	0.02
	Advances received towards vehicles, spares, apparel and accessories sales	0.33	0.45
Eicher Executive Provident Fund	Contribution to provident fund	0.80	0.63
Eicher Tractors Executive Staff Superannuation Fund	Contribution to superannuation fund	0.02	0.02

* The balance at any point of time during the year was within the overall sanction limit of Rs. 600 crores

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on 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, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023 : Rs. 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.



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The Company provides a credit period of 30 days to 270 days with respect to receivables from RET, RENA RE Brasil and REUK.

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.

47. FINANCIAL INSTRUMENTS

Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation 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, 2024 and March 31, 2023.

The following table summarises the capital of the Company:

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings	172.28	98.80
Less: cash and cash equivalents (refer note 15)	(54.02)	(27.58)
Net debt	118.26	71.22
Share capital	27.38	27.35
Other equity	15,666.20	12,859.55
Total Equity	15,693.58	12,886.90
Gearing ratio	0.75%	0.55%

47.1 CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets at fair value through profit or loss		
Non-current		
Investments in equity	13.25	9.20
Investments in mutual funds	7,273.13	6,561.09
Current		
Investments in mutual funds	180.92	122.91
Financial assets at fair value through other comprehensive income		
Non-current		
Investments in mutual funds	2,836.42	2,503.32
Investments in equity	443.03	443.03



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Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets at amortised cost		
Non-current		
Investments in bonds	201.73	355.76
Other financial assets	1,855.43	18.78
Current		
Investments in bonds	-	96.98
Trade receivables	572.68	702.02
Cash and cash equivalents	54.02	27.58
Bank balances other than cash and cash equivalents	39.10	676.77
Loans / Bill discounting	476.88	588.94
Other financial assets	1,253.32	125.96
Financial liabilities at fair value through profit or loss		
Non-current		
Borrowings	163.46	62.96
Lease liabilities	25.22	27.57
Current		
Lease liabilities	12.25	13.96
Financial liabilities at amortised cost		
Non-current		
Other financial liabilities	15.07	15.51
Current		
Borrowings	8.82	35.84
Trade payables	2,027.75	1,752.70
Other financial liabilities	296.87	214.56

As the carrying values of the financial instruments disclosed above are reasonable approximations of the fair value of the respective items, the fair values have not been disclosed separately.

47.2 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 categorising 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.



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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, 2024		
	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss			
Non-current			
Investments in equity*	-	-	13.25
Investments in mutual funds	7,273.13	-	-
Current			
Investments in mutual funds	180.92	-	-
Financial assets at fair value through other comprehensive income			
Non-current			
Investments in mutual funds	2,836.42	-	-
Investments in equity#	-	-	443.03

Particulars	Fair value as at March 31, 2023		
	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss			
Non-current			
Investments in equity*	-	-	9.20
Investments in mutual funds	6,561.09	-	-
Current			
Investments in mutual funds	122.91	-	-
Financial assets at fair value through other comprehensive income			
Non-current			
Investments in mutual funds	2,503.32	-	-
Investments in equity#	-	-	443.03

* represents the investments in equity of Suryadev Alloys & Power Private Limited and 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 10.88% (undiluted basis) as at March 31, 2024 (March 31, 2023: 11.48% (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, 2024	March 31, 2023
	Discounted cash flow method	Discounted cash flow method
Valuation method		
Weighted average cost of capital	25.0%	25.0%
Long term growth rate	2.5%	2.2%
Long term EBITDA margin	20.0%	15.4%



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Particulars	March 31, 2024	March 31, 2023
Valuation method	Market approach	Market approach
Weighted average cost of capital	25.0%	25.0%

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 recognised in the standalone financial statements approximate their fair values.

Particulars	March 31, 2024		March 31, 2023	
	Carrying amount	Fair value (Level 1)	Carrying amount	Fair value (Level 1)
Financial assets at amortised cost				
Non-current				
Investments in instruments	201.73	201.63	355.76	354.43
Current				
Investments in instruments	-	-	96.98	97.06

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 realised 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

Financial risk management objectives

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.



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Market risk

Market risk is the risk of any loss in future earnings, in realisable 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, 2024		As at March 31, 2023	
	Foreign currency monetary assets	Foreign currency monetary liabilities	Foreign currency monetary assets	Foreign currency monetary liabilities
USD	2.86	0.41	3.97	0.37
EURO	1.73	0.10	2.68	0.10
GBP	0.86	0.23	0.97	0.13
JPY	-	16.12	-	3.83
THB	6.06	0.29	3.80	0.04
Others	-	0.01	-	0.02

The Company is mainly exposed to USD, EURO and GBP.

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 Rs. 22.02 crores (March 31, 2023: Rs. 31.27 crores) against the relevant foreign currencies is not material to the financial statements.

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Change in rate	Effect on profit before tax	Change in rate	Effect on profit before tax
USD	5%	10.21	5%	14.81
	-5%	(10.21)	-5%	(14.81)
EURO	5%	7.35	5%	11.56
	-5%	(7.35)	-5%	(11.56)
GBP	5%	3.32	5%	4.28
	-5%	(3.32)	-5%	(4.28)

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.

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Movement in impairment allowance – Trade receivable

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at beginning of the year	5.39	2.10
Add: Provided during the year	0.49	3.29
Less: Amounts written off	-	-
Balance at end of the year	5.88	5.39

Other price risks including interest rate risk

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.

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, 2024 would increase/decrease by Rs. 102.90 crores (for the year ended March 31, 2023: increase/decrease by Rs. 91.87 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, 2024			
	Less than 1 year	1 to 5 years	More than 5 Years	Total
Non-current				
(i) Borrowings	-	-	163.46	163.46
(ii) Lease liabilities	-	22.39	10.77	33.16
(iii) Other financial liabilities	-	-	15.07	15.07
Current				
(i) Borrowings	8.82	-	-	8.82
(ii) Lease liabilities	14.74	-	-	14.74
(iii) Trade payables	2,027.75	-	-	2,027.75
(iv) Other financial liabilities	296.87	-	-	296.87



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Particulars	As at March 31, 2023			Total
	Less than 1 year	1 to 5 years	More than 5 Years	
Non-current				
(i) Borrowings	-	-	62.96	62.96
(ii) Lease liabilities	-	26.01	8.92	34.93
(iii) Other financial liabilities	-	-	15.51	15.51
Current				
(i) Borrowings	35.84	-	-	35.84
(ii) Lease liabilities	16.86	-	-	16.86
(iii) Trade payables	1,752.70	-	-	1,752.70
(iv) Other financial liabilities	214.56	-	-	214.56

The surplus funds with the Company and operational cash flows will be sufficient to dispose the financial liabilities with in the maturity period.

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.



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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 :

Options series	Number	Grant date	Vesting period	Expiry date	Exercise Price Rs.	Fair value of options at grant date Rs.
(viii)	1,60,000	11-Aug-14	3-5 Years	10-Aug-24	847.75	433.63
(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
(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	2,633.50	782.21
(xxxvi)	2,00,000	27-May-21	3-4 Years	26-May-31	2,633.50	829.69
(xxxvii)	50,000	3-Nov-21	3 Years	2-Nov-31	2,543.00	744.18

Fair value of share options granted in the year

The weighted average fair value of the share options granted during the financial year is Rs. Nil (March 31, 2023 : Rs. Nil). 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.

Movements in share options during the year

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Number of options	Weighted average exercise price Rs.	Number of options	Weighted average exercise price Rs.
Balance at beginning of the year	9,38,190	2,057.48	11,31,808	1,998.65
Granted during the year	-	-	-	-
Forfeited during the year	(24,000)	2,764.54	(1,35,150)	1,628.58
Exercised during the year	(3,24,060)	1,437.08	(58,468)	1,917.06
Balance at end of the year	5,90,130	2,369.40	9,38,190	2,057.05
Exercisable at the end of the year	1,54,130	1,729.43	1,43,190	1,861.48



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Effect of share-based payment transactions on the entity's Profit or Loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Share-based payments	9.98	13.40

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 Rs.
For the year ended March 31, 2024			
(xvi) Granted on April 27, 2016	9,000	11-May-23	2,014.80
(xv) Granted on February 5, 2016	900	11-May-23	1,689.40
(xiii) Granted on July 21, 2015	3,500	11-May-23	2,124.80
(xvii) Granted on July 28, 2016	3,200	11-May-23	2,034.00
(xxxii) Granted on May 6, 2020	1,55,450	11-May-23	1,381.10
(xii) Granted on May 8, 2015	4,840	09-Jun-23	1,480.70
(xxxii) Granted on May 6, 2020	79,050	03-Aug-23	1,381.10
(xxx) Granted on August 1, 2019	6,000	03-Aug-23	1,634.90
(xiii) Granted on July 21, 2015	2,750	03-Aug-23	2,124.80
(xvii) Granted on July 28, 2016	3,200	03-Aug-23	2,034.00
(xxxii) Granted on May 6, 2020	18,100	10-Nov-23	1,381.10
(xii) Granted on May 8, 2015	4,740	10-Nov-23	1,480.70
(xvii) Granted on July 28, 2016	3,200	10-Nov-23	2,034.00
(xxxii) Granted on May 6, 2020	6,000	13-Feb-24	1,381.10
(xii) Granted on May 8, 2015	4,930	13-Feb-24	1,480.70
(xvii) Granted on July 28, 2016	3,200	13-Feb-24	2,034.00
(xxx) Granted on August 1, 2019	6,000	13-Feb-24	1,634.90
(viii) Granted on August 11, 2014	10,000	13-Feb-24	847.75
	3,24,060		
Weighted average exercise price	1,437.08		

For the year ended March 31, 2023

(xiv) Granted on November 6, 2015	2,750	13-May-22	1,767.80
(xv) Granted on February 5, 2016	1,000	13-May-22	1,689.40
(xxxi) Granted on May 6, 2020	2,000	13-May-22	1,381.10
(xiv) Granted on November 6, 2015	1,668	10-Aug-22	1,767.80
(x) Granted on January 12, 2015	4,200	10-Aug-22	1,473.90
(xiii) Granted on July 21, 2015	10,000	10-Aug-22	2,124.80
(xxx) Granted on August 1, 2019	6,000	10-Aug-22	1,634.90
(xviii) Granted on October 28, 2016	5,000	10-Aug-22	2,449.20
(x) Granted on January 12, 2015	2,100	10-Nov-22	1,473.90
(xiii) Granted on July 21, 2015	9,200	10-Nov-22	2,124.80
(xxx) Granted on August 1, 2019	6,000	10-Nov-22	1,634.90
(xv) Granted on February 5, 2016	3,000	10-Nov-22	1,689.40
(xxv) Granted on May 27, 2021	2,000	10-Nov-22	2,633.50
(xiii) Granted on July 21, 2015	3,550	14-Feb-23	2,124.80
	58,468		
Weighted average exercise price	1,917.06		



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Share options outstanding at end of the year

Options series		Options outstanding		Remaining contractual life in years		Exercise Price Rs.
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
(viii)	11-Aug-14	10,000	20,000	0.36	1.36	847.75
(xii)	8-May-15	40,130	54,640	1.10	2.10	1,480.70
(xiii)	21-Jul-15	-	6,250	1.30	2.30	2,124.80
(xv)	5-Feb-16	6,100	7,000	1.84	2.85	1,689.40
(xvi)	27-Apr-16	-	9,000	2.07	3.07	2,014.80
(xvii)	28-Jul-16	5,000	17,800	2.32	3.32	2,034.00
(xxi)	9-Aug-17	13,500	13,500	3.35	4.36	3,212.10
(xxii)	14-Nov-17	15,000	15,000	3.62	4.62	3,058.50
(xxx)	1-Aug-19	12,000	24,000	7.33	8.33	1,634.90
(xxxii)	6-May-20	64,400	3,23,000	6.10	7.10	1,381.10
(xxxiv)	10-Feb-21	-	10,000	6.87	7.87	2,948.00
(xxxv)	27-May-21	1,74,000	1,88,000	7.15	8.16	2,633.50
(xxxvi)	27-May-21	2,00,000	2,00,000	7.15	8.16	2,633.50
(xxxvii)	3-Nov-21	50,000	50,000	7.59	8.59	2,543.00
		5,90,130	9,38,190			

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, 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, 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.



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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 Rs.	Fair value of options at grant date Rs.
(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

Fair value of stock units granted in the year

The weighted average fair value of the stock units granted during the financial year is Rs. 3,331.47 (March 31, 2023 : Rs.2,464.95). 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	(iv)	(v)	(vi)
Grant date share price	2,389.15	3,732.95	3,441.85
Exercise price	1.00	1.00	1.00
Expected volatility	35.83%	33.59%	33.68%
Option life	3 years	3 years	3 years
Dividend yield	0.64%	0.60%	0.60%
Risk-free interest rate	6.94%	7.55%	7.21%

Inputs into the Black Scholes options pricing model

	Option series		
Particulars	(vii)	(viii)	(ix)
Grant date share price	3,381.90	3,332.70	3,541.90
Exercise price	1.00	1.00	1.00
Expected volatility	29.52%	28.61%	27.41%
Option life	3 years	3 years	3 years
Dividend yield	0.60%	0.65%	0.65%
Risk-free interest rate	7.09%	7.23%	7.39%



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Movements in share options during the year

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Number of options	Weighted average exercise price Rs.	Number of options	Weighted average exercise price Rs.
Balance at beginning of the year	1,37,880	1.00	-	-
Granted during the year	1,49,250	1.00	1,44,480	1.00
Forfeited during the year	(11,400)	1.00	(6,600)	1.00
Exercised during the year	-	-	-	-
Balance at end of the year	2,75,730	1.00	1,37,880	1.00
Exercisable at the end of the year	-	-	-	-

Effect of share-based payment transactions on the entity's Profit or Loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Share-based payments	24.24	9.36

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 Rs.
For the year ended March 31, 2024			
Nil	Nil	Nil	Nil
For the year ended March 31, 2023			
Nil	Nil	Nil	Nil

Share options outstanding at end of the year

Options series		Options outstanding		Remaining contractual life in years		Exercise Price Rs.
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
(iv)	12-May-22	1,16,630	1,23,830	8.11	9.12	1.00
(v)	10-Nov-22	10,750	10,750	8.61	9.61	1.00
(vi)	18-Nov-22	3,300	3,300	8.63	9.64	1.00
(vii)	10-May-23	1,27,700	-	9.11	-	1.00
(viii)	3-Aug-23	5,000	-	9.34	-	1.00
(ix)	10-Nov-23	12,350	-	9.61	-	1.00
		2,75,730	1,37,880			



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50. CAPITAL COMMITMENT

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 421.64 crores (March 31, 2023 : Rs. 307.16 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, 2024	For the year ended March 31, 2023
(a) Gross amount required to be spent and approved by the board to be spent [#]	51.87	45.18
(b) Amount spent:		
During the year ending on March 31, 2024:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above*	18.08	-
During the year ending on March 31, 2023:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above*	-	13.05
(c) Unspent amount in relation to:		
(i) Ongoing project	33.79	32.13
(ii) Other than ongoing project	-	-
[#] Includes surplus generated on unspent CSR balances amounting to Rs. 0.06 crores (March 31, 2023: 0.06 crores)		
*Includes administrative expenses	2.04	1.88

Details of ongoing projects and other than ongoing projects

For the year ended March 31, 2024

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
32.13	12.66	51.87	18.08	19.42	33.79	25.37

* The amount of Rs. 32.13 Crores was transferred to separate CSR unspent account during April, 2023 as per MCA circular no. 14/2021 dated August 25, 2021

**The unspent amount pertaining to the FY 2023-24 was transferred to the separate CSR unspent account in April, 2024 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
-	-	-	-	-



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Details of ongoing projects and other than ongoing projects**For the year ended March 31, 2023**

		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	With company*	In Separate CSR
24.97	16.75	45.18	13.05	29.06	32.13	12.66

[#] The amount of Rs. 24.97 Crores was transferred to separate CSR unspent account during April, 2022 as per MCA circular no. 14/2021 dated August 25, 2021.

* The amount of Rs. 32.13 Crores was transferred to separate CSR unspent account during April, 2023 as per MCA circular no. 14/2021 dated August 25, 2021.

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) currently support more than 50 communities across the Indian Himalayan region. These initiatives range from promoting environment sustainability through conservation initiatives to rural sports and winter tourism through the development of ice hockey and football. They include building a network of community-run 'Green Pit-stops' for travellers and conserving textile heritage by bringing together pastoral communities, artisans and designers through 'The Himalayan Knot'. Additionally, Eicher Group Foundation is supporting the local youth with skill-building through fellowships and instituting a collective learning and solutions centre called 'The Himalayan Hub', dedicated to combating climate change. Each of these initiatives is wired to support the local communities and youth with livelihood opportunities and conservation of their natural and cultural resources. The CSR programs also support development and access to education and healthcare facilities for remote communities and a robust road-safety awareness program "Helmets for India".

The Company's projects are long term and money is spent depending upon the requirement of the projects. During the financial year 2023-24, Rs. 18.08 crores (March 31, 2023: 13.05 crores) was spent as per the requirements of CSR projects (including administrative expenses) and the unspent amount of Rs. 33.79 crores (March 31, 2023: 32.13 crores) is transferred to unspent CSR account pursuant to the CSR Rules subsequent to the year-end.

52. IND AS 116 LEASES**A. As a lessee**

The Company has lease contracts for various buildings used in its operations. Leases of buildings generally have lease terms between 2 to 25 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 discussed 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.

(i) Movement in the carrying value of the Right to Use Asset

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	Land	Buildings	Total	Land	Buildings	Total
Opening Balance	142.90	32.84	175.74	144.43	37.37	181.80
Depreciation charge for the Period	(1.53)	(13.35)	(14.88)	(1.53)	(12.17)	(13.70)
Additions during the Period	-	12.88	12.88	-	7.51	7.51
Adjustment/Deletion	-	(1.53)	(1.53)	-	0.13	0.13
Closing Balance	141.37	30.84	172.21	142.90	32.84	175.74



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(ii) Classification of current and non current liabilities of the lease liabilities

Particulars	As at March 31, 2024			As at March 31, 2023		
	Land	Buildings	Total	Land	Buildings	Total
Current liabilities	-	12.25	12.25	-	13.96	13.96
Non Current Liabilities	-	25.22	25.22	-	27.57	27.57
Total Lease liabilities	-	37.47	37.47	-	41.53	41.53

(iii) Movement in the carrying value of the Lease liabilities

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	Land	Buildings	Total	Land	Buildings	Total
Opening Balance	-	41.53	41.53	-	46.98	46.98
Interest Expense	-	3.13	3.13	-	3.50	3.50
Lease Payments [Total Cash Outflow]	-	(17.71)	(17.71)	-	(16.34)	(16.34)
Additions during the year	-	12.68	12.68	-	7.28	7.28
Adjustments	-	(2.16)	(2.16)	-	0.11	0.11
Closing Balance	-	37.47	37.47	-	41.53	41.53

(iv) Contractual Maturities of Lease liabilities outstanding

Particulars	As at March 31, 2024			As at March 31, 2023		
	Land	Buildings	Total	Land	Buildings	Total
Less than one year	-	14.74	14.74	-	16.86	16.86
One to five Years	-	22.39	22.39	-	26.01	26.01
More than Five years	-	10.77	10.77	-	8.92	8.92
Total	-	47.90	47.90	-	51.79	51.79

Lease expenses relating to short term leases aggregated to Rs. 41.46 crores during the year ended March 31, 2023 (Rs.27.88 crores during the year ended March 31, 2023).

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 profit or loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Amortisation of right-of-use assets	14.88	13.70
Interest expense on lease liabilities	3.13	3.50
Expense relating to short-term leases (included in other expenses)	41.46	27.88



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B. As a lessor

Finance Lease

During the previous years, the Company has given office equipments on finance lease to its dealers for operational use by the dealers for servicing the customers of the Company. For the year ended March 31, 2024, the Company recognised interest income on lease receivables of Rs. 0.12 crores (March 31, 2023: Rs. 0.70 crores). The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

Maturity analysis of Lease receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year		
Total Undiscounted lease receivables	-	2.28
Unearned finance income	-	0.12
Net investment in the lease	-	2.16
One to three years		
Total Undiscounted lease receivables	-	-
Unearned finance income	-	-
Net investment in the lease	-	-

53. The Board of Directors of the Company at their meeting held on May 10, 2024, considered and proposed a final dividend post the balance sheet date, aggregating to Rs. 1,396.41 crores @ Rs. 51 per share (nominal value of Re. 1 per share) for the financial year ended March 31, 2024 (final dividend paid for previous financial year ended March 31, 2023 was Rs. 1,012.87 crores @ Rs. 37 per share of nominal value of Re. 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, 2024	March 31, 2023	% change	Reason for variance
Current ratio: <i>Current Assets / Current Liabilities</i>	1.2	1.1	9.1%	Not applicable
Debt- Equity Ratio: <i>Total Debt / Shareholder's Equity</i>	0.0	0.0	0.0%	Not applicable
Debt Service Coverage ratio: <i>Earnings for debt service = Net profit after taxes + Non-cash operating expenses / Debt service = Interest & Lease Payments + Principal Repayments</i>	238.8	191.7	24.6%	Change due to increase in the profits
Return on Equity ratio: <i>Net Profits after taxes – Preference Dividend / Average Shareholder's Equity</i>	0.3	0.2	50.0%	Change due to increase in the profits
Inventory Turnover ratio: <i>Cost of goods sold / Average Inventory</i>	9.1	9.3	-2.2%	Not applicable
Trade Receivable Turnover Ratio: <i>Net credit sales = Gross credit sales – sales return / Average Trade Receivable</i>	2.3	2.9	-20.7%	Not applicable



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Ratio	March 31, 2024	March 31, 2023	% change	Reason for variance
Trade Payable Turnover Ratio: <i>Net credit purchases = Gross credit purchases - purchase return / Average Trade Payables</i>	4.6	4.6	0.0%	Not applicable
Net Capital Turnover Ratio: <i>Net sales = Total sales - sales return / Working capital = Current assets - Current liabilities</i>	31.2	30.9	1.0%	Not applicable
Net Profit ratio: <i>Net Profit / Net sales = Total sales - sales return</i>	0.2	0.2	0.0%	Not applicable
Return on Capital Employed: <i>Earnings before interest and taxes / Capital Employed</i> <i>Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability</i>	30.5%	26.4%	15.5%	Not applicable
Return on Investment: <i>Interest (Finance Income) / Average Investments</i>	7.4%	4.7%	57.4%	Due to appreciation of quoted investments

56. Pursuant to amendment by Ministry of Corporate Affair (MCA) in the Companies (Accounts) Rules 2014 the Holding Company has used SAP 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 in respect of:

- Certain investments, inventories, traded goods, and service type warranties where audit trail feature was not enabled. Management is in the process of setting up an audit trail feature for the transactions referred above in due course.
- Direct changes to the database using certain access rights: In this case while the audit trail feature was not enabled throughout the year, the same was remediated/enabled prior to the end of the year.

Wherever audit trail is enabled, there has not been any instance where audit trail feature has been tampered with, in respect of the accounting software. Management is presently evaluating setting up the audit trail feature as necessary in SAP and other accounting software (used to maintain records of certain service type warranties) in due course.

57. OTHER STATUTORY INFORMATION

- The Company has not defaulted on loans payable and have not been declared as wilful defaulter.
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has not revalued its Property, Plant & Equipments, Intangible Assets and Right to Use Assets during the year.
- The Company has balance with a company struck off under section 248 of Companies Act, 2013 - Refer note 22.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.



NOTES

FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

- (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
- (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 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 Act read with 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

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

per Sanjay Vij
Partner
Membership No : 095169

Vidhya Srinivasan
Chief Financial Officer

B Govindarajan
Whole-time Director & CEO of Royal Enfield
DIN: 03093035

Siddhartha Lal
Managing Director
DIN: 00037645

Atul Sharma
Company Secretary

S. Sandilya
Chairman
DIN: 00037542

Vinod Aggarwal
Director
DIN: 00038906

Place: Gurugram
Date: May 10, 2024

Place: Leicestershire, UK
Date: May 10, 2024



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 accompanying 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, 2024, the consolidated Statement of Profit and Loss, including other comprehensive loss, 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, 2024, their consolidated profit including other comprehensive loss, 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, 2024. 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 policies in Note 3, accounting judgements & estimation uncertainty in Note 38 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 capitalisation. 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 capitalising the development expenditure in accordance with the accounting principles of capitalisation 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 capitalised by reviewing the key assumptions including the authorisation 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 delivery of goods. 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 management's process of recognising 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 deliveries 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 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 loss, 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 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 of 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, 2024 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 MATTER

- (a) We did not audit the financial statements and other financial information, in respect of two subsidiaries, whose financial statements include total assets of Rs. 339.64 crores as at March 31, 2024, and total revenues of Rs. 523.45 crores and net cash inflows of Rs. 27.75 crores for the year ended on that date. These 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 Rs. 0.65 crores for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of one joint venture and two 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 venture and subsidiaries of joint venture, is based solely on the reports 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 venture 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, 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 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 loss, 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, 2024 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 ventures, none of the directors of the Group's companies and its joint ventures, incorporated in India, is disqualified as on March 31, 2024 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, incorporated in India, and the operating effectiveness of such controls, 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, 2024 has been paid / provided by the Holding Company and its joint ventures 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 the joint ventures, 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 and its joint ventures in its consolidated financial statements – Refer Note 40 to the consolidated financial statements;
 - ii. The Group and its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;
 - 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, incorporated in India during the year ended March 31, 2024.
 - iv. a) The respective managements of the Holding Company and its joint ventures 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 (refer 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 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 ("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 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 (refer note 56(viii) to the consolidated financial statements), no funds have been received by the respective Holding Company or any of such joint ventures 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 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 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 venture companies incorporated in India 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 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, and that performed by the respective auditors of a joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, except as explained in note 55 to the consolidated financial statements:
- In respect of Holding Company, audit trail feature was not enabled for certain investments, inventories, traded goods and service type warranties.
 - In respect of both Holding Company and a Joint venture Company, audit trail feature is not enabled for direct changes to database using certain access rights.
 - In respect of other accounting softwares used by:
 - ♦ the Holding Company audit trail feature is not enabled to maintain records of certain service type warranties.
 - ♦ a Joint venture Company audit trail is not enabled for Company to maintain records of certain sales and inventory and related interfaces across the accounting software.

the Holding Company and joint ventures 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. Further, during the course of our audit, wherever audit trail is enabled, we and respective auditors of the above referred joint ventures entity did not come across any instance of audit trail feature being tampered in respect of other accounting software.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij

Partner

Membership Number: 095169

UDIN: 24095169BKFNCQ7903

Place of Signature: Gurugram

Date: May 10, 2024



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 Sanjay Vij

Partner

Membership Number: 095169

UDIN: 24095169BKFNCQ7903

Place of Signature: Gurugram

Date: May 10, 2024



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 as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of Eicher Motors Limited (hereinafter referred to as 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 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. 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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting with reference to these 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control over financial reporting with reference to these 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 over financial reporting with reference to these 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 OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these 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 over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2024, 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.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij

Partner

Membership Number: 095169

UDIN: 24095169BKFNCQ7903

Place of Signature: Gurugram

Date: May 10, 2024



CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	1,950.26	1,999.65
(b) Capital work-in-progress	5	211.65	77.75
(c) Intangible assets	6	692.13	464.21
(d) Right of use assets	51	271.99	226.13
(e) Intangible assets under development	7	343.45	394.32
(f) Financial assets			
(i) Investments in joint ventures	8	2,578.48	2,228.37
(ii) Other investments	9	10,767.56	9,872.40
(iii) Other financial assets	11	1,856.10	19.28
(g) Deferred tax assets (net)	23	12.80	-
(h) Non-current tax assets (net)	24	103.41	86.47
(i) Other non-current assets	16	188.77	145.83
Total non-current assets		18,976.60	15,514.41
Current assets			
(a) Inventories	12	1,409.64	1,278.44
(b) Financial assets			
(i) Investments	9	180.92	219.89
(ii) Loans / Bill discounting	10	476.88	588.94
(iii) Trade receivables	13	373.78	368.92
(iv) Cash and cash equivalents	14	107.21	88.81
(v) Bank balances other than (iv) above	15	39.10	676.77
(vi) Other financial assets	11	1,253.32	125.96
(c) Other current assets	16	310.48	335.50
Total current assets		4,151.33	3,683.23
Total assets		23,127.93	19,197.64
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	27.38	27.35
(b) Other equity	18	18,018.15	14,962.93
Total equity		18,045.53	14,990.28
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	163.46	62.96
(ii) Lease liabilities	51	107.98	67.79
(iii) Other financial liabilities	19	15.07	15.51
(b) Provisions	22	175.02	102.46
(c) Deferred tax liabilities (net)	23	461.08	291.31
(d) Government grant	25	133.28	96.37
(e) Other non-current liabilities	27	428.10	336.38
Total non-current liabilities		1,483.99	972.78
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	112.12	132.74
(ii) Lease liabilities	51	35.88	24.92
(iii) Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises	41	31.70	29.45
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,058.43	1,780.99
(iv) Other financial liabilities	19	306.10	221.98
(b) Provisions	22	99.55	155.48
(c) Government grant	25	25.69	32.45
(d) Contract liabilities	26	262.58	180.10
(e) Other current liabilities	27	454.34	453.64
(f) Current tax liabilities (net)	24	212.02	222.83
Total current liabilities		3,598.41	3,234.58
Total liabilities		5,082.40	4,207.36
Total equity and liabilities		23,127.93	19,197.64

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

For and on behalf of the Board of Directors of Eicher Motors Limited

CIN: L34102DL1982PLC129877

per Sanjay Vij

Partner

Membership No : 095169

Vidhya Srinivasan

Chief Financial Officer

B Govindarajan

Whole-time Director & CEO of Royal Enfield

DIN: 03093035

Siddhartha Lal

Managing Director

DIN: 00037645

Atul Sharma

Company Secretary

S. Sandilya

Chairman

DIN: 00037542

Vinod Aggarwal

Director

DIN: 00038906

Place: Gurugram

Date: May 10, 2024

Place: Leicestershire, UK

Date: May 10, 2024



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from contract with customers		16,234.02	14,175.90
Other operating income		301.76	266.28
Revenue from operations	28	16,535.78	14,442.18
Other income	29	1,075.87	595.11
Total Income		17,611.65	15,037.29
Expenses			
Cost of raw material and components consumed	30	8,723.10	7,843.95
Purchases of traded goods	31	454.58	431.20
Change in inventories of finished goods, work-in-progress and traded goods	32	(197.03)	(63.25)
Employee benefits expense	33	1,235.69	1,001.93
Finance costs	34	50.88	28.02
Depreciation and amortisation expense	35	597.60	526.21
Other expenses	36	1,992.53	1,784.77
Total expenses		12,857.35	11,552.83
Profit before share of profit of Joint venture and tax		4,754.30	3,484.46
Share of profit of joint venture (VE Commercial Vehicles Limited)		447.72	315.17
Profit before tax and after share of profit of Joint venture		5,202.02	3,799.63
Tax expense			
Current tax	37	1,040.08	819.13
Deferred tax	37	160.93	66.56
Total tax expense		1,201.01	885.69
Net profit after tax		4,001.01	2,913.94
Other comprehensive income/(expense) (including share of other comprehensive income/(expense) of Joint venture)			
Items that may be reclassified to profit or loss:-			
Exchange differences in translating the financial statements of foreign operations		18.04	19.65
Income tax effect	37	(4.54)	(4.94)
Net gain/(loss) on debt instruments through other comprehensive income		(1.17)	5.15
Income tax effect	37	0.29	(1.30)
Share of other comprehensive income / (expense) in joint venture (net of tax)		(0.32)	(0.69)
Net other comprehensive income / (loss) to be reclassified to profit or loss in subsequent periods		12.30	17.87
Items that will not be reclassified to profit or loss:-			
Re-measurement gains/(losses) on defined benefit plans		(31.92)	(8.11)
Income tax effect	37	8.03	2.04
Share of other comprehensive income / (expense) in joint venture (net of tax)		(2.09)	(3.25)
Net other comprehensive income / (loss) not to be reclassified to profit or loss in subsequent periods		(25.98)	(9.32)
Other comprehensive income / (loss) for the year, net of tax		(13.68)	8.55
Total comprehensive income for the year, net of tax		3,987.33	2,922.49
Profit for the year attributable to:			
- Equity holders of the parent/holding		4,001.01	2,913.94
- Non-controlling interests		-	-
Other comprehensive income for the year attributable to:			
- Equity holders of the parent/holding		(13.68)	8.55
- Non-controlling interests		-	-
Total comprehensive income for the year attributable to:			
- Equity holders of the parent/holding		3,987.33	2,922.49
- Non-controlling interests		-	-
Earnings per equity share of Re. 1 each (in Rs.)			
(a) Basic	43	146.18	106.56
(b) Diluted	43	145.92	106.38

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 **Sanjay Vij**
Partner
Membership No : 095169

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary

Place: Leicestershire, UK
Date: May 10, 2024

B Govindarajan
Whole-time Director & CEO of Royal Enfield
DIN: 03093035

S. Sandilya
Chairman
DIN: 00037542

Siddhartha Lal
Managing Director
DIN: 00037645

Vinod Aggarwal
Director
DIN: 00038906

Place: Gurugram
Date: May 10, 2024



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED March 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

A EQUITY SHARE CAPITAL

	Number of Shares	Amount
Balance as at April 01, 2022	27,34,23,102	27.34
Issue of equity shares under employee stock option plan / restricted stock units plan (refer note 48)	58,468	0.01
Balance as at March 31, 2023	27,34,81,570	27.35
Issue of equity shares under employee stock option plan / restricted stock units plan (refer note 48)	3,24,060	0.03
Balance as at March 31, 2024	27,38,05,630	27.38

B OTHER EQUITY

Particulars	Reserves and surplus						Items of OCI			Total equity
	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Share based payments reserve	Retained earnings	Hedge reserve	Debt instruments through other comprehensive income	Foreign currency translation reserve	Total
Balance as at April 01, 2022	0.25	1.41	241.05	339.89	40.96	11,921.36	0.04	-	35.70	12,580.66
Profit for the year	-	-	-	-	-	2,913.94	-	-	-	2,913.94
Other comprehensive income / (expense) for the year, net of income tax	-	-	-	-	-	(9.32)	-	3.85	14.02	8.55
Total comprehensive income / loss for the year	-	-	-	-	-	2,904.62	-	3.85	14.02	2,922.49
Share-based payments (refer note 48)	-	-	-	-	22.76	-	-	-	-	22.76
Payment of cash dividend	-	-	-	-	-	(574.19)	-	-	-	(574.19)
Proceeds from issue of equity shares under employee stock option plan / restricted stock units plan	-	-	11.21	-	-	-	-	-	-	11.21
Transfer to securities premium on issue of equity shares	-	-	5.41	-	(5.41)	-	-	-	-	-
Balance as at March 31, 2023	0.25	1.41	257.67	339.89	58.31	14,251.79	0.04	3.85	49.72	14,962.93
Profit for the year	-	-	-	-	-	4,001.01	-	-	-	4,001.01
Other comprehensive income / (expense) for the year, net of income tax	-	-	-	-	-	(25.98)	-	(0.88)	13.18	(13.68)
Total comprehensive income / loss for the year	-	-	-	-	-	3,975.03	-	(0.88)	13.18	3,987.33
Share-based payments (refer note 48)	-	-	-	-	34.22	-	-	-	-	34.22
Payment of cash dividend	-	-	-	-	-	(1,012.87)	-	-	-	(1,012.87)
Proceeds from issue of equity shares under employee stock option plan / restricted stock units plan	-	-	46.54	-	-	-	-	-	-	46.54
Transfer to securities premium on issue of equity shares	-	-	15.39	-	(15.39)	-	-	-	-	-
Balance as at March 31, 2024	0.25	1.41	319.60	339.89	77.14	17,213.95	0.04	2.97	62.90	18,018.15

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 **Sanjay Vij**
Partner
Membership No : 095169

Place: Gurugram
Date: May 10, 2024

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

Vidhya Srinivasan
Chief Financial Officer

Atul Sharma
Company Secretary

Place: Leicestershire, UK
Date: May 10, 2024

B Govindarajan
Whole-time Director & CEO of Royal Enfield
DIN: 03093035

S. Sandilya
Chairman
DIN: 00037542

Siddhartha Lal
Managing Director
DIN: 00037645

Vinod Aggarwal
Director
DIN: 00038906



CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED March 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES		
Profit before tax and after share of profit of Joint venture	5,202.02	3,799.63
Adjustments for:		
Share of profit of joint venture	(447.72)	(315.17)
Depreciation and amortisation expense	597.60	526.21
Gain on sale of property, plant and equipment	(1.07)	(1.83)
Loss on sale of property, plant and equipment	2.46	2.14
Grant income on soft loan from State Industries Promotion Corporation of Tamil Nadu Ltd. (SIPCOT)	(65.78)	(45.75)
Net gain on financial instruments at fair value through profit or loss	(719.80)	(301.12)
Liabilities no longer required, written back	(24.51)	-
Interest income recognised in profit or loss	(203.68)	(176.48)
Expenses recognised in respect of equity-settled share-based payments	34.22	22.76
Exchange difference on reinstatement of property, plant and equipment	(20.60)	(6.41)
Unrealised foreign exchange difference	(1.09)	(11.42)
Finance income on lease	(0.12)	(0.70)
Gain on exercise of termination option of leases	(0.63)	-
Provision for credit impaired trade receivables and advances (including write off)	1.41	7.38
Finance costs recognised in profit or loss	50.88	28.02
Operating profit before changes in working capital	4,403.59	3,527.26
Changes in working capital:		
Adjustments for (increase) / decrease in non-current assets:		
Other financial assets	(5.01)	(0.78)
Other assets	(17.64)	(27.35)
Adjustments for (increase) / decrease in current assets:		
Inventories	(131.20)	(146.04)
Trade receivables	(5.18)	(59.04)
Other financial assets	(13.79)	7.68
Other assets	25.02	(43.64)
Adjustments for increase / (decrease) in non-current liabilities:		
Other financial liabilities	(1.93)	(0.13)
Provisions	67.91	30.03
Government grant	12.52	5.83
Other liabilities	91.72	99.84
Adjustments for increase / (decrease) in current liabilities:		
Trade payables	304.20	22.15
Other financial liabilities	77.49	17.55
Provisions	(87.85)	25.55
Government grant	(11.49)	13.07
Contract liabilities	82.48	9.96
Other liabilities	0.70	110.99
Cash generated from operating activities	4,791.54	3,592.93
Income tax paid (net of refunds)	(1,067.83)	(770.27)
Net cash flow from / (used in) operating activities (A)	3,723.71	2,822.66



CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED March 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
B. CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES		
Payment for Property, plant and equipment and Intangible assets including capital work-in progress, intangible assets under development, capital advance and capital creditors	(818.51)	(682.49)
Proceeds from disposal of property, plant and equipment and intangible assets	4.15	8.78
Investment in equity instruments	(4.05)	(443.03)
Proceeds from sale of debt Mutual funds	5,968.03	5,080.05
Purchases of debt Mutual funds	(6,101.55)	(8,660.39)
Investments in fixed deposit	(3,260.00)	(753.04)
Maturity proceeds from fixed deposit	1,040.79	2,700.53
Bill discounting on behalf of a related party (net) (refer note 45)	112.06	87.85
Dividend from joint venture company	95.20	40.80
Interest received on bank deposits	111.91	204.49
Net cash flow from / (used in) investing activities (B)	(2,851.97)	(2,416.45)
C. CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		
Working capital loan	133.62	63.60
Re-payment of working capital loan	(127.22)	(19.56)
Soft loan received from SIPCOT	185.76	131.41
Interest paid	(25.00)	(13.43)
Proceeds from issue of equity share capital under employee stock option plan (including securities premium)	46.57	11.22
Lease receivables	2.28	7.18
Interest on lease liabilities paid	(10.44)	(4.79)
Payment of principal portion of lease liabilities	(37.06)	(18.88)
Dividend paid	(1,012.87)	(574.19)
Net cash flow from / (used in) financing activities (C)	(844.36)	(417.44)
Change in foreign currency translation arising on consolidation (D)		
Exchange difference on conversion of foreign branch and subsidiaries	18.04	19.65
Net Increase/(decrease) in cash and cash equivalents (A)+(B)+(C)+(D)	45.42	8.42
Cash and cash equivalents at the beginning of the year	52.97	44.55
Cash and cash equivalents at the end of the year	98.39	52.97

Particulars	As at March 31, 2024	As at March 31, 2023
Components of cash and cash equivalents		
Cash on hand	0.01	0.02
Balances with banks:		
In current accounts	107.20	88.79
Cash and cash equivalents as per balance sheet (refer note 14)	107.21	88.81
Bank overdrafts (refer note 20)	8.82	35.84
Cash and cash equivalents as per statement of cash flows	98.39	52.97

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

For and on behalf of the Board of Directors of Eicher Motors Limited
CIN: L34102DL1982PLC129877

per Sanjay Vij
Partner
Membership No : 095169

Vidhya Srinivasan
Chief Financial Officer

B Govindarajan
Whole-time Director & CEO of Royal Enfield
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Siddhartha Lal
Managing Director
DIN: 00037645

Atul Sharma
Company Secretary

S. Sandilya
Chairman
DIN: 00037542

Vinod Aggarwal
Director
DIN: 00038906

Place: Gurugram
Date: May 10, 2024

Place: Leicestershire, UK
Date: May 10, 2024



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

1. CORPORATE INFORMATION

Eicher Motors Limited ("the Holding Company") CIN: L34102DL1982PLC129877, is a public Company domiciled and incorporated under the provisions of the Companies Act, 1956. The Holding Company and its subsidiaries (hereinafter referred to as "the Group") are engaged in the manufacturing, selling and distribution of motorcycles, trading of spare parts and related services. The Holding Company has its registered office at New Delhi, India and its corporate office at Gurugram, Haryana, India. The Group is a leading two wheeler manufacturer and has a dominant presence in domestic market. The consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 10, 2024.

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. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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 realisation 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

3.1 Basis 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.



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses 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, 2024. 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.

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.

All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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, 2024	Voting power held as at March 31, 2023
Royal Enfield North America Limited (RENA) (Incorporated on March 23, 2015)	U.S.A	100%	100%
Royal Enfield Brasil Comercio De Motocicletas LTDA (Incorporated on August 18, 2014)	Brazil	99.99%	99.99%
Royal Enfield Canada Limited (100% subsidiary Company of RENA) (Incorporated on April 19, 2016)	Canada	100%	100%
Royal Enfield (Thailand) Limited (RET) (Incorporated on September 18, 2018)	Thailand	99.99%	99.99%
Royal Enfield (UK) Limited (REUK) (Incorporated on August 20, 2019)	United Kingdom	100%	100%
Royal Enfield (UK) Europe B.V. (Incorporated on March 21, 2024 - yet to commence business)	Netherland	100%	Not applicable

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,



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

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.

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, 2024	Voting power held as at March 31, 2023
VE Commercial Vehicles Limited	India	54.4%	54.4%
Eicher Polaris Private Limited	India	50.0%	50.0%

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 unconditional 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.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

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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, 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 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.



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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 3.18 Provisions.

The Group provides 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

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payment of the consideration is due). Refer to accounting policies of financial assets in section 3.19 Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability 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 and leases of low-value assets. 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 25 years
Others	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 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



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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 and leases of low-value assets**

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 and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Group transfers substantially all the risks and rewards incidental to ownership of an underlying asset are classified as finance leases.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease

terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

In case of finance lease, as a lessor, the Group recognises, at the commencement date, assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease. Interest rate implicit is used to measure the net investment in the lease. Initial direct costs, other than those incurred by the Group, are included in the initial measurement of the net investment in the lease and reduce the amount of income recognised over the lease term. The interest rate implicit in the lease is arrived in such a way that the initial direct costs are included automatically in the net investment in the lease.

At the commencement date, the lease payments included in the measurement of the net investment in the lease comprise the following payments for the right to use the underlying asset during the lease term that are not received at the commencement date:

(a) fixed payments less any lease incentives payable, (b) variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date; (c) any residual value guarantees provided to the lessor by the lessee, a party related to the lessee or a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee, (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and (e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

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At the commencement date, as a manufacturer or dealer the Group recognises the following for each of its finance leases:

(a) revenue being the fair value of the underlying asset, or, if lower, the present value of the lease payments accruing to the lessor, discounted using a market rate of interest; (b) the cost of sale being the cost, or carrying amount if different, of the underlying asset less the present value of the un-guaranteed residual value; and (c) selling profit or loss (being the difference between revenue and the cost of sale) in accordance with its policy for outright sales to which Ind AS 115 applies. The Group also recognise selling profit or loss on a finance lease at the commencement date, regardless of whether the Group transfers the underlying asset as described in Ind AS 115.

The Group as a manufacturer or dealer lessor recognises as an expense costs incurred in connection with obtaining a finance lease at the commencement date because they are mainly related to earning the manufacturer or dealer's selling profit. Costs incurred by the Group in connection with obtaining a finance lease are excluded from the definition of initial direct costs and, thus, are excluded from the net investment in the lease.

Subsequent measurement:

The Group recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

The finance income is allocated over the lease term on a systematic and rational basis. The Group applies the lease payments relating to the period against the gross investment in the lease to reduce both the principal and the unearned finance income. The Group applies the de-recognition and impairment requirements in Ind AS 109 to the net investment in the lease. The Group reviews regularly estimated un-guaranteed residual values used in computing the gross investment in the lease.

If there has been a reduction in the estimated un-guaranteed residual value, the Group revises the income allocation over the lease term and recognises immediately any reduction in respect of amounts accrued.

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 foreign operations 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 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 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).



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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).

3.8 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 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 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 recognises 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

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the contribution payable to the provident fund. The Group recognises 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 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 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



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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 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.



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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 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.

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 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



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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	Useful life (in years)
Buildings	10-60
Buildings (temporary structures)	2-3
Plant and equipment	5-15 (except in respect of moulds and dies covered above)
Furniture and fixtures	2-10
Office equipment	2-5
Vehicles	5

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 and intangible assets recognised in the previous GAAP as deemed cost at the transition date.

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.

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.

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Useful lives of intangible assets

Intangible assets comprising of product design, prototypes, etc., either acquired or internally developed are amortised over a period of 3 to 10 years, the estimated minimum useful life of the related products. Cost of software is amortised over a period of 3 years or less depending on the estimated useful life of asset. The useful lives for intangible assets are given below:

Particulars	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 Investment property

Investment property is a property held to earn rentals and capital appreciation. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured in accordance with Ind AS 16's requirements for cost model. The Group depreciates building component of investment property over 30 years from the date of capitalisation.

Investment properties are de-recognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.



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3.17 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.

3.18 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 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.

3.19 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 initially measured at fair value 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

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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.

3.20 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 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 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):

- ♦ 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.



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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 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.

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.

Derecognition 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.

3.21 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 recognised 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.

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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 Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

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.

3.22 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.

3.23 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.

3.24 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

3.25 Dividend

The Group 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



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financial year in which such interim dividend is sought to be declared. A corresponding amount is recognised directly in other equity.

3.26 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.

3.27 Investment in joint ventures

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 Group's investments in its joint ventures are accounted at cost less impairment.

The Group 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 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.



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4. PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Office equipments [#]	Vehicles	Total
Cost							
At April 01, 2022	85.95	827.60	2,335.88	36.78	225.60	121.67	3,633.48
Additions	-	120.36	304.54	3.85	43.36	32.30	504.41
Disposals	-	(0.97)	(45.08)	(1.59)	(3.29)	(19.23)	(70.16)
Adjustments (Exchange difference)	-	1.74	2.50	0.11	0.67	1.83	6.85
At March 31, 2023	85.95	948.73	2,597.84	39.15	266.34	136.57	4,074.58
Additions	-	14.61	272.70	3.62	37.18	53.89	382.00
Disposals	-	(10.31)	(16.65)	(1.32)	(8.74)	(11.50)	(48.52)
Written off	-	-	(112.33)	-	(64.29)	-	(176.62)
Adjustments (Exchange difference)	-	2.12	2.21	0.10	0.76	1.27	6.46
At March 31, 2024	85.95	955.15	2,743.77	41.55	231.25	180.23	4,237.90
Accumulated depreciation							
At April 01, 2022	-	178.15	1,301.72	22.95	160.26	59.62	1,722.70
Charge for the year	-	37.49	308.47	4.17	39.39	21.67	411.19
Disposals	-	(0.15)	(43.31)	(1.37)	(3.38)	(13.24)	(61.45)
Adjustments (Exchange difference)	-	0.33	0.91	0.08	0.45	0.72	2.49
At March 31, 2023	-	215.82	1,567.79	25.83	196.72	68.77	2,074.93
Charge for the year	-	35.91	323.63	4.29	40.28	25.94	430.05
Disposals	-	(8.53)	(15.95)	(1.20)	(8.67)	(8.63)	(42.98)
Written off	-	-	(112.33)	-	(64.29)	-	(176.62)
Adjustments (Exchange difference)	-	0.32	0.69	0.06	0.60	0.59	2.26
At March 31, 2024	-	243.52	1,763.83	28.98	164.64	86.67	2,287.64
Net carrying amount							
At March 31, 2024	85.95	711.63	979.93	12.57	66.61	93.56	1,950.26
At March 31, 2023	85.95	732.91	1,030.04	13.32	69.62	67.80	1,999.65

[#] Cost and net carrying amount of office equipments include computers and information systems of Rs. 77.20 crores as at March 31, 2024 (Rs. 85.12 crores as at March 31, 2023) and Rs. 25.91 crores as at March 31, 2024 (Rs. 16.53 crores as at March 31, 2023), respectively.

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 property registered in its name.

Property, plant and equipment of the Company at Oragadam and Thiruvottiyur units upto the carrying value of Rs. 361.01 crores (March 31, 2023: Rs. 361.01 crores) are secured by first charge towards the Soft loan obtained from SIPCOT.



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5. CAPITAL WORK-IN-PROGRESS*

Particulars	As at March 31, 2024	As at March 31, 2023
Opening	77.75	133.98
Additions	515.46	448.14
Capitalised	(382.00)	(504.41)
Adjustments (Exchange difference)	0.44	0.04
Closing	211.65	77.75

As at March 31, 2024

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	196.18	8.07	7.28	0.12	211.65
Other Capital work-in-progress	-	-	-	-	-
Total	196.18	8.07	7.28	0.12	211.65

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024

As at March 31, 2023

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	58.53	14.08	1.23	0.32	74.16
Other Capital work-in-progress	3.59	-	-	-	3.59
Total	62.12	14.08	1.23	0.32	77.75

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023

* Capital work in progress comprises of expenditure for buildings, plant in the course of construction and machineries yet to be installed.

6. INTANGIBLE ASSETS

Particulars	Product designs, prototypes	Computer softwares	Total
Cost			
At April 01, 2022	418.39	169.89	588.28
Additions	184.25	42.87	227.12
Disposals / write off	-	(0.39)	(0.39)
Adjustments (Exchange difference)	4.93	0.30	5.23
At March 31, 2023	607.57	212.67	820.24
Additions	302.87	43.62	346.49
Disposals / write off	-	-	-
Adjustments (Exchange difference)	9.74	0.42	10.16
At March 31, 2024	920.18	256.71	1,176.89



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Particulars	Product designs, prototypes	Computer softwares	Total
Accumulated amortisation			
At April 01, 2022	141.67	116.77	258.44
Charge for the year	59.16	35.26	94.42
Disposals / write off	-	(0.01)	(0.01)
Adjustments (Exchange difference)	2.88	0.30	3.18
At March 31, 2023	203.71	152.32	356.03
Additions	87.21	37.86	125.07
Disposals / write off	-	-	-
Adjustments (Exchange difference)	3.31	0.35	3.66
At March 31, 2024	294.23	190.53	484.76
Carrying amount			
At March 31, 2024	625.95	66.18	692.13
At March 31, 2023	403.86	60.35	464.21

7. INTANGIBLE ASSETS UNDER DEVELOPMENT*

Particulars	As at March 31, 2024	As at March 31, 2023
Opening	394.32	370.80
Additions	286.16	242.97
Capitalised	(329.96)	(227.12)
Written off	(16.53)	-
Adjustments (Exchange difference)	9.46	7.67
Closing	343.45	394.32

As at March 31, 2024

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	180.01	87.45	43.55	32.44	343.45
Other Intangible assets under development	-	-	-	-	-
Total	180.01	87.45	43.55	32.44	343.45

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024

As at March 31, 2023

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	155.90	94.36	58.98	85.08	394.32
Other Intangible assets under development	-	-	-	-	-
Total	155.90	94.36	58.98	85.08	394.32

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023

* Intangible assets under development mainly consists of cost of new products under development.



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8. INVESTMENTS IN JOINT VENTURES

Particulars	As at March 31, 2024	As at March 31, 2023
Unquoted Investments		
VE Commercial Vehicles Limited :		
54,40,000 (March 31, 2023: 54,40,000) Equity shares of Rs.10 each fully paid up		
Cost of investment	5.44	5.44
Group's share of net assets	2,573.04	2,222.93
Sub-total (A)	2,578.48	2,228.37
Eicher Polaris Private Limited :		
32,54,89,000 (March 31, 2023: 32,54,89,000) Equity shares of Rs.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)	2,578.48	2,228.37

- i) In addition to the above investment, the Group has made an investment of Rs. 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 Rs. 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 Rs. 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 Rs.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 Rs. 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, 2024	As at March 31, 2023
Aggregate carrying value of unquoted investments	2,578.48	2,228.37
Aggregate amount of impairment in value of investments	325.49	325.49



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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, 2024	As at March 31, 2023
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, 2024	As at March 31, 2023
Non-current assets	5,053.10	4,167.77
Current assets	7,802.73	7,269.78
Non-current liabilities	831.45	538.01
Current liabilities	7,284.57	6,803.32

VE Commercial Vehicles Limited	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operations	21,867.97	18,952.33
Profit for the year	823.02	579.36
Other comprehensive income / (expense) for the year	(4.43)	(7.25)
Total Comprehensive income for the year	818.59	572.11
Dividends received from the joint venture during the year	95.20	40.80

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, 2024	As at March 31, 2023
Net assets of the joint venture	4,739.81	4,096.22
Proportion of the Group's ownership interest in the joint venture	2,578.49	2,228.37
Carrying amount of the Group's interest in the joint venture	2,578.49	2,228.37



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Eicher Polaris Private Limited	As at March 31, 2024	As at March 31, 2023
Non-Current assets	-	-
Current assets	8.35	15.15
Non-current liabilities	-	-
Current Liabilities	2.34	7.86

Eicher Polaris Private Limited	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operations	-	-
Profit or loss from continuing operations	-	-
Profit/(loss) for the year	(1.28)	(3.61)
Other comprehensive income for the year	-	-
Total Comprehensive income for the year	(1.28)	(3.61)

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, 2024	As at March 31, 2023
Net assets of the joint venture	6.01	7.29
Proportion of the Group's ownership interest in the joint venture	3.01	3.64
Less:- Amount of interest in the joint venture not considered for consolidation	(3.01)	(3.64)
Less:- Advances given for investment in shares	-	-
Add : Provision for constructive obligation disclosed as Other Financial Liabilities	-	-
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.

9. INVESTMENTS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current	Non-Current	Current
Unquoted Investments				
(a) Investment in equity instruments of companies at FVTPL				
(i) 16,80,000 numbers (March 31, 2023 : 16,80,000 numbers) Equity shares of Rs. 10 per share fully paid up of Suryadev Alloys and Power Private Limited	5.04	-	5.04	-
(ii) 10,26,250 numbers (March 31, 2023 : 5,20,000 numbers) Equity shares of Rs. 10 per share fully paid up of Flamesun Solar Private Limited	8.21	-	4.16	-
(b) Investment in equity instruments of companies at FVTOCI				
(i) 55,363 numbers (March 31, 2023: 55,363 numbers) Equity shares of EUR 0.01 per share fully paid up of Stark Future S.L.#	443.03	-	443.03	-
Sub-total (A)	456.28	-	452.23	-

During the year ended March 31, 2023, the Group has 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 10.88% (undiluted basis) stake in the investee as on March 31, 2024 (March 31, 2023: 11.48% (undiluted basis)). The Company has determined that it cannot exercise any significant influence over the investee (Note 38).



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Particulars	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current	Non-Current	Current
Quoted Investments				
(c) (i) Investments in mutual funds carried at FVTPL	7,273.13	180.92	6,561.09	122.91
(ii) Investments in Target Maturity Index Funds at FVTOCI**	2,836.42	-	2,503.32	
Sub-total (B)	10,109.55	180.92	9,064.41	122.91
(d) Investment in bonds carried at amortised cost	201.73	-	355.76	96.98
Sub-total (C)	201.73	-	355.76	96.98
Total (A+B+C)	10,767.56	180.92	9,872.40	219.89
** 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 realise cash flows from these investments upon maturity or upon sale.				
Aggregate carrying value of quoted investments	10,311.28	180.92	9,420.17	219.89
Aggregate market value of quoted investments	10,311.18	180.92	9,418.84	219.97
Aggregate carrying value of unquoted investments	456.28	-	452.23	-
Category-wise investments - as per Ind AS 109 Classifications				
Financial assets carried at FVTPL				
Unquoted				
Investment in equity instruments	13.25	-	9.20	-
Quoted				
Investment in mutual funds	7,273.13	180.92	6,561.09	122.91
Financial assets carried at fair value through other comprehensive income (FVTOCI)				
Unquoted				
Investment in equity instruments	443.03	-	443.03	-
Quoted				
Investment in mutual funds	2,836.42	-	2,503.32	-
Financial assets carried at amortised cost				
Quoted				
Investment in bonds	201.73	-	355.76	96.98

Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities and quoted 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 as 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 previous 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, 2024	As at March 31, 2023
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)	476.84	588.90
Total	476.88	588.94

Disclosure required under Sec 186(4) of the Companies Act, 2013

Represents bills discounted to vendors of VE Commercial Vehicles Limited (VECV) at 9% to 9.3% per annum and having a credit period up to 120 days. The balances at any point in time have remained within the overall sanction limit.



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11. OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Unsecured, considered good, unless stated otherwise		
Security deposits	24.29	19.28
Bank deposits with remaining maturity greater than twelve months	1,790.00	-
Interest accrued on fixed deposits and bonds	41.81	-
Total	1,856.10	19.28
Current		
Unsecured, considered good, unless stated otherwise		
Bank deposits with remaining maturity less than twelve months	1,170.02	91.54
Interest accrued on fixed deposits and bonds	72.18	22.22
Lease receivables (refer note 51)	-	2.16
Facilitation income receivable	10.03	9.16
Insurance claim receivable	0.80	0.80
Others	0.29	0.08
Total	1,253.32	125.96

12. INVENTORIES

(At lower of cost or net realisable value)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials [includes in transit Rs. 74.03 crores (previous year Rs. 84.17 crores)]	394.82	461.84
Work in progress	52.65	128.94
Finished goods	718.75	246.90
Traded goods	209.10	407.63
Stores and spares	19.62	18.08
Loose tools	14.70	15.05
Total	1,409.64	1,278.44

Inventories are net of non-moving/slow-moving provisions. During the year Rs. 37.67 crores (March 31, 2023 : Rs. 30.71 crores) was recognised as an expense in the Statement of Profit and Loss.

The mode of valuation of inventories has been stated in note 3.17

13. TRADE RECEIVABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Considered good - secured	182.14	80.95
Considered good - unsecured, unless stated otherwise	191.64	287.97
Receivables - credit impaired	5.88	5.68
	379.66	374.60
Less: Provision for credit impaired receivables	(5.88)	(5.68)
Total	373.78	368.92



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Trade receivables ageing**As at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than	6 months	1 - 2	2 - 3	> 3 years	
		6 months	- 1 year	years	years		
Undisputed trade receivables - considered good	281.29	81.41	6.23	4.71	0.14	-	373.78
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	1.19	1.57	2.40	0.17	0.54	5.87
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	0.01	0.01
Total	281.29	82.60	7.80	7.11	0.31	0.55	379.66

Trade receivables ageing**As at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than	6 months	1 - 2 years	2 - 3 years	> 3 years	
		6 months	– 1 year				
Undisputed trade receivables - considered good	323.73	44.44	0.59	0.16	-	-	368.92
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	3.40	0.79	0.17	0.06	0.53	4.95
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	0.73	0.73
Total	323.73	47.84	1.38	0.33	0.06	1.26	374.60

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule

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.

14. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.01	0.02
Balances with banks:		
In current accounts	107.20	88.79
Total	107.21	88.81

At March 31 2024, the Company had available Rs. 91.18 crores (March 31, 2023: Rs. 64.16 crores) of undrawn borrowing facilities. The Company has pledged a part of its debt mutual funds to fulfil collateral requirements.



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For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.01	0.02
Balances with banks:		
In current accounts	107.20	88.79
Total	107.21	88.81
Bank overdrafts (refer note 20)	(8.82)	(35.84)
Cash and cash equivalents as per statement of cash flows	98.39	52.97

Changes in liabilities arising from financing activities

Particulars	April 1, 2023	Net cash flows	Others*	March 31, 2024
Short term borrowings	96.90	6.40	-	103.30
Interest accrued but not due	0.43	(25.00)	24.67	0.10
Obligation under finance lease	92.71	(47.50)	98.65	143.86
Soft loan received from SIPCOT	62.96	185.47	(84.97)	163.46
Total liabilities from financing activities	253.00	119.37	38.35	410.72

Particulars	April 1, 2022	Net cash flows	Others*	March 31, 2023
Short term borrowings	52.86	44.04	-	96.90
Interest accrued but not due	-	(13.43)	13.86	0.43
Obligation under finance lease	48.87	(23.67)	67.51	92.71
Soft loan received from SIPCOT		131.30	(68.34)	62.96
Total liabilities from financing activities	101.73	138.24	13.03	253.00

*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.

15. OTHER BANK BALANCES

Particulars	As at March 31, 2024	As at March 31, 2023
In unpaid dividend accounts [#]	13.73	14.84
Unspent CSR accounts [#]	25.37	12.66
On deposit accounts		
- Original maturity between three and twelve months	-	649.27
Total	39.10	676.77

[#] There are restrictions in the balances in Unpaid Dividend accounts and Unspent CSR accounts.



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16. OTHER ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Unsecured, considered good, unless stated otherwise		
Capital advances	102.26	76.96
Prepaid expenses	68.57	47.57
Balance with government authorities	17.94	21.30
Total	188.77	145.83
Current		
Unsecured, considered good, unless stated otherwise		
Advance to suppliers		
Considered good	149.67	191.17
Considered doubtful	21.34	21.34
	171.01	212.51
Less: Provision for doubtful balance	(21.34)	(21.34)
	149.67	191.17
Advance to employees	11.52	12.83
Prepaid expenses	41.82	43.49
Balance with government authorities		
Considered good	99.07	79.98
Considered doubtful	-	1.11
	99.07	81.09
Less: Provision for doubtful balance	-	(1.11)
	99.07	79.98
Government grant receivable	8.40	7.76
Others		
Considered good	-	0.27
Total	310.48	335.50

17. SHARE CAPITAL

(a) Equity share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Equity share capital		
30,00,00,000 numbers - Equity shares of Re. 1 each (March 31, 2023 : 30,00,00,000 numbers - Equity shares of Re. 1 each)	30.00	30.00
Total	30.00	30.00
Issued, subscribed and fully paid up		
27,38,05,630 numbers - Equity shares of Re. 1 each (March 31, 2023 : 27,34,81,570 numbers - Equity shares of Re. 1 each)	27.38	27.35
Total	27.38	27.35

The Company has only one class of equity shares having a par value of Re. 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.



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(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, 2024		For the year ended March 31, 2023	
	Nos.	Rs. in crores	Nos.	Rs. in crores
At the beginning of the year	27,34,81,570	27.35	27,34,23,102	27.34
Issued during the year - ESOP (refer note 48)	3,24,060	0.03	58,468	0.01
Outstanding at the end of the year	27,38,05,630	27.38	27,34,81,570	27.35

(ii) Details of shareholders holding more than 5% equity shares in the Company:

Particulars	As at March 31, 2024		As at March 31, 2023	
	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	43.94%	12,03,06,480	43.99%

(iii) Share options granted under the Group's employee share option plan carry no rights to dividend and no voting rights. Further details of the employee share option plan are provided in note 48.

(b) Preference share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Preference share capital		
1,01,000 numbers (March 31, 2023 : 1,01,000 numbers) Redeemable preference shares of Rs. 100 each	1.01	1.01
Total	1.01	1.01

The Group has not issued preference share capital.

(c) Details of equity shares held by promoters

As at March 31, 2024

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 Rs. 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	29,13,940	(28,470)	28,85,470	1.05%	(0.01)% [#]
The Simran Siddhartha Tara Benefit Trust (Trustee- Vikram Lal)	12,03,06,480	-	12,03,06,480	43.94%	(0.05)%
The Brinda Lal Trust, Trustee- Vikram Lal	48,57,070	-	48,57,070	1.77%	(0.01)%
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	-	493	0.00%	0.00%
Siddhartha Lal Trust	33,000	28,470	61,470	0.02%	0.01% [#]
Total	13,45,65,087	-	13,45,65,087	49.15%	

[#] % Change due to transfer of 28,470 equity shares to the Promoter Group

*Change in shareholding of Promoter & Promoter Group is on account of allotment of equity shares by the Company under its Employee Stock Option Plan 2006 and Restricted Stock Unit Plan 2019, during the FY 2023-24.



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As at March 31, 2023

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 Rs. 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	29,46,940	(33,000)	29,13,940	1.07%	(0.01)%#
The Simran Siddhartha Tara Benefit Trust (Trustee- Vikram Lal)	12,03,06,480	-	12,03,06,480	43.99%	(0.01)%
The Brinda Lal Trust, Trustee- Vikram Lal	48,57,070	-	48,57,070	1.78%	0.00%
Karvansarai Investments Private Limited	1,51,430	-	151,430	0.06%	0.00%
Tara Lal Trust, Trustee- Vikram Lal	324	-	324	0.00%	0.00%
Raul Rai	445	48	493	0.00%	0.00%
Siddhartha Lal Trust	-	33,000	33,000	0.01%	0.01%#
Total	13,45,65,039	48	13,45,65,087	49.21%	

% Change due to transfer of 33,000 equity shares to the Promoter Group

*Change in shareholding of Promoter & Promoter Group is on account of allotment of equity shares by the Company under its Employee Stock Option Plan 2006 and Restricted Stock Unit Plan 2019, during the FY 2022-23.

18. OTHER EQUITY

Particulars	As at March 31, 2024	As at March 31, 2023
Capital reserves	0.25	0.25
Capital redemption reserve	1.41	1.41
Securities premium	319.60	257.67
General reserves	339.89	339.89
Share based payments reserve	77.14	58.31
Foreign currency translation reserve	62.90	49.72
Hedge reserve	0.04	0.04
Debt instruments through other comprehensive income	2.97	3.85
Retained earnings	17,213.95	14,251.79
Total	18,018.15	14,962.93

Particulars	As at March 31, 2024	As at March 31, 2023
A Capital reserve		
Opening balance	0.25	0.25
Add / Less: Movement during the year	-	-
Closing balance	0.25	0.25



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Particulars	As at March 31, 2024	As at March 31, 2023
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 utilise the same for the purpose of issue of fully paid-up bonus shares to its members.

Particulars	As at March 31, 2024	As at March 31, 2023
C Securities premium		
Opening balance	257.67	241.05
Add : Proceeds from issue of equity shares	46.54	11.21
Add : Transferred from share options outstanding account	15.39	5.41
Closing balance	319.60	257.67

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, 2024	As at March 31, 2023
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 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 Companies Act, 2013.

Particulars	As at March 31, 2024	As at March 31, 2023
E Share based payments reserve		
Opening balance	58.31	40.96
Add : Share-based expense during the year	34.22	22.76
Less : Transferred to securities premium on issue of shares	(15.39)	(5.41)
Closing balance	77.14	58.31

The above reserve relates to share options granted by the Group 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.



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Particulars	As at March 31, 2024	As at March 31, 2023
F Foreign currency translation reserve		
Opening balance	49.72	35.70
Add : exchange differences in translating the financial statements of foreign operations	13.18	14.02
Closing balance	62.90	49.72

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, 2024	As at March 31, 2023
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, 2024	As at March 31, 2023
H Debt instruments through other comprehensive income		
Opening balance	3.85	-
Add: Other comprehensive income for the year	(0.88)	3.85
Closing balance	2.97	3.85

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, 2024	As at March 31, 2023
I Retained earnings		
Opening balance	14,251.79	11,921.36
Add: Profit for the year	4,001.01	2,913.94
Add: Other Comprehensive income: from Remeasurement of defined benefit obligation net of income tax	(25.98)	(9.32)
Less: Dividend for FY 2021-22 paid in FY 2022-23 (amount per share Rs. 21)	-	(574.19)
Less: Dividend for FY 2022-23 paid in FY 2023-24 (amount per share Rs. 37)	(1,012.87)	-
Total appropriations	(1,012.87)	(574.19)
Balance at end of year	17,213.95	14,251.79

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. 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.



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Financial Liabilities:

19. OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Security deposits received	15.07	15.51
Total	15.07	15.51
Current		
Employee dues	196.56	134.19
Capital creditors	76.59	68.51
Unpaid dividend *	13.72	14.84
Interest accrued but not due	0.10	0.43
Provision for constructive obligation towards the discontinued operations of a joint venture (refer note 8)	4.01	4.01
Others	15.12	-
Total	306.10	221.98

* 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, 2024	As at March 31, 2023
Non-current		
Secured		
Soft loan - State Industries Promotion Corporation of Tamilnadu Ltd. (SIPCOT)*	163.46	62.96
	163.46	62.96
Current		
Secured		
- From bank		
Overdraft facility**	8.82	35.84
Unsecured		
Working capital loan#	103.30	96.90
Total	112.12	132.74

*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 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 Rs. 361.01 crores (March 31, 2023: 361.01 crores)

**Secured overdraft facility carries interest @ 5.6% to 8.4% per annum (March 31, 2023: 5.6% per annum), secured by the Group's debt mutual funds (March 31, 2023: secured by fixed deposits).

Unsecured working capital loan of subsidiary company viz., Royal Enfield North America Ltd as at March 31, 2024 of Rs. 103.30 crores (March 31, 2023 : Rs. 92.08 crores), average repayment period being 3 months, carrying interest @ 7.13% to 7.17% p.a., and Royal Enfield Thailand Ltd. as at March 31, 2024 of Rs. Nil (March 31, 2023 : Rs. 4.82 crores), average repayable on demand, carrying policy interest rate @ 2.5% 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.



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21. TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises		
Dues to micro and small enterprises (refer note 41)	31.70	29.45
Sub-total (A)	31.70	29.45
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Other trade payables	2,011.16	1,719.73
Trade payables to related parties (refer note 45)	47.27	61.26
Sub-total (B)	2,058.43	1,780.99
Total (A+B)	2,090.13	1,810.44

As at March 31, 2024

Particulars	Unbilled 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	
Total outstanding dues of micro enterprises and small enterprises	-	31.70	-	-	-	31.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	685.12	1,366.34	4.91	-	-	2,056.37
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	2.06	-	-	2.06
Total	685.12	1,398.04	6.97	-	-	2,090.13

The Company has balance with the below-mentioned company struck off under section 248 of Companies Act, 2013:

Name of the company	Nature of transactions with struck-off company	Relationship with the struck off company	As at March 31, 2024	As at March 31, 2023
Vikas Scientific Instruments Private Limited	Trade payables	External Vendor	0.01	-

As at March 31, 2023

Particulars	Unbilled 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	
Total outstanding dues of micro enterprises and small enterprises	-	29.45	-	-	-	29.45
Total outstanding dues of creditors other than micro enterprises and small enterprises	660.33	1,120.66	-	-	-	1,780.99
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	660.33	1,150.11	-	-	-	1,810.44

Terms and conditions of the above financial liabilities:

For terms and conditions pertaining to related party dues, refer note 45



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22. PROVISIONS

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Compensated absences	36.59	24.23
Other employee benefits	4.30	7.86
Warranties - refer note (ii) below	134.13	70.37
Total	175.02	102.46
Current		
Employee benefits - refer note (i) below		
Compensated absences	2.85	1.54
Other employee benefits	0.30	0.28
Sub-total (A)	3.15	1.82
Warranties - refer note (ii) below	93.72	139.48
Onerous contract - refer note (ii) below	2.68	14.18
Sub-total (B)	96.40	153.66
Total (A+B)	99.55	155.48

(i) The provision for employee benefits includes earned leave, sick leave and vested long service reward.

(ii) Movement in warranties provision

As at March 31, 2024

Particulars	Warranties	Onerous contract
Opening balance	209.85	14.18
Additions during the year	91.47	-
Amount utilised during the year	(78.12)	(11.50)
Unwinding of discount	4.65	-
Closing balance	227.85	2.68

As at March 31, 2023

Particulars	Warranties	Onerous contract
Opening balance	136.52	25.87
Additions during the year	138.06	5.52
Amount utilised during the year	(69.20)	(17.21)
Unwinding of discount	4.47	-
Closing balance	209.85	14.18

The 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.



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23. DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities on		
Property, plant and equipment and intangible assets	241.80	239.73
Investments measured at FVTPL	251.93	101.89
Loan from State Industries Promotion Corporation of Tamilnadu Ltd.	38.69	17.23
Right of use assets	7.00	7.89
Others	16.65	11.21
Sub-total (A)	556.07	377.95
Less: Deferred tax assets on		
Accrued expenses deductible on payment	9.27	2.10
Deferred revenue	33.01	46.17
Provision for compensated absences and other employee benefits	9.22	5.93
Provision for doubtful debts and advances	7.13	6.17
Lease liabilities	9.43	10.45
Others	26.93	15.82
Sub-total (B)	94.99	86.64
Total (A-B)	461.08	291.31

Movement of deferred tax liabilities/assets For the year ended March 31, 2024

Particulars	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities on				
Property, plant and equipment and intangible assets	239.73	2.07	-	241.80
Investments measured at FVTPL	101.89	150.04	-	251.93
Loan from State Industries Promotion Corporation of Tamilnadu Ltd.	17.23	21.46	-	38.69
Right of use assets	7.89	(0.89)	-	7.00
Others	11.21	5.44	-	16.65
Sub-total (A)	377.95	178.12	-	556.07
Less: Deferred tax assets on				
Accrued expenses deductible on payment	2.10	7.17	-	9.27
Deferred revenue	46.17	(13.16)	-	33.01
Provision for compensated absences and other employee benefits	5.93	3.29	-	9.22
Exchange differences in translating the financial statements of foreign operations	-	4.54	(4.54)	-
Debt instruments through other comprehensive income	-	(0.29)	0.29	-
Remeasurement of defined benefit obligation	-	(8.03)	8.03	-
Provision for doubtful debts and advances	6.17	0.96	-	7.13
Lease liabilities	10.45	(1.02)	-	9.43
Others	15.82	10.93	0.18	26.93
Sub-total (B)	86.64	4.39	3.96	94.99
Total (A-B)	291.31	173.73	(3.96)	461.08



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For the year ended March 31, 2023

Particulars	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities on				
Property, plant and equipment and intangible assets	228.15	11.58	-	239.73
Investments measured at FVTPL	41.66	60.23	-	101.89
Loan from State Industries Promotion Corporation of Tamilnadu Ltd.	-	17.23	-	17.23
Right of use assets	9.42	(1.53)	-	7.89
Others	8.17	3.04	-	11.21
Sub-total (A)	287.40	90.55	-	377.95
Less: Deferred tax assets on				
Accrued expenses deductible on payment	1.23	0.87	-	2.10
Deferred revenue	33.35	12.82	-	46.17
Provision for compensated absences and other employee benefits	4.64	1.29	-	5.93
Exchange differences in translating the financial statements of foreign operations	-	4.94	(4.94)	-
Debt instruments through other comprehensive income	-	1.30	(1.30)	-
Remeasurement of defined benefit obligation	-	(2.04)	2.04	-
Provision for doubtful debts and advances	6.39	(0.22)	-	6.17
Lease liabilities	11.43	(0.98)	-	10.45
Others	9.90	6.41	(0.49)	15.82
Sub-total (B)	66.94	24.39	(4.69)	86.64
Total (A-B)	220.46	66.16	4.69	291.31

At March 31, 2024, there was no recognised deferred tax liability (March 31, 2023: 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, 2024	As at March 31, 2023
Deferred tax assets on		
Business loss carried forward	15.16	-
Sub-total (A)	15.16	-
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)	12.80	-



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For the year ended March 31, 2024

Particulars	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax assets on				
Business loss carried forward	-	15.16	-	15.16
Sub-total (A)	-	15.16	-	15.16
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, 2024	As at March 31, 2023
Tax liabilities		
Provision for current tax (net)	212.02	222.83
Total	212.02	222.83
Tax assets		
Advance income tax (net)	103.41	86.47
Total	103.41	86.47

25. GOVERNMENT GRANT

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Deferred revenue arising from Government grant (refer note (i) and (ii) below)	133.28	96.37
Total	133.28	96.37
Current		
Deferred revenue arising from Government grant (refer note (i) and (ii) below)	25.69	32.45
Total	25.69	32.45

(i) The deferred revenue arises as a result of:

- The benefit 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 Her Majesty's Revenue & Customs (HMRC).
- 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 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.

These grants will be recognised in statement of profit and loss on a systematic basis over the useful life of the related property, plant and equipment / intangible assets.



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(ii) Movement in Government grant

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	128.82	83.14
Additions during the year	116.56	114.18
Amount recognised as income during the year	(86.41)	(68.50)
Closing balance	158.97	128.82

26. CONTRACT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Contract liabilities	262.58	180.10
Total	262.58	180.10

27. OTHER LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Deferred revenue	428.10	336.38
Total	428.10	336.38
Current		
Advance from customers	-	126.28
Deferred revenue	193.99	138.58
Statutory remittances (contributions to PF and ESIC, withholding taxes, GST, etc.)	157.44	127.46
Unspent CSR liabilities (refer note 49)	60.27	44.79
Others (includes discounts/incentives)	42.64	16.53
Total	454.34	453.64

28. REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operations		
Revenue from contract with customers (Goods transferred at a point in time)		
Manufactured goods	15,200.43	13,317.61
Traded goods	943.38	794.10
Revenue from contract with customers (Services transferred over time)		
Service type warranties	90.21	64.19
Sub-total (A)	16,234.02	14,175.90
Other operating revenue		
Government grant (Export incentives)	69.17	83.34
Scrap sale	34.82	34.42
Income from other operating revenues	197.77	148.52
Sub-total (B)	301.76	266.28
Total (A+B)	16,535.78	14,442.18

Also refer accounting policy 3.5 on Revenue from contract with customers



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Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Details of products sold		
Manufactured goods		
Two wheelers	14,027.56	12,317.12
Spare parts and other components	1,172.87	1,000.49
Total	15,200.43	13,317.61
Traded goods		
Accessories and other allied products	943.38	794.10
Total	943.38	794.10
Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price	16,535.44	14,389.95
Adjustments:		
- Trade Discount	158.34	88.68
- Incentives	45.88	32.61
- Deferral of revenue (FSC, RSA) and others	97.20	92.76
Total	16,234.02	14,175.90

Contract Balances

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	373.78	368.92
Non-current liabilities		
- Deferred revenue	428.10	336.38
Current liabilities		
- Contract liabilities	262.58	180.10
- Advance from customers	-	126.28
- Deferred revenue	193.99	138.58

Trade receivables mainly decreased on account of reduction in the overall 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 Group's customer base.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Amount of Revenue recognised from:		
Amounts included in other liabilities (deferred revenue, contract liabilities, advance from customers) at the beginning of the year	375.85	305.08



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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 INDAS 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 expedient 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, 2024	For the year ended March 31, 2023
Interest income on financial assets carried at amortised cost		
Bank deposits and bonds	161.16	135.85
Discount on bills (refer note 45)	42.05	39.88
Others	0.47	0.75
	203.68	176.48
Other non-operating income		
Grant income on soft loan from SIPCOT	65.78	45.75
Gain on financial instruments at fair value through profit or loss (mutual funds)	719.80	301.12
Facilitation income	52.65	43.47
Liabilities no longer required, written back	24.51	-
Other income	1.74	6.30
Profit on sale of property, plant and equipment	1.07	1.83
Finance income on lease	0.12	0.70
Gain on exercise of termination option of leases	0.63	-
Exchange gain (net)	5.89	19.46
	872.19	418.63
Total	1,075.87	595.11



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30. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the beginning of the year	461.84	385.06
Add: Purchases	8,740.33	8,076.96
	9,202.17	8,462.02
Less: Inventories at the end of the year	394.82	461.84
Less: Material cost of vehicles capitalised	9.67	5.89
	8,797.68	7,994.29
Less: Sale of raw materials to suppliers on cost to cost basis	74.58	150.34
Total	8,723.10	7,843.95

31. PURCHASES OF TRADED GOODS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accessories and other allied products	454.58	431.20
Total	454.58	431.20

32. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the beginning of the year		
Finished goods	246.90	283.88
Work-in-progress	128.94	41.62
Traded goods	407.63	394.72
Total (A)	783.47	720.22
Inventories at the end of the year		
Finished goods	718.75	246.90
Work-in-progress	52.65	128.94
Traded goods	209.10	407.63
Total (B)	980.50	783.47
Net change (A-B)	(197.03)	(63.25)

33. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	1,097.64	894.04
Contribution to provident and other funds (refer note 42)	44.37	34.85
Share-based payments (refer note 48)	34.22	22.76
Staff welfare expenses	59.46	50.28
Total	1,235.69	1,001.93

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.



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34. FINANCE COSTS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense		
On bills discounting	7.35	5.58
On borrowings	28.44	13.18
Unwinding of discount on provisions	4.65	4.47
Interest on lease liabilities (refer note 51)	10.44	4.79
Total	50.88	28.02

35. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment (refer note 4)	430.05	411.19
Amortisation of intangible assets (refer note 6)	125.07	94.42
Amortisation of right of use assets (refer note 51)	42.48	20.60
Total	597.60	526.21

36. OTHER EXPENSES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of Stores and machinery spares (including loose tools and packing material)	239.14	262.25
Loss on sale of property, plant and equipment and intangible assets	2.46	2.14
Power and fuel	80.61	72.97
Insurance	43.18	37.58
Repairs and maintenance		
Buildings	7.08	6.29
Plant and equipment	52.71	44.09
Others	95.43	84.58
Rates and taxes	39.01	5.99
Advertisement	55.17	42.21
Freight and handling charges	265.57	272.83
Provision for warranty and onerous contract	103.86	145.47
Other selling and distribution expenses	546.20	426.39
Expense related to short term leases	68.03	46.11
Legal and professional charges*	90.02	62.52
Travelling expenses	137.33	110.66
Development expenses	36.54	14.82
Corporate social responsibility expenditure (refer note 49)	51.87	45.18
Provision for credit impaired trade receivables and advances (including write off)	1.41	7.38
Miscellaneous expenses	76.91	95.31
Total	1,992.53	1,784.77



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*** Including payment to auditors as below (excluding GST):**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditors:		
a) For audit	0.50	0.40
b) For limited reviews of unaudited financial results	0.29	0.32
Total	0.79	0.72
In other capacity:		
a) For other services	0.43	0.39
b) For reimbursement of expenses	0.07	0.06
Total	0.50	0.45

37. INCOME TAX RECOGNISED IN STATEMENT OF PROFIT AND LOSS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
In respect of the current year	1,040.08	819.13
Sub-total (A)	1,040.08	819.13
Deferred tax		
Relating to origination and reversal of temporary differences	160.93	66.56
Sub-total (B)	160.93	66.56
Total income tax expense recognised in the current year	Total (A+B)	885.69

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax and after share of profit of Joint venture	5,202.02	3,799.63
Income tax expense calculated at 25.168% (previous year @ 25.168%)	1,309.24	956.29
Effect on long-term capital gain from investment in mutual funds	(174.24)	(66.72)
Effect of ESOP expenses not deductible in determining taxable profits	8.61	5.73
Effect of income exempt from taxation (Dividend income)	(23.96)	(9.99)
Effect of mark to market on mutual funds	150.04	60.23
Deferred tax asset created on carried forward business loss of subsidiary companies	15.16	-
Impact of share of profit of joint venture included in profit before tax	(112.68)	(79.32)
Effect of CSR Expenses	13.07	11.37
Others	15.77	8.10
Income tax expense recognised in statement of profit and loss	1201.01	885.69
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%



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Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Deferred tax charge/(benefit)		
Arising on income and expenses recognised in other comprehensive income:		
Exchange differences in translating the financial statements of foreign operations	4.54	4.94
Debt instruments through other comprehensive income	(0.29)	1.30
Remeasurement of defined benefit obligation	(8.03)	(2.04)
Total income tax recognised in other comprehensive income	(3.78)	4.20
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that may be reclassified to profit or loss	4.25	6.24
Items that will not be reclassified to profit or loss	(8.03)	(2.04)
Total	(3.78)	4.20

38. CRITICAL ACCOUNTING JUDGEMENT 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.

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.



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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 indications 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.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date. As at March 31, 2024 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.

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 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.

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 10.88% (undiluted basis) as at March 31, 2024 (March 31, 2023: 11.48% (undiluted basis)). This investment was irrevocably designated at initial recognition as fair value through OCI considering it to be strategic in nature.

39. RESEARCH AND DEVELOPMENT COSTS:

Research and development costs incurred during the year ended March 31, 2024 that are capitalised, aggregates to Rs. 314.69 crores (March 31, 2023: Rs. 228.13 crores). Research and development costs that are not eligible for capitalisation have been expensed in the period incurred during the year ended March 31, 2024 of Rs. 148.98 crores (March 31, 2023: Rs. 81.44 crores), and they are recognised in other expenses.

40. CONTINGENT LIABILITIES NOT PROVIDED FOR :

Particulars	As at March 31, 2024	As at March 31, 2023
a) In respect of following:		
- Excise duty matters	18.69	18.69
- Sales tax matters	8.52	6.66
- Service tax matters	0.39	0.39
- Customs duty matters	3.48	3.48
- Goods and Services tax	136.07	2.00
b) Claims against the Group not acknowledged as debts	15.54	11.73
c) Guarantees given to bank/others	7.83	8.55
d) Contingent liabilities arising from its interests in a joint venture	153.75	111.33



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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.

41. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	31.70	29.45
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of payment made to the supplier beyond the appointed day	0.33	0.65
(iv) The amount of interest due and payable for the year	0.02	0.01
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.10	0.08
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

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, 2024	For the year ended March 31, 2023
Detail of amount recognised as expense for defined contribution plans is given below:-		
a) Provident fund*	23.53	19.64
b) Superannuation fund	0.31	0.34
c) Employee State Insurance Corporation	0.09	0.06
d) Other funds	30.86	24.29
Total	54.79	44.33

*includes Rs. 2.32 crores (March 31, 2023: Rs. 0.83 crores) capitalised during the year and Rs. 8.10 crores (March 31, 2023: Rs. 8.65 crores) considered in pre-operative expenditure (pending allocation)

Out of the total contribution made for employees' provident fund, Rs. 9.31 crores (March 31, 2023: Rs. 7.41 crores) is made to Eicher Executive Provident Fund Trust, while the remaining contribution has been made to government administered provident fund.

B. Defined benefit plans:

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, 2024 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.

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Gratuity :

The gratuity plan is governed by the Payment of Gratuity Act, 1972. 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.

The principal assumptions used for the purposes of the actuarial valuations were as follows :-

Principal assumptions:	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Discount rate	7.15%	7.40%
Future salary increase	12.00%	7.25%
Retirement age	58 years	58 years
Rate of withdrawal	8.75%	2.00%
In service mortality	IALM (2012 - 14)	IALM (2012 - 14)

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows :-

Particulars	Gratuity	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Service cost:		
Current service cost	11.54	6.30
Net Interest expense	-	-
Components of defined benefit costs recognised in profit or loss	11.54	6.30
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	0.80	0.73
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	(5.82)	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	38.74	0.71
Actuarial (gains)/ losses arising from experience adjustments	(1.80)	6.67
Components of defined benefit costs recognised in other comprehensive income	31.92	8.11
Total	43.46	14.41

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	
	As at March 31, 2024	As at March 31, 2023
Present Value of funded defined benefit obligation	90.57	47.28
Fair value of plan assets	90.57	47.28
Net liability arising from defined benefit obligation	-	-



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Movements in the present value of the defined benefit obligation are as follows :-

Particulars	Gratuity	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening defined obligation	47.28	35.33
Current service cost	11.54	6.30
Interest cost	3.50	2.56
Actuarial (gains)/ losses	31.12	7.39
Benefits paid	(2.87)	(4.30)
Closing defined benefit obligation	90.57	47.28

Movements in the fair value of the plan assets are as follows:-

Particulars	Gratuity	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening fair value of plan assets®	47.28	35.33
Interest income	3.50	2.56
Actuarial gains/ (losses)	(0.80)	(0.73)
Contribution	43.46	14.42
Benefit paid	(2.87)	(4.30)
Closing fair value of plan assets®	90.57	47.28

@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, 2024	As at March 31, 2023
Government securities	47.18	23.04
Debt instruments		
AAA	27.38	17.73
AA+/AA/A1+	9.90	2.86
Cash, deposits, etc.	6.11	3.65
Total	90.57	47.28

The fair values of the above instruments are determined based on quoted market prices in active market. The actual return on plan assets was Rs. 2.70 crores for the year ended March 31, 2024.

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 Rs. 4.49 crores (increase by Rs. 4.88 crores) [as at March 31, 2023: Decrease by Rs. 3.42 crores (increase by Rs. 3.80 crores)].
- ♦ If the expected salary growth increases (decreases) by 50 basis points, the defined benefit obligation would increase by Rs. 4.63 crores (decrease by Rs. 4.32 crores) [as at March 31, 2023: Increase by Rs. 3.79 crores (decrease by Rs. 3.44 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.



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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 recognised 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	As at March 31, 2024	As at March 31, 2023
Average duration of the defined benefit obligation (in years)	9.50	19.63

The estimated contribution during next year is Rs. 12.68 crores (March 31, 2023 : Rs. 7.37 crores) to the defined benefit plan.

The defined benefit obligations maturing after year ended March 31, 2024 are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
0 to 1 year	5.48	1.66
1 to 2 year	7.95	1.29
2 to 3 year	7.97	1.47
3 to 4 year	6.59	2.05
4 to 5 year	5.93	1.25
5 to 6 year	5.90	1.11
6th year onwards	50.75	38.45
Total	90.57	47.28

43. EARNINGS PER SHARE

	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic earnings per share (in Rs.)	146.18	106.56
Diluted earnings per share (in Rs.)	145.92	106.38
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	4,001.01	2,913.94
Weighted average number of equity shares for the purposes of basic earnings per share	27,37,12,460	27,34,54,538
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	4,001.01	2,913.94
Weighted average number of equity shares for the purposes of basic earnings per share	27,37,12,460	27,34,54,538
Shares deemed to be issued for no consideration in respect of :		
- employee stock option plan / restricted stock units plan	476,771	461,430
Weighted average number of equity shares for the purposes of diluted earnings per share	27,41,89,231	27,39,15,968



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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, 2024	14,548.68	1,987.10	16,535.78
For the year ended March 31, 2023	12,231.32	2,210.86	14,442.18
Non-current segment assets			
At March 31, 2024	2,903.94	857.72	3,761.66
At March 31, 2023	2,665.40	728.96	3,394.36

- Domestic segment includes sales and services to customers located in India.
- Overseas segment includes sales and services rendered to customers located outside India.
- Non-current segment assets represents total non current assets excluding non current financial assets.
- 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.

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, 2023: 54.40%)	New Delhi, India
VECV Lanka (Private) Limited	(VECV Lanka)	100% Subsidiary company of VECVL (March 31, 2023: 100%)	Colombo, Sri Lanka
VECV South Africa (PTY) Ltd.	(VECV Africa)	100% Subsidiary company of VECVL (March 31, 2023: 100%)	Centurion, South Africa
VE Electro-Mobility Limited	(VEEM)	100% Subsidiary company of VECVL (March 31, 2023: 100%)	New Delhi, India
Eicher Polaris Private Limited	(EPPL)	50% Joint venture company (March 31, 2023: 50%)	New Delhi, India
Eicher Group Foundation	(EGF)	50% Joint venture company (March 31, 2023: 50%)	New Delhi, India



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Name of related party		Nature of Relationship	Principal place of business
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	(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)	Managing Director 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
Ms. Natasha Jamal		Relative of KMP	

b. Key management personnel:

Mr. Siddhartha Lal	Managing Director
Mr. B Govindarajan	Whole-time Director & Chief Executive Officer of Royal Enfield
Mr. S. Sandilya	Chairman
Ms. Manvi Sinha	Independent director
Mr. Inder Mohan Singh	Independent director
Mr. S. Madhavan	Independent director (w.e.f. September 29, 2023)
Mr. Tejpreet Chopra	Independent director (w.e.f. September 29, 2023)
Mr. Vinod Aggarwal	Non-executive director
Mr. Kaleeswaran Arunachalam	Chief Financial Officer (up to September 2, 2022)
Ms. Vidhya Srinivasan	Chief Financial Officer (w.e.f. November 18, 2022)
Mr. Atul Sharma	Company Secretary (w.e.f. August 10, 2022)

c. Transactions with the key management personnel during the year:

Particulars	Nature of transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Reumuneration to Key management personnel	Short-term benefits	28.10	23.60
	Post-employment benefits	0.30	0.10
	Other long-term benefits	0.07	0.13
	Share-based payments	9.22	-
	Sitting fees	0.25	0.20
	Commission	14.75	12.86
		52.69	36.89

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, 2024



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d. Transactions with the related parties

Name of related party	Nature of transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
VE Commercial Vehicles Limited	Purchase of raw materials and components / services	238.43	241.31
	Corporate service charges paid	2.55	2.07
	Discount on bills	42.05	39.88
Eicher Polaris Private Limited	Purchase of Property, plant and equipment	0.01	-
Eicher Goodearth Private Limited	Corporate service charges paid	0.96	0.96
	Rent	3.56	4.00
Eicher Goodearth India Private Limited	Brand fees	5.00	5.00
Eicher Group Foundation	Corporate social responsibility expenditure	28.91	37.30
Eicher Executive Provident Fund	Contribution to provident fund	9.31	7.41
Eicher Tractors Executive Staff Superannuation Fund	Contribution to superannuation fund	0.25	0.26
Eicher Motors Limited Employees Gratuity Trust	Contribution to gratuity fund	43.46	14.42
	Benefits paid	(2.87)	(4.30)
Sunshine Automobiles	Sale of motorcycles, spares, Apparel and accessories	41.12	41.54
	Payment for Free service coupon and warranty claims	1.23	0.71
	Expense recovered	0.57	0.29
	Professional charges	0.25	0.66

e. Balance outstanding at the year end

Name of related party	Nature	As at March 31, 2024	As at March 31, 2023
VE Commercial Vehicles Limited	Trade payables	42.27	56.26
	Advances	0.12	0.12
	Bills discounted*	476.84	588.90
Eicher Polaris Private Limited	Trade payables	0.01	-
Eicher Group Foundation	Receivable of unspent CSR fund (including surplus)	0.26	0.16
Eicher Goodearth Private Limited	Security deposits receivable	1.09	1.09
	Rent payable	0.29	0.22
Eicher Goodearth India Private Limited	Trade payables	5.00	5.00
Mr. Siddhartha Lal	Commission payable (including National insurance)	13.22	11.93
Key management personnel	Post-employment benefits	0.93	0.63
Non-executive and independent directors	Commission payable	1.53	0.93
Sunshine Automobiles	Security deposit payable	0.02	0.02
	Advances received towards vehicles, spares, apparel and accessories sales	0.33	0.45
Eicher Executive Provident Fund	Contribution to provident fund	0.80	0.63
Eicher Tractors Executive Staff Superannuation Fund	Contribution to superannuation fund	0.02	0.02

* The balance at any point of time during the year was within the overall sanction limit of Rs. 600 crores



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Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on 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, 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023 : Rs. 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 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.

46. FINANCIAL INSTRUMENTS

Capital Management

The Group manages its capital to ensure that the Group will be able to continue as going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation 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, 2024 and March 31, 2023.

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, 2024	As at March 31, 2023
Borrowings (refer note no. 20)	275.58	195.70
Less: cash and cash equivalents (refer note no. 14)	(107.21)	(88.81)
Net debt	168.37	106.89
Share capital	27.38	27.35
Other equity	18,018.15	14,962.93
Total Equity	18,045.53	14,990.28
Gearing ratio	0.93%	0.71%



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46.1 CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets at fair value through profit or loss		
Non-current		
Investments in equity	13.25	9.20
Investments in mutual funds	7,273.13	6,561.09
Current		
Investments in mutual funds	180.92	122.91
Financial assets at fair value through other comprehensive income		
Non-current		
Investments in mutual funds	2,836.42	2,503.32
Investments in equity	443.03	443.03
Financial assets at amortised cost		
Non-current		
Investments in bonds	201.73	355.76
Other financial assets	1,856.10	19.28
Current		
Investments in bonds	-	96.98
Trade receivables	373.78	368.92
Cash and cash equivalents	107.21	88.81
Bank balances other than cash and cash equivalents	39.10	676.77
Loans / Bill discounting	476.88	588.94
Other financial assets	1,253.32	125.96
Financial liabilities at fair value through profit or loss		
Non-current		
Borrowings	163.46	62.96
Lease liabilities	107.98	67.79
Current		
Lease liabilities	35.88	24.92
Financial liabilities at amortised cost		
Non-current		
Other financial liabilities	15.07	15.51
Current		
Borrowings	112.12	132.74
Trade payables	2,090.13	1,810.44
Other financial liabilities	306.10	221.98

As the carrying values of the financial instruments disclosed above are reasonable approximations of the fair value of the respective items, the fair values have not been disclosed separately.



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46.2 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 categorising 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:-

Particulars	Fair value as at March 31, 2024		
	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss			
Non-current			
Investments in equity*	-	-	13.25
Investments in mutual funds	7,273.13	-	-
Current			
Investments in mutual funds	180.92	-	-
Financial assets at amortised cost			
Financial assets at fair value through other comprehensive income			
Non-current			
Investments in mutual funds	2,836.42	-	-
Investments in equity [#]	-	-	443.03

Particulars	Fair value as at March 31, 2023		
	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss			
Non-current			
Investments in equity*	-	-	9.20
Investments in mutual funds	6,561.09	-	-
Current			
Investments in mutual funds	122.91	-	-
Financial assets at amortised cost			
Non-current			
Investments in mutual funds	2,503.32	-	-
Investments in equity [#]	-	-	443.03

* represents the investments in equity of Suryadev Alloys & Power Private Limited and 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 10.88% (undiluted basis) as at March 31, 2024 (March 31, 2023: 11.48% (undiluted basis)). This investment was irrevocably designated at initial recognition as fair value through OCI considering it to be strategic in nature.



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Valuation inputs

Particulars	March 31, 2024	March 31, 2023
Valuation method	Discounted cash flow method	Discounted cash flow method
Weighted average cost of capital	25.0%	25.0%
Long term growth rate	2.5%	2.2%
Long term EBITDA margin	20.0%	15.4%

Particulars	March 31, 2024	March 31, 2023
Valuation method	Market approach	Market approach
Weighted average cost of capital	25.0%	25.0%

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 recognised in the financial statements approximate their fair values.

Particulars	March 31, 2024		March 31, 2023	
	Carrying amount	Fair value (Level 1)	Carrying amount	Fair value (Level 1)
Financial assets at amortised cost				
Non-current				
Investments in bonds	201.73	201.63	355.76	354.43
Current				
Investments in bonds	-	-	96.98	97.06

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 realised 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.



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47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management objectives

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 realisable 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.

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, 2024		As at March 31, 2023	
	Foreign currency monetary assets	Foreign currency monetary liabilities	Foreign currency monetary assets	Foreign currency monetary liabilities
USD	2.86	1.53	3.97	2.95
EURO	1.73	0.10	2.68	0.10
GBP	0.86	0.23	0.97	0.13
JPY	-	16.12	-	3.83
THB	6.06	0.29	3.80	0.04
Others	0.04	0.01	0.06	0.02

The Group is mainly exposed to USD, EURO and GBP.

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 Rs. 17.47 crores (March 31, 2023: Rs. 20.85 crores) against the relevant foreign currencies is not material to the financial statements.

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Change in rate	Effect on profit before tax	Change in rate	Effect on profit before tax
USD	5%	5.54	5%	4.20
	-5%	(5.54)	-5%	(4.20)
EURO	5%	7.35	5%	11.56
	-5%	(7.35)	-5%	(11.56)
GBP	5%	3.32	5%	4.28
	-5%	(3.32)	-5%	(4.28)



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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, 2024	For the year ended March 31, 2023
Balance at beginning of the year	5.68	2.10
Add: Provided during the year	0.20	3.58
Less: amounts written off	-	-
Balance at end of the year	5.88	5.68

Other price risks including interest rate risk

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, 2024 would increase/decrease by Rs. 102.90 crores (for the year ended March 31, 2023: increase/decrease by Rs. 91.87 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 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.



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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, 2024			Total
	Less than 1 year	1 to 5 years	More than 5 Years	
Non-current				
(i) Borrowings	-	-	163.46	163.46
(ii) Lease liabilities	-	102.64	10.77	113.41
(iii) Other financial liabilities	-	-	15.07	15.07
Current				
(i) Borrowings	112.12	-	-	112.12
(ii) Lease liabilities	46.77	-	-	46.77
(iii) Trade payables	2,090.13	-	-	2,090.13
(iv) Other financial liabilities	306.10	-	-	306.10

Particulars	As at March 31, 2023			Total
	Less than 1 year	1 to 5 years	More than 5 Years	
Non-current				
(i) Borrowings	-	-	62.96	62.96
(ii) Lease liabilities	-	71.84	10.49	82.33
(iii) Other financial liabilities	-	-	15.51	15.51
Current				
(i) Borrowings	132.74	-	-	132.74
(ii) Lease liabilities	31.47	-	-	31.47
(iii) Trade payables	1,810.44	-	-	1,810.44
(iv) Other financial liabilities	221.98	-	-	221.98

The surplus funds with the Group and operational cash flows will be sufficient to dispose the financial liabilities with in the maturity period.

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.



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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 :

Options series	Number	Grant date	Vesting period	Expiry date	Exercise Price Rs.	Fair value of options at grant date Rs.
(viii)	1,60,000	11-Aug-14	3-5 Years	10-Aug-24	847.75	433.63
(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
(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	2,633.50	782.21
(xxxvi)	2,00,000	27-May-21	3-4 Years	26-May-31	2,633.50	829.69
(xxxvii)	50,000	3-Nov-21	3 Years	2-Nov-31	2,543.00	744.18

Fair value of share options granted in the year

The weighted average fair value of the share options granted during the financial year is Rs. Nil (March 31, 2023 : Rs. Nil). 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.



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Movements in share options during the year

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Number of options	Weighted average exercise price Rs.	Number of options	Weighted average exercise price Rs.
Balance at beginning of the year	9,38,190	2,057.05	11,31,808	1,998.65
Granted during the year	-	-	-	-
Forfeited during the year	(24,000)	2,764.54	(1,35,150)	1,628.58
Exercised during the year	(3,24,060)	1,437.08	(58,468)	1,917.06
Balance at end of the year	5,90,130	2,369.40	9,38,190	2,057.05
Exercisable at the end of the year	1,54,130	1,729.43	1,43,190	1,861.48

Effect of share-based payment transactions on the entity's Profit or Loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Share-based payments	9.98	13.40

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 Rs.
For the year ended March 31, 2024			
(xvi) Granted on April 27, 2016	9,000	11-May-23	2,014.80
(xv) Granted on February 5, 2016	900	11-May-23	1,689.40
(xiii) Granted on July 21, 2015	3,500	11-May-23	2,124.80
(xvii) Granted on July 28, 2016	3,200	11-May-23	2,034.00
(xxxii) Granted on May 6, 2020	1,55,450	11-May-23	1,381.10
(xii) Granted on May 8, 2015	4,840	09-Jun-23	1,480.70
(xxxii) Granted on May 6, 2020	79,050	03-Aug-23	1,381.10
(xxx) Granted on August 1, 2019	6,000	03-Aug-23	1,634.90
(xiii) Granted on July 21, 2015	2,750	03-Aug-23	2,124.80
(xvii) Granted on July 28, 2016	3,200	03-Aug-23	2,034.00
(xxxii) Granted on May 6, 2020	18,100	10-Nov-23	1,381.10
(xii) Granted on May 8, 2015	4,740	10-Nov-23	1,480.70
(xvii) Granted on July 28, 2016	3,200	10-Nov-23	2,034.00
(xxxii) Granted on May 6, 2020	6,000	13-Feb-24	1,381.10
(xii) Granted on May 8, 2015	4,930	13-Feb-24	1,480.70
(xvii) Granted on July 28, 2016	3,200	13-Feb-24	2,034.00
(xxx) Granted on August 1, 2019	6,000	13-Feb-24	1,634.90
(viii) Granted on August 11, 2014	10,000	13-Feb-24	847.75
	3,24,060		
Weighted average exercise price	1,437.08		



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Option series	Number exercised	Exercise date	Exercise Price Rs.
For the year ended March 31, 2023			
(xiv) Granted on November 6, 2015	2,750	13-May-22	1,767.80
(xv) Granted on February 5, 2016	1,000	13-May-22	1,689.40
(xxxi) Granted on May 6, 2020	2,000	13-May-22	1,381.10
(xiv) Granted on November 6, 2015	1,668	10-Aug-22	1,767.80
(x) Granted on January 12, 2015	4,200	10-Aug-22	1,473.90
(xiii) Granted on July 21, 2015	10,000	10-Aug-22	2,124.80
(xxx) Granted on August 1, 2019	6,000	10-Aug-22	1,634.90
(xviii) Granted on October 28, 2016	5,000	10-Aug-22	2,449.20
(x) Granted on January 12, 2015	2,100	10-Nov-22	1,473.90
(xiii) Granted on July 21, 2015	9,200	10-Nov-22	2,124.80
(xxx) Granted on August 1, 2019	6,000	10-Nov-22	1,634.90
(xv) Granted on February 5, 2016	3,000	10-Nov-22	1,689.40
(xxxv) Granted on May 27, 2021	2,000	10-Nov-22	2,633.50
(xiii) Granted on July 21, 2015	3,550	14-Feb-23	2,124.80
	58,468		
Weighted average exercise price	1,917.06		

Share options outstanding at end of the year

Options series		Options outstanding		Remaining contractual life in years		Exercise Price Rs.
		As at	As at	As at	As at	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	
(viii)	11-Aug-14	10,000	20,000	0.36	1.36	847.75
(xii)	8-May-15	40,130	54,640	1.10	2.10	1,480.70
(xiii)	21-Jul-15	-	6,250	1.30	2.30	2,124.80
(xv)	5-Feb-16	6,100	7,000	1.84	2.85	1,689.40
(xvi)	27-Apr-16	-	9,000	2.07	3.07	2,014.80
(xvii)	28-Jul-16	5,000	17,800	2.32	3.32	2,034.00
(xxi)	9-Aug-17	13,500	13,500	3.35	4.36	3,212.10
(xxii)	14-Nov-17	15,000	15,000	3.62	4.62	3,058.50
(xxx)	1-Aug-19	12,000	24,000	7.33	8.33	1,634.90
(xxxii)	6-May-20	64,400	3,23,000	6.10	7.10	1,381.10
(xxxiv)	10-Feb-21	-	10,000	6.87	7.87	2,948.00
(xxxv)	27-May-21	1,74,000	1,88,000	7.15	8.16	2,633.50
(xxxvi)	27-May-21	2,00,000	2,00,000	7.15	8.16	2,633.50
(xxxvii)	3-Nov-21	50,000	50,000	7.59	8.59	2,543.00
		5,90,130	9,38,190			



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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, 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, 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 Rs.	Fair value of options at grant date Rs.
(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

Fair value of stock units granted in the year

The weighted average fair value of the stock units granted during the financial year is Rs. 3,331.47 (March 31, 2023 : Rs. 2,464.95). 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.



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Inputs into the Black Scholes options pricing model

Option series

Particulars	(iv)	(v)	(vi)
Grant date share price	2,389.15	3,732.95	3,441.85
Exercise price	1.00	1.00	1.00
Expected volatility	35.83%	33.59%	33.68%
Option life	3 years	3 years	3 years
Dividend yield	0.64%	0.60%	0.60%
Risk-free interest rate	6.94%	7.55%	7.21%

Inputs into the Black Scholes options pricing model

Option series

Particulars	(vii)	(viii)	(ix)
Grant date share price	3,381.90	3,332.70	3,541.90
Exercise price	1.00	1.00	1.00
Expected volatility	29.52%	28.61%	27.41%
Option life	3 years	3 years	3 years
Dividend yield	0.60%	0.65%	0.65%
Risk-free interest rate	7.09%	7.23%	7.39%

Movements in share options during the year

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Number of options	Weighted average exercise price Rs.	Number of options	Weighted average exercise price Rs.
Balance at beginning of the year	1,37,880	1.00	-	-
Granted during the year	1,49,250	1.00	1,44,480	1.00
Forfeited during the year	(11,400)	1.00	(6,600)	1.00
Exercised during the year	-	-	-	-
Balance at end of the year	2,75,730	1.00	1,37,880	1.00
Exercisable at the end of the year	-	-	-	-

Effect of share-based payment transactions on the entity's Profit or Loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Share-based payments	24.24	9.36

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 Rs.
For the year ended March 31, 2024			
Nil	Nil	Nil	Nil
For the year ended March 31, 2023			
Nil	Nil	Nil	Nil



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
ALL AMOUNTS ARE IN RS. CRORES UNLESS OTHERWISE STATED

Share options outstanding at end of the year

Options series		Options outstanding		Remaining contractual life in years		Exercise Price Rs.
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
(iv)	12-May-22	1,16,630	1,23,830	8.11	9.12	1.00
(v)	10-Nov-22	10,750	10,750	8.61	9.61	1.00
(vi)	18-Nov-22	3,300	3,300	8.63	9.64	1.00
(vii)	10-May-23	1,27,700	-	9.11	-	1.00
(viii)	3-Aug-23	5,000	-	9.34	-	1.00
(ix)	10-Nov-23	12,350	-	9.61	-	1.00
		2,75,730	1,37,880			

49. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Gross amount required to be spent and approved by the board to be spent [#]	51.87	45.18
(b) Amount spent:		
During the year ending on March 31, 2024:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above*	18.08	-
During the year ending on March 31, 2023:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above*	-	13.05
(c) Unspent amount in relation to:		
(i) Ongoing project	33.79	32.13
(ii) Other than ongoing project	-	-
[#] Includes surplus generated on unspent CSR balances amounting to Rs. 0.06 crores (March 31, 2023: 0.06 crores)		
*Includes administrative expenses	2.04	1.88

Details of ongoing projects and other than ongoing projects

For the year ended March 31, 2024

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
32.13	12.66	51.87	18.08	19.42	33.79	25.37

* The amount of Rs. 32.13 Crores was transferred to separate CSR unspent account during April, 2023 as per MCA circular no. 14/2021 dated August 25, 2021.

** The unspent amount pertaining to the FY 2022-23 was transferred to the separate CSR unspent account in April, 2023 as per the CSR Rules..



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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

ALL AMOUNTS ARE IN RS. 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, 2023

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	With company [*]	In Separate CSR
24.97	16.75	45.18	13.05	29.06	32.13	12.66

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 Rs. 24.97 crores was transferred to separate CSR unspent account during April, 2022 as per MCA circular no. 14/2021 dated August 25, 2021.

^{*} The amount of Rs. 32.13 Crores was transferred to separate CSR unspent account during April, 2023 as per MCA circular no. 14/2021 dated August 25, 2021.

CSR activities undertaken directly or through Eicher Group Foundation (EGF) currently support more than 50 communities across the Indian Himalayan region. These initiatives range from promoting environment sustainability through conservation initiatives to rural sports and winter tourism through the development of ice hockey and football. They include building a network of community-run 'Green Pit-stops' for travellers and conserving textile heritage by bringing together pastoral communities, artisans and designers through 'The Himalayan Knot'. Additionally, Eicher Group Foundation is supporting the local youth with skill-building through fellowships and instituting a collective learning and solutions centre called 'The Himalayan Hub', dedicated to combating climate change. Each of these initiatives is wired to support the local communities and youth with livelihood opportunities and conservation of their natural and cultural resources. The CSR programs also support development and access to education and healthcare facilities for remote communities and a robust road-safety awareness program "Helmets for India".

The Group's projects are long term and money is spent depending upon the requirement of the projects. During the financial year 2023-24, Rs. 18.08 crores (March 31, 2023: 13.05 crores) was spent as per the requirements of CSR projects (including administrative expenses) and the unspent amount of Rs. 33.79 crores (March 31, 2023: 32.13 crores) is transferred to unspent CSR account pursuant to the CSR Rules subsequent to the year-end.



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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

Name of the entity	Share of net assets As at March 31, 2024		Share of profit or loss For the year ended March 31, 2024	
	As % of consolidated net assets	Rs. in crores	As % of consolidated profit or loss	Rs. in crores
Parent				
Eicher Motors Limited	84.61%	15,268.42	90.88%	3,635.93
Subsidiaries				
Foreign				
1. Royal Enfield North America Limited	0.18%	32.88	-1.16%	(46.40)
2. Royal Enfield Brasil Comercio de Motocicletas Ltda	0.73%	131.36	-0.10%	(4.18)
3. Royal Enfield (Thailand) Limited	0.14%	25.35	-0.20%	(8.07)
4. Royal Enfield UK Limited	0.05%	9.04	-0.60%	(24.00)
Joint Ventures (investment as per the equity method)				
Indian				
1. VE Commercial Vehicles Limited	14.29%	2,578.48	11.18%	447.72
2. Eicher Polaris Private Limited	0.00%	-	0.00%	-

Name of the entity	Share of other comprehensive income for the year ended March 31, 2024		Share of total comprehensive income for the year ended March 31, 2024	
	As % of consolidated Other Comprehensive Income	Rs. in crores	As % of consolidated Total Comprehensive Income	Rs. in crores
Parent				
Eicher Motors Limited	77.92%	(10.66)	90.92%	3,625.27
Subsidiaries				
Foreign				
1. Royal Enfield North America Limited	-5.63%	0.77	-1.14%	(45.63)
2. Royal Enfield Brasil Comercio de Motocicletas Ltda	8.34%	(1.14)	-0.13%	(5.32)
3. Royal Enfield (Thailand) Limited	6.43%	(0.88)	-0.22%	(8.95)
4. Royal Enfield UK Limited	-4.68%	0.64	-0.59%	(23.36)
Joint Ventures (investment as per the equity method)				
Indian				
1. VE Commercial Vehicles Limited	17.62%	(2.41)	11.16%	445.31
2. Eicher Polaris Private Limited	-	-	0.00%	-



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Name of the entity	Share of net assets As at March 31, 2023		Share of profit or loss for the year ended March 31, 2023	
	As % of consolidated net assets	Rs. in crores	As % of consolidated profit or loss	Rs. in crores
Parent				
Eicher Motors Limited	84.39%	12,650.79	87.39%	2,546.56
Subsidiaries				
Foreign				
1. Royal Enfield North America Limited	0.52%	78.50	2.34%	68.08
2. Royal Enfield Brasil Comercio de Motocicletas Ltda	0.09%	12.92	-0.61%	(17.78)
3. Royal Enfield (Thailand) Limited	0.12%	18.03	0.00%	-
4. Royal Enfield UK Limited	0.01%	1.67	0.07%	1.91
Joint Ventures (investment as per the equity method)				
Indian				
1. VE Commercial Vehicles Limited	14.87%	2,228.37	10.81%	315.17
2. Eicher Polaris Private Limited	0.00%	-	0.00%	-

Name of the entity	Share of other comprehensive income for the year ended March 31, 2023		Share of total comprehensive income for the year ended March 31, 2023	
	As % of consolidated Other Comprehensive Income	Rs. in crores	As % of consolidated Total Comprehensive Income	Rs. in crores
Parent				
Eicher Motors Limited	116.37%	9.95	87.47%	2,556.51
Subsidiaries				
Foreign				
1. Royal Enfield North America Limited	19.88%	1.70	2.39%	69.78
2. Royal Enfield Brasil Comercio de Motocicletas Ltda	-0.47%	(0.04)	-0.61%	(17.82)
3. Royal Enfield (Thailand) Limited	9.47%	0.81	0.03%	0.81
4. Royal Enfield UK Limited	0.82%	0.07	0.07%	1.98
Joint Ventures (investment as per the equity method)				
Indian				
1. VE Commercial Vehicles Limited	-46.07%	(3.94)	10.65%	311.23
2. Eicher Polaris Private Limited	-	-	0.00%	-



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51. IND AS 116 LEASES

A. As a lessee

The Group has lease contracts for various buildings used in its operations. Leases of buildings generally have lease terms between 2 to 25 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 discussed 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.

(i) Movement in the carrying value of the Right to Use Asset

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	Land	Buildings	Total	Land	Buildings	Total
Opening Balance	142.90	83.23	226.13	144.43	39.23	183.66
Depreciation charge for the period	(1.53)	(40.95)	(42.48)	(1.53)	(19.07)	(20.60)
Additions during the period	-	88.99	88.99	-	63.00	63.00
Adjustment/Deletion	-	(0.65)	(0.65)	-	0.07	0.07
Closing Balance	141.37	130.62	271.99	142.90	83.23	226.13

(ii) Classification of current and non current liabilities of the lease liabilities

Particulars	As at March 31, 2024			As at March 31, 2023		
	Land	Buildings	Total	Land	Buildings	Total
Current liabilities	-	35.88	35.88	-	24.92	24.92
Non Current Liabilities	-	107.98	107.98	-	67.79	67.79
Total Lease liabilities	-	143.86	143.86	-	92.71	92.71

(iii) Movement in the carrying value of the Lease liabilities

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	Land	Buildings	Total	Land	Buildings	Total
Opening Balance	-	92.71	92.71	-	48.87	48.87
Interest Expense	-	10.44	10.44	-	4.79	4.79
Lease Payments [Total Cash Outflow]	-	(46.87)	(46.87)	-	(23.67)	(23.67)
Additions during the year	-	88.79	88.79	-	62.62	62.62
Adjustments	-	(1.21)	(1.21)	-	0.10	0.10
Closing Balance	-	143.86	143.86	-	92.71	92.71

(iv) Contractual Maturities of Lease liabilities outstanding

Particulars	As at March 31, 2024			As at March 31, 2023		
	Land	Buildings	Total	Land	Buildings	Total
Less than one year	-	46.77	46.77	-	31.47	31.47
One to five Years	-	102.64	102.64	-	71.84	71.84
More than Five years	-	10.77	10.77	-	10.49	10.49
Total	-	160.18	160.18	-	113.80	113.80



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Lease expenses relating to short term leases aggregated to Rs. 68.03 crores during the year ended March 31, 2024 (Rs. 46.11 crores during the year ended March 31, 2023)

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 profit or loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Amortisation of right-of-use assets	42.48	20.60
Interest expense on lease liabilities	10.44	4.79
Expense relating to short-term leases (included in other expenses)	68.03	46.11

B. As a lessor

Finance Lease

During the previous years, the Company has given office equipments on finance lease to its dealers for operational use by the dealers for servicing the customers of the Company. For the year ended March 31, 2024, the Company recognised interest income on lease receivables of Rs. 0.12 crores (March 31, 2023: Rs. 0.70 crores). The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

Maturity analysis of Lease receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year		
Total Undiscounted lease receivables	-	2.28
Unearned finance income	-	0.12
Net investment in the lease	-	2.16
One to three years		
Total Undiscounted lease receivables	-	-
Unearned finance income	-	-
Net investment in the lease	-	-

52. CAPITAL COMMITMENT

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 424.47 crores (March 31, 2023 : Rs. 308.21 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. The Board of Directors of the Company at their meeting held on May 10, 2024, considered and proposed a final dividend post the balance sheet date, aggregating to Rs. 1,396.41 crores @ Rs. 51 per share (nominal value of Re. 1 per share) for the financial year ended March 31, 2024 (final dividend paid for previous financial year ended March 31, 2023 was Rs. 1,012.87 crores @ Rs. 37 per share of nominal value of Re. 1 per share), which is subject to approval by the shareholders at the ensuing annual general meeting.



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54. RATIO ANALYSIS AND ITS ELEMENTS

Ratio	March 31, 2024	March 31, 2023	% change	Reason for variance
Current ratio: <i>Current Assets / Current Liabilities</i>	1.2	1.1	9.1%	Not applicable
Debt- Equity Ratio: <i>Total Debt / Shareholder's Equity</i>	0.0	0.0	0.0%	Not applicable
Debt Service Coverage ratio: <i>Earnings for debt service = Net profit after taxes + Non-cash operating expenses / Debt service = Interest & Lease Payments + Principal Repayments</i>	23.5	61.8	-62.0%	Change due to increase in the profits
Return on Equity ratio: <i>Net Profits after taxes – Preference Dividend / Average Shareholder's Equity</i>	0.2	0.2	0.0%	Not applicable
Inventory Turnover ratio: <i>Cost of goods sold / Average Inventory</i>	6.9	7.0	-1.4%	Not applicable
Trade Receivable Turnover Ratio: <i>Net credit sales = Gross credit sales – sales return / Average Trade Receivable</i>	3.1	3.6	-13.9%	Not applicable
Trade Payable Turnover Ratio: <i>Net credit purchases = Gross credit purchases – purchase return / Average Trade Payables</i>	4.5	4.5	0.0%	Not applicable
Net Capital Turnover Ratio: <i>Net sales = Total sales – sales return / Working capital = Current assets – Current liabilities</i>	29.9	32.2	-7.1%	Not applicable
Net Profit ratio: <i>Net Profit / Net sales = Total sales – sales return</i>	0.2	0.2	0.0%	Not applicable
Return on Capital Employed: <i>Earnings before interest and taxes / Capital Employed Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability</i>	25.4%	22.6%	12.4%	Not applicable
Return on Investment: <i>Interest (Finance Income) / Average Investments</i>	7.3%	4.8%	52.1%	Due to appreciation of quoted investments

55. Pursuant to amendment by Ministry of Corporate Affair (MCA) in the Companies (Accounts) Rules 2014 the Holding Company has used SAP 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 in respect of:

- Certain investments, inventories, traded goods, and service type warranties where audit trail feature was not enabled. Management is in the process of setting up an audit trail feature for the transactions referred above in due course.
- Direct changes to the database using certain access rights: In this case while the audit trail feature was not enabled throughout the year, the same was remediated/enabled prior to the end of the year.

Wherever audit trail is enabled, there has not been any instance where audit trail feature has been tampered with, in respect of the accounting software. Management is presently evaluating setting up the audit trail feature as necessary in SAP and other accounting software (used to maintain records of certain service type warranties) in due course.



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One of the joint venture entities, VECV Limited has used SAP 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. Management is presently evaluating setting up the audit trail feature for direct changes to database in SAP and other accounting software in due course.

56. OTHER STATUTORY INFORMATION

- (i) The Group has not defaulted on loans payable and have not been declared as wilful defaulter.
- (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.
- (iii) The Group has not revalued its Property, Plant & Equipments, Intangible Assets and Right to Use Assets during the year.
- (iv) The Group has balance with a company struck off under section 248 of Companies Act, 2013 - 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 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 Act read with 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

For and on behalf of the Board of Directors of Eicher Motors Limited

CIN: L34102DL1982PLC129877

per Sanjay Vij

Partner

Membership No : 095169

Vidhya Srinivasan

Chief Financial Officer

B Govindarajan

Whole-time Director & CEO of Royal Enfield
DIN: 03093035

Siddhartha Lal

Managing Director
DIN: 00037645

Atul Sharma

Company Secretary

S. Sandilya

Chairman
DIN: 00037542

Vinod Aggarwal

Director
DIN: 00038906

Place: Gurugram

Date: May 10, 2024

Place: Leicestershire, UK

Date: May 10, 2024



REVIEW OF SUBSIDIARY





VECV PERFORMANCE - A RECORD YEAR | AHEAD OF THE INDUSTRY

VECV PERFORMANCE

In the Financial Year 2023-24, your Company delivered a strong performance and positioned itself for future growth. This achievement stems from a steadfast commitment to Customer-Centricity, underpinned by an expanded Product Range, investments in Industrial Infrastructure, enhanced Service Network, advanced Technology Initiatives, and a focus on Customer Satisfaction.

- During the Financial Year 2023-24, a total of 111 new products and variants were introduced.
- Introduction of the Industry's first Pro 8035 Tipper featuring 9-speed AMT and a 19.5 cum rock body.
- Implementation of Electronic Stability Control (ESC) and Fire Alarm Protection System (FAPS) in buses.
- Introduction of the industry's first 5.5T Electric truck.
- VECV first heavy duty CNG bus and truck equipped with 6-cylinder engine.
- Upgraded heavy duty haulage range with increased engine power.
- Introduction of Volvo FM Electric truck for E-commerce application.
- 115 new patents received for various design innovations.

Additionally, your Company achieved the #1 ranking for the third consecutive year in the Dealer Satisfaction Survey conducted by FADA, leading significantly in the CV industry.

It also topped the Customer Satisfaction Survey 2024 for the LMD and HD ranges. In the last quarter of the Financial Year 2023-24, your Company was awarded the prestigious CV Maker of the Year and six other Apollo CV awards across various categories.

EICHER TRUCKS & BUSES

In FY 2023-24, the Company achieved its highest ever Eicher Trucks and Buses (ETB) sales 83,088 units for the financial year exceeding the previous best of 77,760 units in FY 2022-23.

The financial year 2023-24 was a record year for ETB, with a total production of 85,050 vehicles, including 25,857 from the Industry 4.0 compliant Bhopal plant. The Bagdad Bus Plant also achieved record production with 8,710 built-up buses in the financial year 2023-24, compared to 8,401 in 2022-23, marking a 3.7% increase. To support market demand and expand capacity, a new EV facility was established to produce 9m and 12m electric vehicles. All facilities have adopted the Volvo Group Production System (VPS). This continuous adoption of new technologies and automation has improved the quality of vehicles and engines to achieve notable milestones across all platforms.





Light & Medium Duty (LMD) Trucks: In the LMD trucks segment, the Company has sold 40,559 units (previous peak of 38,938 units in FY 2022-23) gaining a market share of 34.6% in the segment. Last-mile connectivity remains in focus due to rapid growth in E-Commerce. The Company has strengthened its offering in the segment with the new Eicher Pro 2109 Turbo+ CNG and the **new 5.5T electric truck, the Eicher Pro 2055 EV.**

The new Eicher Pro 2055 EV is a Smart City Truck designed for last-mile delivery. Featuring a 2.2-tonne payload, a powerful 64 kW battery, and a remarkable 162 km range (certified by ARAI), the truck caters to e-commerce needs with a walk-through cabin, four-wheel disc brakes, and zero emissions.

VECV is collaborating with like-minded logistics firms to introduce EVs in relevant operations.

Heavy Duty (HD): In the Heavy Duty trucks segment, the Company sold 21,529 units (previous best 18,965 units in FY 2022-23) gaining a market share of 8.3%. Higher spending on infrastructure and road construction, higher mining activity of coal and iron ore and the shift toward more efficient logistics driving the replacement demand have been some of the major factors driving the growth in the segment. During the year, VECV broadened its HD truck segment footprint by launching the HD Non-Stop series Pro 6000, featuring four products (MAV Pro 6048XP, TT Pro 6055XP, 6055/1, and Tipper Pro 6019 XPT)

Global Unveil : Small Commercial Vehicle at Bharat Mobility 2024

VECV unveiled a Small Commercial Vehicle (SCV) truck at the Bharat Mobility Expo 2024, thereby solidifying its position as a full-range CV player. The product is developed to expand solutions for sustainable last-mile delivery and near-city distribution, and spans from 2 tonnes to 3.5 tonnes gross vehicle weight (GVW).

The truck is scheduled for customer trials in April 2024 followed by a commercial rollout. Eicher will be introducing the electric variant first, followed by clean CNG and diesel variants.



Volvo Trucks India: Volvo Trucks has established a strong presence in mining, coal transport, and construction segments with innovative and efficient transport solutions. In the financial year 2023-24, Volvo Trucks India achieved record sales of 2,131 units, capturing a strong 94% market share in the premium European trucks (400+ hp) segment. Beyond mining and construction, Volvo Trucks has established a notable presence in e-commerce logistics, deploying over 525 tractors since December 2019. Innovative transport solutions designed to enhance productivity are under development and testing including alternative fuel options.

On the aftermarket front as well, the financial year 2023-24 was a record year for Volvo Trucks India, with spare parts sales exceeding Rs. 737.4 Crores and labour sales reaching Rs. 58.4 Crores. To improve customer operational efficiency, Volvo Trucks introduced digital and connected services in India through platforms like Volvo Connect, Volvo Uptime Care, Fuel Efficiency Services, and Fleet Assist Services.



**Milestones and Innovations in Volvo Trucks India division**

In FY 2023-24, Volvo Trucks achieved a significant milestone by supplying over 500 trucks in the express cargo segment in India.

Volvo Trucks has also pioneered alternative fuel solutions in India. Two electric trucks are now operating continuously between Bengaluru and Chennai. The first batch of LNG trucks is in service where fuel is available. Additionally, a road train combination has been tested, with final certification pending before deployment on Indian roads. These innovations are part of a broader strategy to diversify into various on-road applications.



Buses: VECV sold 17,620 units in FY 2023-24 (previous peak of 15,077 units in FY 2022-23) and has maintained its place as the 3rd largest player in the segment with 21.6% market share. The increase in mobility to schools and offices, and intercity travel picking up have been driving factors in the bus segment.

VECV introduced the New Eicher Skyline Pro-E 12m electric bus with advanced technology, featuring rapid 1.0 C rate charging, not only significantly reduces charging time but also ensures unparalleled performance efficiency in various operating conditions. Eicher's electrification drive made notable progress in the financial year 2023-24. The Company

delivered 9m electric buses to the Indian Army and National Highway Rail Corporation, and fulfilled key orders, including 60 units for Kerala SRTC. In addition, the Company has signed a MoU with GreenCell Mobility for delivery of 1,000 electric buses over the next 5 years.

The Volvo 9600 coach has set a new standard for premium luxury travel in India, gaining strong acceptance among travellers and leading operators. Volvo Buses volumes have shown significant recovery, with over 100% growth this year. Notably, the Company secured its largest-ever order of 122 buses from the Orissa State Road Transport Corporation (OSRTC).





Domestic	Industry		VECV		Market Share		VECV Growth	Industry Growth
	FY24	FY23	FY24	FY23	FY24	FY23		
LD (3.5-5T)	7,021	7,652	1,847	1,620	26.3%	21.2%	14.0%	-8.2%
LMD (5-18.5T)	1,11,779	1,18,333	38,712	37,318	34.6%	31.5%	3.7%	-5.5%
HD (≥18.5 Tonne ₹ above)	2,57,930	2,47,858	23,660	20,675	9.2%	8.3%	14.4%	4.1%
Eicher HD Trucks			21,529	18,965	8.3%	8.3%	13.5%	4.1%
Volvo Trucks*	2,274	1,798	2,131	1,710	93.7%	95.1%	24.6%	26.5%
Buses	81,692	62,601	17,620	15,077	21.6%	24.1%	16.9%	30.5%
Eicher Buses			17,279	14,924	21.2%	23.8%	15.8%	30.5%
Volvo Buses			341	153				
Total - Domestic	4,58,422	4,36,444	81,839	74,690	17.9%	17.1%	9.6%	5.0%
Exports	31,808	34,832	3,721	4,933	11.7%	14.2%	-24.6%	-8.7%
Total CV	4,90,230	4,71,276	85,560	79,623	17.5%	16.9%	7.5%	4.0%

* In Premium European niche segment

Part & Component Sales: In the year, the Company recorded annual part sales at a record Rs. 2,185 Crores, marking a growth of 24% over the previous year sales of Rs. 1,382 Crores. Volvo Parts also registered its highest ever annual sales of Rs. 737 Crores.

International Business: VECV exported 3,721 trucks and buses in the financial year 2023-24, compared to 4,933 in 2022-23. This decline is due to industry-related headwinds in key South Asian and African markets, primarily caused by foreign exchange issues. VECV maintained its long-term commitment to exports by launching new product variants for Africa and the Middle East, which have been well received by customers. To enhance customer responsiveness, a Parts Distribution Centre and branch office were established in the UAE to serve the Middle East and parts of Africa. Even with the industry downturn, VECV maintained market share in key markets through extensive customer engagement, targeted segment-based marketing, and an expanded customer service network. The retail excellence drive added over 50 new touchpoints for parts and customer service, contributing to a 30% increase in after sales revenue.

EICHER ENGINEERING COMPONENTS (EEC)

EEC experienced growth in the financial year 2023-24, though it was subdued due to industry conditions. The year saw record new business acquisitions from key customers, including a single largest order benchmark from a major global client. EEC also achieved its highest-ever deliveries

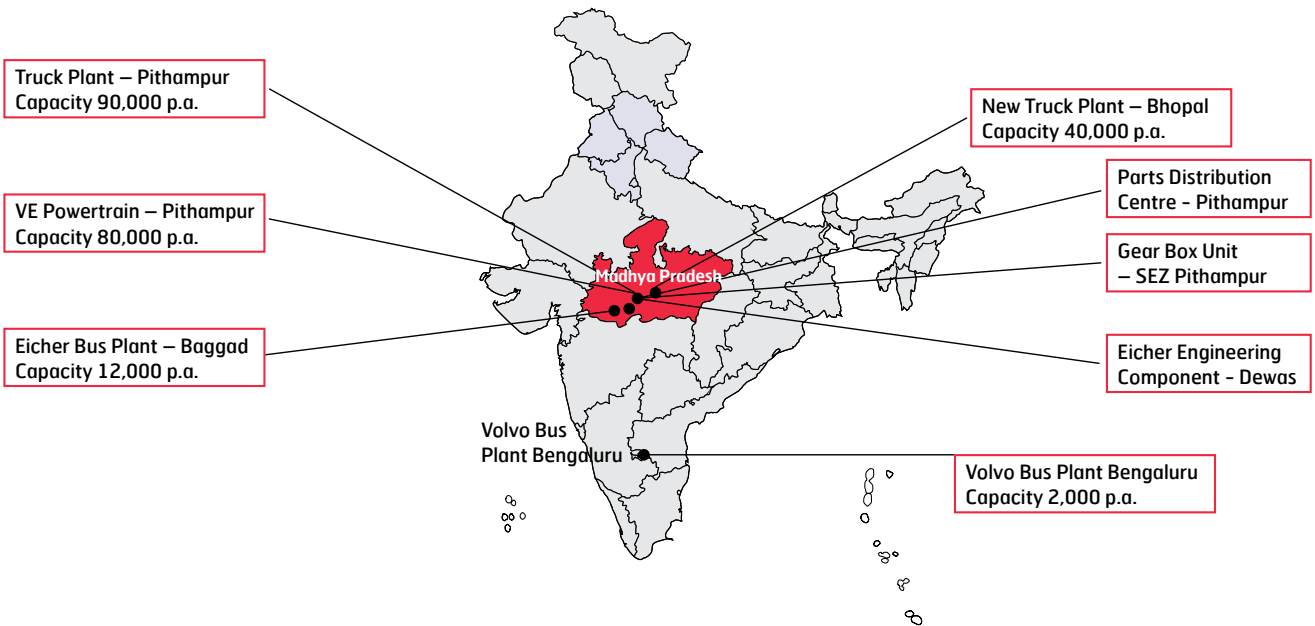
of transmission assemblies, reinforcing its status as a value-added supplier. The opening of a new gear plant at Dewas was another significant milestone, creating new business opportunities for the future.

VE POWERTRAIN (VEPT)

VEPT delivered a record 58,962 engines in the financial year 2023-24, compared to 53,739 in 2022-23, showing a growth of 9.7%. Since its inception, VEPT has delivered 3,50,141 engines to Volvo Group's trucks and bus brands worldwide. In May 2023, VEPT achieved its highest monthly production with 5,742 engines and deliveries with 5,641 engines. The customer base expanded to 11 countries, with the addition of one new customer during the financial year 2023-24.

FUTURE-READY MANUFACTURING FOOTPRINT

VECV has a sustainability-driven manufacturing footprint equipped with state-of-the-art IoT 4.0 equipped plants for Trucks, Buses, Powertrains, Gears, Engineering Components and Parts. This includes a manufacturing plant in Pithampur, Madhya Pradesh with a current installed capacity of 90,000 vehicles per annum, an ultra-modern bus body manufacturing facility in Baggad, Madhya Pradesh with a current installed capacity of 15,600 per annum, expandable to 19,200 per annum and a new facility in Bhopal, Madhya Pradesh with an initial capacity of 40,000 trucks per annum, which would be scalable up to 1,00,000 per annum to align to future business plan volume requirements.



Sustainability @ VECV

VECV maintains an unwavering commitment to environmental care, ensuring that all vehicles used in its logistics meet BS-VI standards, reflecting regulatory adherence and dedication to sustainability. The organisation is focussed on maximising the use of recycled materials in its parts, aiming to minimise waste and ecological impact while maintaining high standards of quality. VECV is transitioning to renewable energy sources in its supplier operations, underlining its commitment to sustainability and reducing carbon emissions within the supply chain. The goal is to increase the use of returnable packaging, thus decreasing reliance on single-use materials and reinforcing an approach to environmental friendliness in packaging methods.

RESEARCH AND DEVELOPMENT

During Financial Year 2023-24, a total of 111 new products and variants were introduced, supported by 115 new patents received for various design innovations:

- Introduction of the Industry's first Pro 8035 Tipper featuring 9-speed AMT.
- Implementation of Electronic Stability Control (ESC) and Fire Alarm Protection System (FAPS) in buses.
- Introduction of the industry's first 5.5T Electric truck.
- VECV first heavy duty CNG bus and truck equipped with 6-cylinder engine.
- Upgraded heavy-duty haulage range with increased engine power.
- Introduction of Volvo FM Electric truck for E-commerce application.

KEY PRODUCTS & INITIATIVES

- VECV's electrification drive scaled new peaks in FY 2023-24, delivering Eicher EV 9m buses to the Indian Army and National Highway Rail Corporation, and executing key orders, including 60 units to Kerala SRTC.
- Eicher EV buses have driven 50 Lakhs+ Kms by CTU.

- The first Pro 2055 EV was handed to Safe Express, marking a milestone, while a partnership with Amazon for 1000 Pro 2049 EVs showcased a commitment to sustainable logistics.
- Eicher now has an EV fleet of 300+ trucks and buses on road across 8 cities in India.
- 12,500 Tonnes of CO₂ have been saved till now by Eicher Trucks and Buses.





STRONG STEPS IN DIGITISATION

VECV continues to introduce innovative and modern products that improve Customer Value Proposition in various applications, as well as services. The Company focussed on securing vehicle uptime for our customers through our Uptime Centre which monitors our fleet of connected vehicles backed by strengthened parts availability and vehicle reliability. All Eicher and Volvo trucks and buses are supported with a wide variety of support solutions such as remote and predictive diagnostics. Backed by the state-of-the-art Uptime Centre, the MyEicher App based smart support solutions ensure higher productivity and efficiency for trucks, buses, drivers, and fleet managers, further reducing their collective carbon footprint.



AWARDS AND ACCOLADES

Ranked #1 in Dealer satisfaction survey (2021, 2022 & 2023)

For the Third time in a row, VECV has been ranked #1 among the CV manufacturers in the Dealer Satisfaction Survey conducted by FADA (Federation of Automobile Dealers Association) for 2023.

Customer Satisfaction Survey

- Eicher rated #1 in the LMD range on both Customer Satisfaction and Loyalty Index parameters amongst 6 market players.
- Eicher rated #1 in the HD range in Customer Satisfaction and #2 in Loyalty Index parameters amongst 5 market players.
- Eicher rated #2 in the Bus range on both Customer Satisfaction and Loyalty Index parameters amongst 5 market players.

CV Maker of the Year: VECV won the CV maker of the Year at 2023 Apollo Tyres CV awards acknowledging the capabilities of its high performance, yet efficient, range of trucks and buses.

Best Brands of 2023: The Eicher Trucks And Buses have also been recognised as one of the 'Best Brands of 2023' by ET Edge.





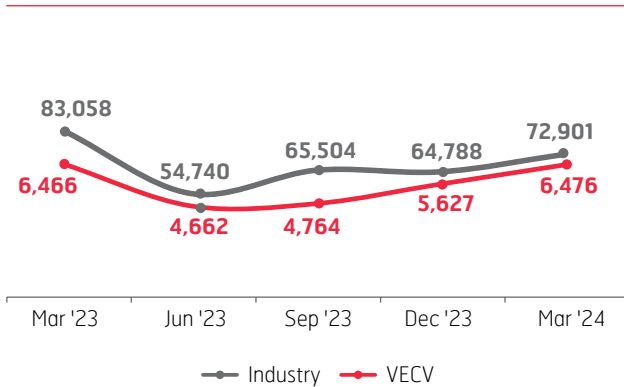
PERFORMANCE HIGHLIGHTS

OF VE COMMERCIAL VEHICLES LIMITED

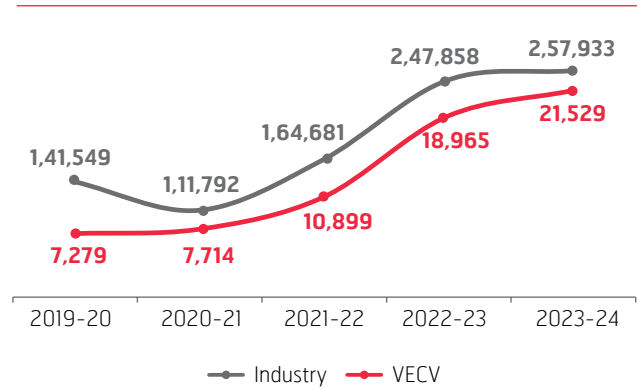
SALES VOLUME TREND INDUSTRY VS VECV

Heavy Duty Trucks

Quarterly Trend

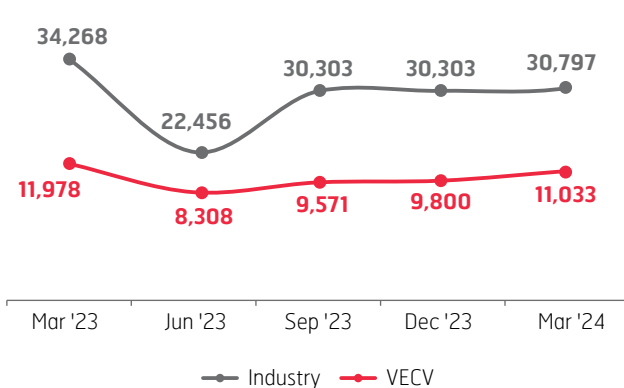


Yearly Trend

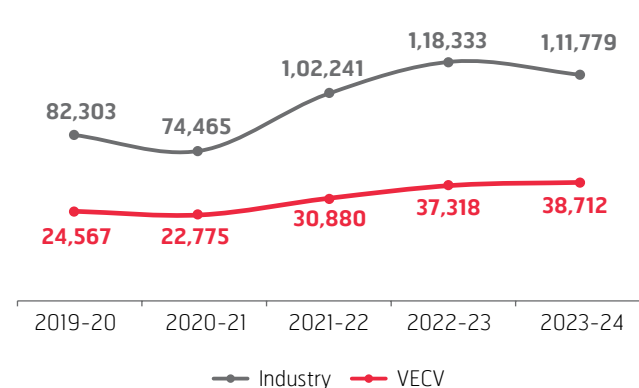


Light & Medium Duty Trucks (5-18.5 Tonnes)

Quarterly Trend



Yearly Trend





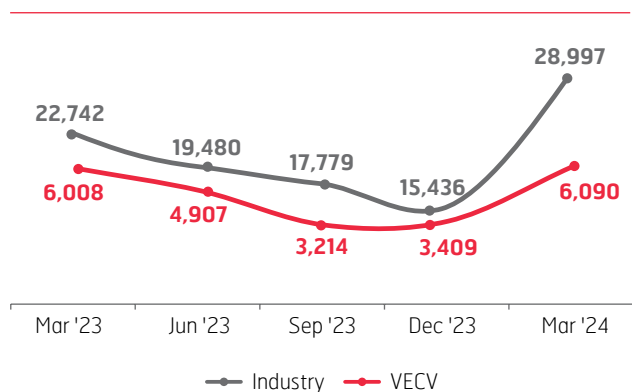
PERFORMANCE HIGHLIGHTS

OF VE COMMERCIAL VEHICLES LIMITED

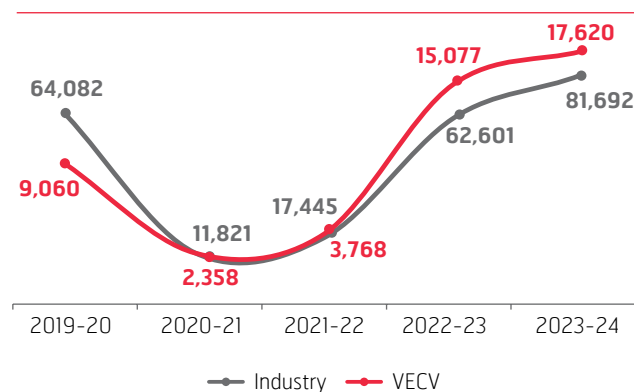
SALES VOLUME TREND INDUSTRY VS VECV

Buses (incl. Volvo Bus)

Quarterly Trend

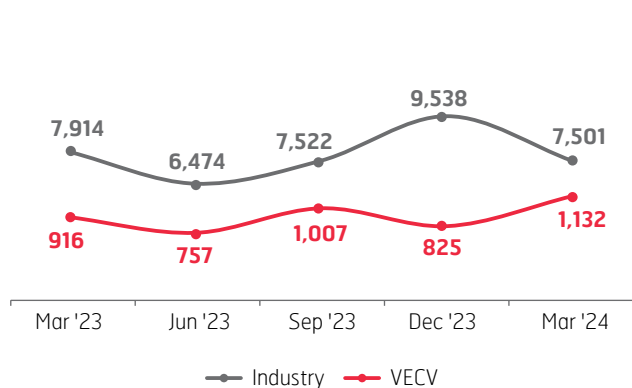


Yearly Trend

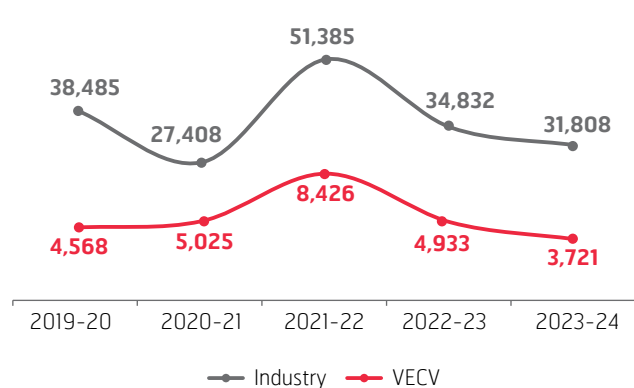


Exports

Quarterly Trend



Yearly Trend

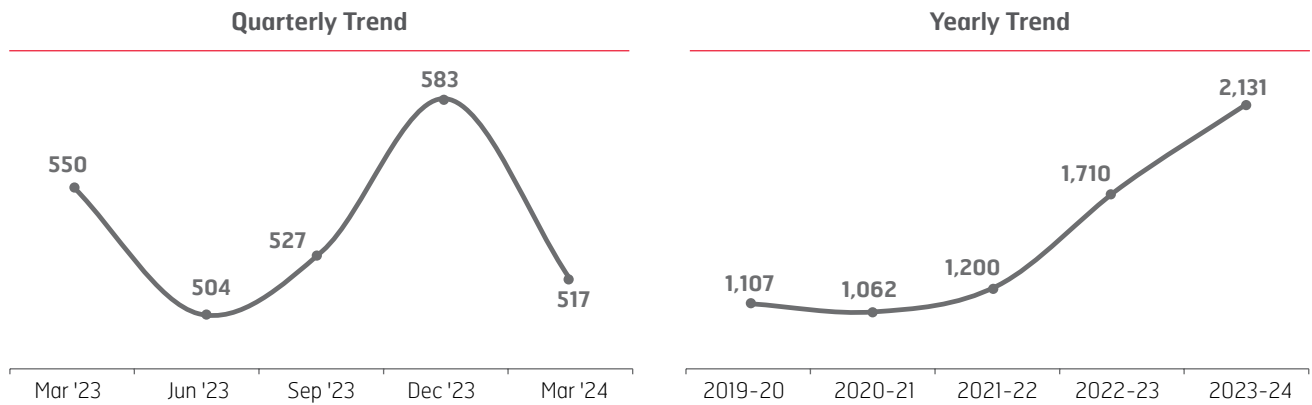




PERFORMANCE HIGHLIGHTS

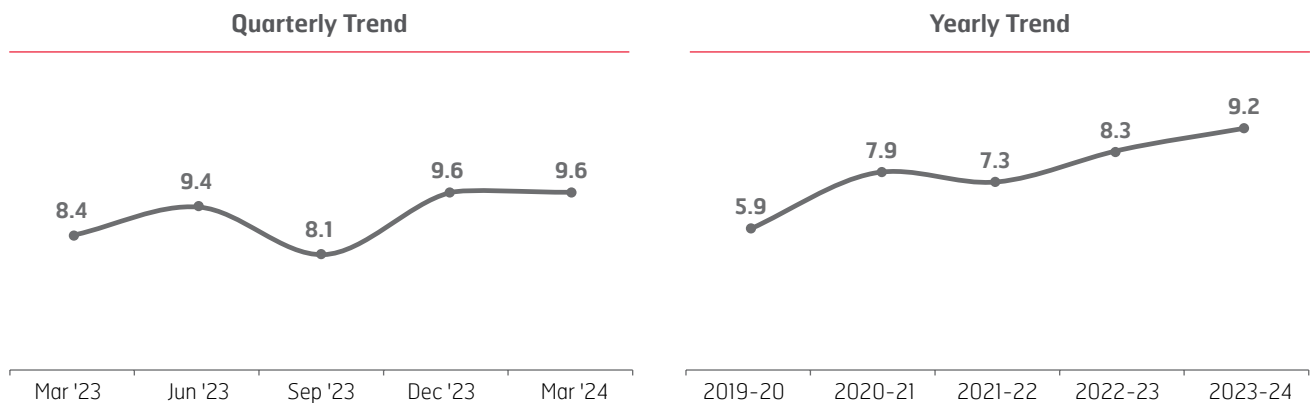
OF VE COMMERCIAL VEHICLES LIMITED

SALES VOLUME TREND VOLVO TRUCKS

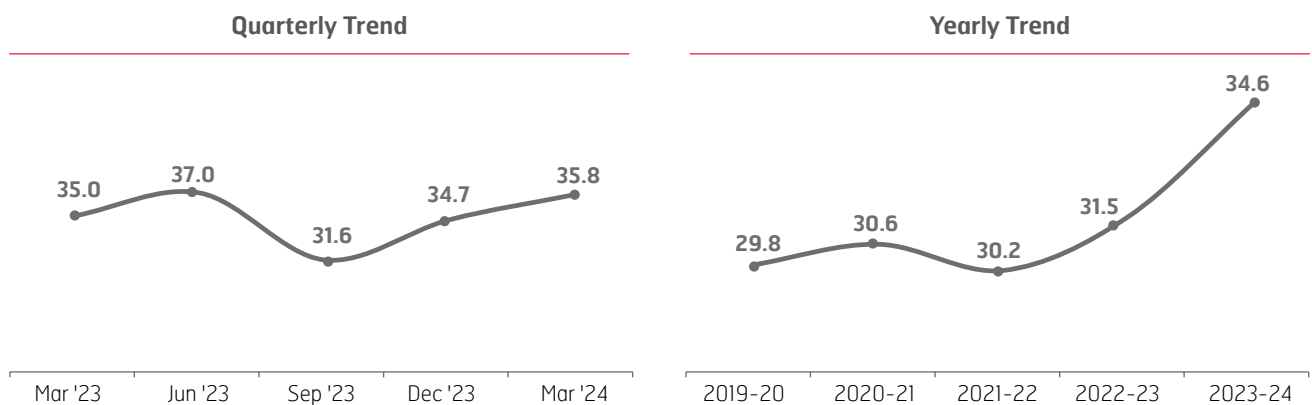


VECV MARKET SHARE TREND

Heavy Duty Trucks (Eicher+Volvo)



Light & Medium Duty Trucks (5-18.5T)





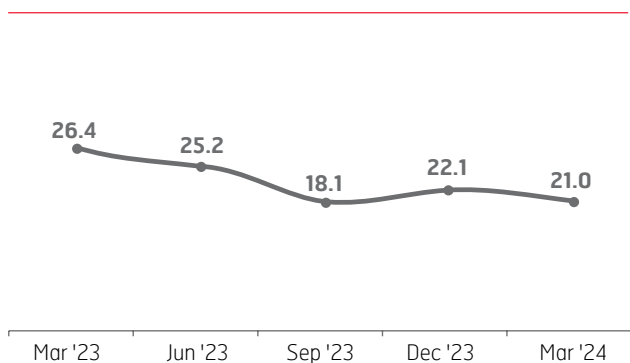
PERFORMANCE HIGHLIGHTS

OF VE COMMERCIAL VEHICLES LIMITED

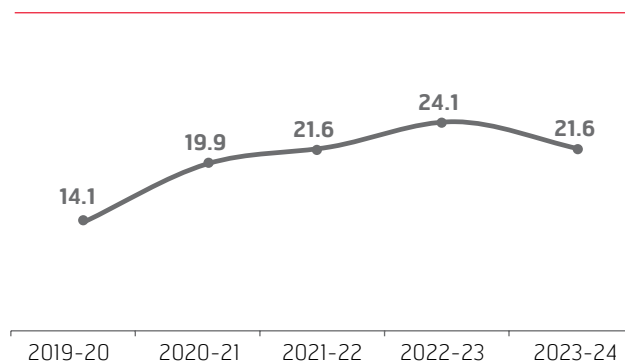
VECV MARKET SHARE TREND

Buses (incl. Volvo Bus)

Quarterly Trend

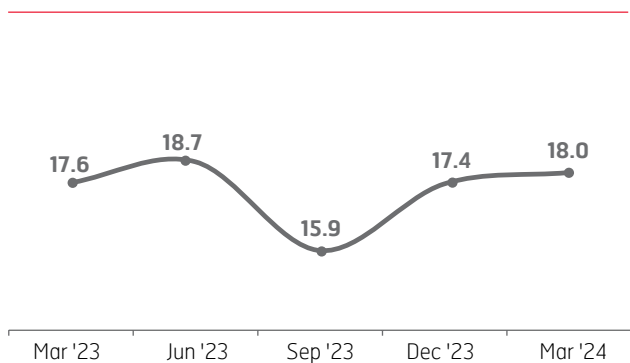


Yearly Trend

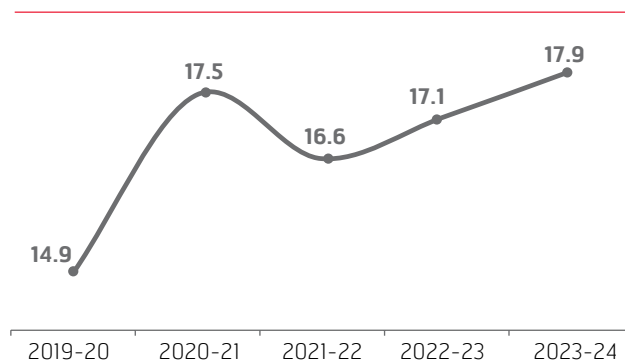


VECV Domestic (3.5 Tonnes+)

Quarterly Trend



Yearly Trend





VE COMMERCIAL VEHICLES LIMITED

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2024

ALL AMOUNTS ARE IN Rs. CRORES UNLESS OTHERWISE STATED

Particulars	As at March 31, 2024	As at March 31, 2023
ASSETS		
Non-current assets		
(a) Property, plant and equipment	2,539.92	2,142.82
(b) Capital work-in-progress	199.52	122.06
(c) Other intangible assets	730.23	751.16
(d) Right-of-use assets	266.54	261.70
(e) Intangible assets under development	231.31	161.42
(f) Financial assets		
(i) Investments in subsidiaries & joint ventures	-	-
(ii) Investments	0.14	0.14
(iii) Loans	3.66	2.80
(iv) Other financial assets	933.63	638.89
(g) Other assets	148.15	86.78
Total non-current assets	5,053.10	4,167.77
Current assets		
(a) Inventories	2,269.98	1,715.58
(b) Financial assets		
(i) Investments	-	49.52
(ii) Trade receivables	2,646.07	2,309.58
(iii) Loans	2.91	3.38
(iv) Cash and cash equivalents	202.11	183.71
(v) Bank balances other than (iv) above	2,200.48	2,417.03
(vi) Other financial assets	264.89	367.25
(c) Other assets	216.29	223.73
Total current assets	7,802.73	7,269.78
Total assets	12,855.83	11,437.55
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	10.00	10.00
(b) Other equity	4,729.81	4,086.22
Total equity	4,739.81	4,096.22
Liabilities		
(a) Financial liabilities		
(i) Borrowings	5.70	-
(ii) Lease liabilities	140.04	117.61
(iii) Other financial liabilities	38.27	8.46
(b) Provisions	226.74	170.82
(c) Deferred tax liabilities (net)	420.61	231.55
(d) Other liabilities	0.09	9.57
Total non-current liabilities	831.45	538.01
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	263.03	310.00
(ii) Lease liabilities	33.95	39.06
(iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	57.13	42.11
- Total outstanding dues of creditors other than micro enterprises and small enterprises	5,576.94	5,252.81
(iv) Other financial liabilities	270.40	260.27
(b) Provisions	174.61	130.94
(c) Liabilities for current tax (net)	41.50	31.48
(d) Other liabilities	867.01	736.65
Total current liabilities	7,284.57	6,803.32
Total liabilities	8,116.02	7,341.33
Total equity and liabilities	12,855.83	11,437.55

As per our report of even date attached

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

Praveen Kumar Jain

Company Secretary

M No. 3524

Ken Trolle

Chief Financial Officer

For and on behalf of the Board of Directors

Per Sanjay Vij

Partner

Membership No. : 095169

Vinod Aggarwal

Managing Director and

Chief Executive Officer

DIN: 00038906

Siddhartha Lal

Director

DIN: 00037645

Sofia Frandberg

Chairperson and Director

DIN: 06516556

Place: Gurugram

Date: May 06, 2024

Place: Kungsbacka, Sweden

Date: May 06, 2024



VE COMMERCIAL VEHICLES LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

ALL AMOUNTS ARE IN Rs. CRORES UNLESS OTHERWISE STATED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Income		
Revenue from operations	21,867.97	18,952.33
Other income	205.13	122.61
Total Income	22,073.10	19,074.94
Expenses		
Cost of raw materials and components consumed	14,360.99	12,923.12
Purchases of traded goods	3,084.08	2,089.94
Change in inventories of finished goods, work-in-progress and stock-in-trade	(498.87)	(174.84)
Employee benefits expense	1,349.80	1,134.74
Depreciation and amortisation expenses	601.12	573.73
Finance costs	44.77	32.36
Other expenses	1,862.19	1,604.43
Total expenses	20,804.08	18,183.48
Profit before tax	1,269.02	891.46
Tax expense		
Current tax	253.19	155.62
Deferred tax	192.81	156.48
Total tax expense	446.00	312.10
Profit for the year	823.02	579.36
Other comprehensive income		
Items that will not be reclassified to profit or loss:-		
Re-measurement losses on defined benefit plans	(5.91)	(9.19)
Income tax benefit	2.07	3.21
Net other comprehensive income not to be reclassified to profit or loss	(3.84)	(5.98)
Items that may be reclassified to profit or loss:-		
Exchange differences in translating the financial statements of foreign operations	(0.81)	(1.74)
Income tax effect	0.22	0.47
	(0.59)	(1.27)
Net other comprehensive income not to be reclassified to profit or loss	(4.43)	(7.25)
Total Comprehensive income for the year (net of tax)	818.59	572.11
Earnings per share (of Rs. 10 each) in Rs.		
Basic/diluted	82.30	57.94

As per our report of even date attached

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

Praveen Kumar Jain

Company Secretary

M No. 3524

Ken Trolle

Chief Financial Officer

For and on behalf of the Board of Directors

Per Sanjay Vij

Partner

Membership No. : 095169

Vinod Aggarwal

Managing Director and

Chief Executive Officer

DIN: 00038906

Siddhartha Lal

Director

DIN: 00037645

Sofia Frandberg

Chairperson and Director

DIN: 06516556

Place: Gurugram

Date: May 06, 2024

Place: Kungsbacka, Sweden

Date: May 06, 2024



VE COMMERCIAL VEHICLES LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2024

ALL AMOUNTS ARE IN Rs. CRORES UNLESS OTHERWISE STATED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,269.02	891.46
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	601.12	573.73
Profit on sale of property, plant and equipment	(2.83)	-
Property, plant and equipment discarded	-	1.62
Exchange differences in translating the financial statements of foreign operations	(0.81)	(1.74)
Interest income	(199.75)	(110.61)
Impairment on doubtful debts	0.30	3.36
Finance costs	44.77	32.36
Operating profit before changes in working capital	1,711.82	1,390.18
Working capital adjustments:		
Adjustments for (increase) / decrease assets:		
Non-current		
Loans	(0.86)	(0.16)
Other financial assets	(142.27)	(384.79)
Other assets	(1.30)	1.42
Current		
Inventories	(554.40)	(261.78)
Trade receivables	(336.79)	(271.64)
Loans	0.47	0.57
Other financial assets	125.04	(58.29)
Other assets	7.44	(32.48)
Adjustments for increase / (decrease) in liabilities:		
Non-current		
Other financial liabilities	0.74	0.42
Provisions	41.74	28.05
Other liabilities	(9.48)	2.26
Current		
Trade payables	339.17	1,179.46
Provisions	43.67	30.65
Other financial liabilities	(34.20)	11.31
Other liabilities	130.36	207.14
Cash generated from operating activities	1,321.15	1,842.32
Income taxes paid	(244.63)	(159.72)
Net cash flows (used) / generated from operating activities (A)	1,076.52	1,682.60
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital advances)	(1,080.04)	(566.05)
Proceeds from sale of property, plant and equipment	18.65	5.65
Investment/Redemption in fixed deposits	64.08	(1,453.99)
Investment/Redemption in Government Securities	49.52	(49.52)
Interest received (finance income)	177.07	81.68
Net cash flow (used)/generated in investing activities (B)	(770.72)	(1,982.23)



VE COMMERCIAL VEHICLES LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2024

ALL AMOUNTS ARE IN Rs. CRORES UNLESS OTHERWISE STATED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/(Repayment) of short-term borrowings	(46.97)	310.00
Proceeds from/(Repayment) of long-term borrowings	5.70	(112.50)
Interest paid	(13.76)	(12.12)
Payment of finance lease liabilities	(57.37)	(49.63)
Dividends paid to equity holders	(175.00)	(75.00)
Net cash flow (used)/generated in financing activities (C)	(287.40)	60.75
Net increase/ (decrease) in cash and cash equivalents (A)+(B)+(C)	18.40	(238.88)
Cash and cash equivalents at the beginning of the year	183.71	422.59
Cash and cash equivalents at the end of the year	202.11	183.71

Particulars	As at March 31, 2024	As at March 31, 2023
Components of cash and cash equivalents		
Cash on hand	0.51	0.56
Cheques/drafts on hand	2.20	5.26
Balances with banks:		
In current accounts	174.03	98.10
In deposit accounts	25.37	79.79
Total cash and cash equivalents	202.11	183.71

As per our report of even date attached

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

Praveen Kumar Jain

Company Secretary

M No. 3524

Ken Trolle

Chief Financial Officer

For and on behalf of the Board of Directors

Per Sanjay Vij

Partner

Membership No. : 095169

Vinod Aggarwal

Managing Director and

Chief Executive Officer

DIN: 00038906

Siddhartha Lal

Director

DIN: 00037645

Sofia Frandberg

Chairperson and Director

DIN: 06516556

Place: Gurugram

Date: May 06, 2024

Place: Kungsbacka, Sweden

Date: May 06, 2024



NOTICE OF 42ND (FORTY-SECOND) ANNUAL GENERAL MEETING

Notice is hereby given that the 42nd (Forty-Second) Annual General Meeting of the members of Eicher Motors Limited is scheduled to be held on Thursday, August 22, 2024, at 2:00 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, 2024 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend of Rs. 51/- (Rupees fifty-one only) per equity share of face value of Re. 1/- each for the financial year ended March 31, 2024.
3. To appoint Mr. Govindarajan Balakrishnan (DIN: 03093035), who retires by rotation and being eligible, offers himself for re-appointment as a Director.

SPECIAL BUSINESS:

4. **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 (“VGILP”), a related party of VECV on such terms and conditions as may be agreed between VECV and VGILP, aggregating up to Rs. 4000 Crores (Rupees Four Thousand Crores Only), excluding taxes, during the

financial year 2024-25 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.”

5. **To consider and ratify remuneration of Cost Auditor payable for the financial year 2023-24:**

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 2023-24, amounting to Rs. 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: Leicestershire, United Kingdom
Date: May 11, 2024

CIN: L34102DL1982PLC129877
Regd. Off: 3rd Floor-Select Citywalk
A-3 District Centre, Saket
New Delhi – 110017
Phone: (011)-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. Re-appointment of Director: Brief resume of the Director proposed to be re-appointed (item no. 3 of the Notice) pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, is given hereunder:

Particulars	Description
Name	Mr. Govindarajan Balakrishnan
DIN	03093035
Age	55 Years
Qualification	Mr. Govindarajan holds a Mechanical Engineering degree from Annamalai University, Tamil Nadu (1989) and a Post Graduate Diploma in Materials Management
Experience (including expertise in specific functional area) / Brief Resume	Mr. Govindarajan possesses vast experience in Automobile industry. Please refer to the Company's website: https://www.eicher.in/bod for his detailed profile
Skills and Capabilities	Corporate Governance, Finance & Accounts, Corporate Strategy, Engineering-technical Skills, Experience/ knowledge of Automobile Industry, Media, General Management, Public Relations and Information Technology
Date of first appointment on the Board	August 18, 2021
Directorships held in other companies	Royal Enfield BrasilComércio de Motocicletas Ltda, foreign entity Royal Enfield North America Limited, foreign entity Royal Enfield Canada Limited, foreign entity Stark Future SL, foreign entity
Resignations from the Listed Companies in the past three years	None
Memberships/ Chairmanships of committees of other companies	None
Number of Equity Shares held in the Company	Mr. Govindarajan holds 47 equity shares in the Company of face value of Re. 1 each as on May 11, 2024.
Relationship between Directors and other KMPs inter-se	None
Number of meetings of the Board, Audit Committee and the Stakeholders' Relationship Committees attended during the last financial year	Mr. Govindarajan attended all 7 (seven) Board Meetings held during the financial year 2023-24. He is not a member of the Audit Committee and Stakeholders' Relationship Committee of the Company.
Remuneration (including sitting fees, if any) last drawn in financial year 2023-24	For remuneration details, please refer Corporate Governance Report which is part of this Integrated Annual Report



Particulars	Description
Remuneration proposed to be paid	The shareholders at the Annual General Meeting held on 24th August 2022 approved the appointment of Mr. Govindarajan as Whole Time Director of the Company for a term of 5 years and also fixed his initial remuneration with authority to the Board of Directors, on the recommendations of the Nomination & Remuneration Committee, to determine, alter, enhance or widen the scope of remuneration (including the Fixed pay, Variable Pay/Commission and other benefits) including periodical increase in his remuneration as may be permissible in accordance with Section 197, read with Schedule V of the Act and rules made thereunder and other applicable laws, regulations, as amended from time to time, provided the total remuneration payable to Mr. Govindarajan for any financial year during his term as Whole Time Director of the Company shall not exceed 1% of the net profits of the Company for the relevant financial year calculated in the manner provided under Section 197 read with Section 198. Pursuant to the shareholders approval as above, the Board on the recommendations of Nomination & Remuneration Committee, has approved the following remuneration for Mr. Govindarajan w.e.f 1st April 2024, which shall remain within the threshold of 1% of the net profits of the Company for the relevant financial year: a) Fixed Compensation – Rs. 5.75 Crores per annum b) Variable Compensation (paid on annual basis) – Rs. 2.30 Crores per annum at 100% payout. Actual payout may vary depending upon the performance of the individual and the Company and other factors and as approved by the Board, on the recommendations of Nomination & Remuneration Committee. The Board, on the recommendations of Nomination & Remuneration Committee on 11th May 2024 (Grant Date) also approved the grant of 16,500 Restricted Stock Units pursuant to Restricted Stock Unit Plan, 2019 of the Company to Mr. Govindarajan and the said Restricted Stock Units shall vest and become eligible for exercise (at the exercise price of Re. 1 per unit) at the end of 3 years from the date of grant pursuant to the terms of the RSU Plan.
Terms and conditions of Re-appointment	Mr. Govindarajan was appointed as Whole-time Director of the Company w.e.f. August 18, 2021 for a period of five years on the terms and conditions as approved by the shareholders at their 40th Annual General Meeting held on August 24, 2022. Kindly refer to the Notice of 40th Annual General Meeting available on the website of the Company for details. The terms and conditions remain the same for the proposed re-appointment.

In terms of Section 152 of the Companies Act, 2013, Mr. Govindarajan Balakrishnan, Whole-time Director 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. Govindarajan Balakrishnan 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.



3. Detail of payments made to Statutory Auditors and its network firms by the Company and its subsidiaries during the financial year 2023-24:

(Rs. in Crores)

S No.	Particulars	Payments made by the Company	Payments made by subsidiaries of the Company including VECV	Total
1	Audit fee*	1.29	1.66	2.95
2	Fee for other services	0.82	0.39	1.21
	Total	2.11	2.05	4.16

*includes fees for services which can be obtained only from the Statutory Auditors

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 and 9/2023 dated September 25, 2023 (collectively referred to as “**MCA Circulars**”) has permitted holding of the Annual General Meeting of companies through Video Conferencing or Other Audio Visual Means (“**VC/ OAVM**”), till September 30, 2024 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 42nd Annual General Meeting of the Company is being conducted through VC/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 VC / 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 Wednesday, August 7, 2024 as the ‘Record Date’ for the purpose of determining the members eligible to receive dividend for the financial year 2023-24, if approved by the shareholders.
8. The dividend, if approved by the shareholders shall be paid in the following manner:
- 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 Wednesday, August 7, 2024;
 - To all Members in respect of shares held in physical form as of the close of business hours on Wednesday, August 7, 2024.
9. Pursuant to the amendments as per the Income Tax Act, 1961 (“the IT Act”) by the Finance Act, 2020, dividend income is taxable in the hands of the shareholders from April 1, 2020 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, Members may refer to the “Communication on TDS on Dividend” appended to this Notice of 42nd 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 2015-2016 to the IEPF Authority within the stipulated time period.
- Members who have not encashed their dividend pertaining to the financial year 2016-17 (April 2016 – March 2017) 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, 2024, the Company has transferred 23,89,591 equity shares of face value of Re. 1 each (0.87% of total share capital) on which dividend remained unclaimed or unpaid for a period of seven consecutive years or more, belonging to 3,201 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"). 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.iepf.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 3rd floor, Select Citywalk, A-3 District Centre, Saket, New Delhi- 110017, 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. Link Intime India Pvt. Ltd. at C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai-400083 or uploaded at portal of Link Intime India Pvt. Ltd., Registrar & Share Transfer Agent of the Company at <https://liiplweb.linkintime.co.in/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 has mandated to issue the securities in dematerialised 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 dematerialised form. Members can contact the Company or its Registrar & Share Transfer Agent i.e. Link Intime India Pvt. 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://eicher.in/content/dam/eicher-motors/Newspaper-Advertisement-Intimation-to-investors-for-Online-Dispute-Resolution\(ODR\)-Mechanism.pdf](https://eicher.in/content/dam/eicher-motors/Newspaper-Advertisement-Intimation-to-investors-for-Online-Dispute-Resolution(ODR)-Mechanism.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. In compliance with the aforesaid MCA circulars and SEBI circulars dated May 12, 2020 read with circular dated January 15, 2021, May 13, 2022, January 5, 2023 and October 7, 2023, Notice of the AGM along with the Annual Report for the financial year ended on March 31, 2024, 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. The hard copy of the Annual Report will be dispatched to those members who ask for the same.
- #### **PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:**
19. As the AGM is being conducted through VC, 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 AGM2024@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 Tuesday, August 13, 2024 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 AGM2024@eichermotors.com, from their registered email address, mentioning their name, folio number/DP ID-Client ID, as applicable and mobile number by Tuesday, August 13, 2024 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-129339 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 VC from 1:30 p.m. (IST) by following the procedure mentioned in this Notice.
- 26.** Institutional Investors are encouraged to attend and vote at the AGM through VC. In case any Institutional Investor faces any issue in participating in AGM, they can write to **AGM2024@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 and 022 - 2499 7000.
- 28.** Members attending the AGM through VC 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 42nd 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 16, 2024 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 through VC. The remote e-voting period commences on August 19, 2024 (9:00 a.m. IST) and ends on August 21, 2024 (5:00 p.m. IST). During this period members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of August 16, 2024, 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. 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.



Type of shareholders	Login Method
	If you are not registered, follow the below steps: - Option to register is available at https://eservices.nsdl.com. - Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Please follow steps given in points 1-5. B. 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. - 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 held with NSDL), Password/OTP and a Verification Code as shown on the screen. - 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 – 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. C. 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    
Individual Shareholders holding securities in demat mode with CDSL	- 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 & New System Myeasi Tab and then use your existing my easi username & password. - 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 & 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. - If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. - 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 & 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	- You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. - 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. - 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 & 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 22 55 33

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 129339 then user ID is 129339001***

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 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-129339 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 "VC/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 will be present in the AGM through VC facility and have not cast 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 VC 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@vkgassociates.com with a copy marked to evoting@nsdl.com, AGM2024@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 and 022 - 2499 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 16, 2024. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to attend AGM through VC 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 16, 2024, may obtain the login ID and password by sending a request at **evoting@nsdl.com** and **AGM2024@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, Chartered Accountant, or in his absence, Mr. Akshay Kakkar, 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 42nd AGM, the Chairman, after submitting response to the questions raised by the members in advance, shall formally propose to the members participating through VC facility to vote on the business items as set out in the Notice of the 42nd AGM through the e-Voting system. After the Members participating through VC 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 42nd Annual General Meeting, will 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: Leicestershire, United Kingdom

Date: May 11, 2024

CIN: L34102DL1982PLC129877

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Website: **www.eichermotors.com**

E-mail: **investors@eichermotors.com**



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4:

The shareholders are informed that Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), as amended on November 09, 2021 vide SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective from April 1, 2022, provides that where the aggregate value of related party transactions between two entities during a financial year exceeds Rs. 1,000 crores or 10% of annual consolidated turnover of the listed entity as per the last audited financial statements, whichever is lower, it shall be considered as material related party transactions and shall require approval of shareholders of the listed entity by means of an ordinary resolution.

Regulation 2(1)(zc) of the SEBI Listing Regulations has widened the definition of related party transaction which now 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') are between VE Commercial Vehicles Limited ('VECV'), an unlisted material subsidiary of Eicher Motors Limited and Volvo Group India Private Limited ('VG IPL'), a related party of VECV. The Company 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 Listing Regulations, the related party transactions between VECV and VG IPL require approval of the shareholders of the Company.

As the value of transactions between VECV and VG IPL during the financial year 2024-25, in aggregate, is expected to be upto Rs.4000 Crores approximately, excluding taxes, which is in excess of the threshold of Rs. 1,000 Crores or 10% of the annual consolidated turnover of Eicher Motors Limited, whichever is lower, as per the last audited financial statements as on March 31, 2024, said material transaction shall require approval of the shareholders of Eicher Motors Limited at the ensuing 42nd Annual General Meeting by means of an ordinary resolution as per the provisions governing the related party transactions under SEBI Listing Regulations. Last year also shareholders' approval was obtained by the Company for the same transactions between VECV and VG IPL for the financial year 2023-24 at the 41st Annual General Meeting of the Company for value upto Rs.4,000 Crores, against which actual transaction value was Rs. 2,891 Crores.

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 10, 2024.

Details of the proposed related party transaction(s) between VECV, subsidiary of the Company and Volvo Group India Private Limited, a related party of VECV, including the information required to be disclosed as part of the explanatory statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is given below:

Sl. No.	Particulars	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	VE Commercial Vehicles Limited (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 Listing Regulations and section 2(76) of the Companies Act, 2013. Volvo Group India Private Limited (VG IPL) is an unlisted private limited company and is part of Volvo Group of Companies. VECV and VG IPL are related parties pursuant to Regulation 2(1)(zb) of the SEBI Listing Regulations.



Sl. No.	Particulars	Details
2	Type, material terms and particulars of the proposed transaction;	VECV has undertaken and continues to undertake various related party transactions ("RPTs") with VGIPL. The RPTs involve: (i) Purchase of goods; (ii) Purchase of capital goods/services; (iii) Sale of finished goods/services; (iv) Incentives on part sales, expenses recovered; (v) Reimbursement of expenses, purchase consideration and other related transactions. The RPTs are at arm's length and in ordinary course of business.
3	Tenure of the proposed transaction	Recurring transactions during the financial year 2024-25
4	Value of the proposed Transaction	Not exceeding Rs.4000 Crores, excluding taxes, during the financial year 2024-25. 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 among others, there is tremendous scope for sale of 'Volvo' branded trucks. 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 construction. 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 above background, VECV has drawn strong plans to achieve growth in Volvo Trucks business and based on the growth plans, the approval for transactions of upto Rs.4000 Crores, excluding taxes, is sought for the financial year 2024-25. Approval for transactions of upto Rs.4000 crores will ensure that the business is carried out smoothly with focus on expansion. The approval sought is for one year only (FY 2024-25) and the Company will come back to the shareholders for approval of subsequent years transactions in the next AGM. Last year, shareholders' approval was obtained by the Company for the same transactions between VECV and VGIPL for the financial year 2023-24 at the 41st Annual General Meeting of the Company for upto Rs.4000 Crores, against which actual transaction value was Rs.2891 Crores.
5	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	The value of expected RPTs between VECV and VGIPL of Rs. 4000 Crores is 24.19% of the annual consolidated turnover of the Company, as per financial statements for the immediately preceding financial year ended on March 31, 2024. The value of expected RPTs between VECV and VGIPL is 18.26% of the annual standalone turnover of VECV for the immediately preceding financial year ended on March 31, 2024.
6.	Justification as to why the RPT is in the interest of the listed entity	Volvo is a global player and has a strong brand image. Volvo Group is a leading global manufacturer of trucks, Buses, marine and industrial engines and construction equipment with brands like Volvo, Renault trucks, Mack, Volvo Penta, Rokbak, Prevost, Nova Bus and joint ventures in Shandong Lingong Construction Machinery Co., Ltd. (SDLG), Milence Dongfeng trucks, Eicher and cellcentric under its umbrella. With over 20,000 trucks supplied in India till date, 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 representing 15.51% of its total sales for the financial year 2023-24. VECV is fully dependent on VGIPL for the procurement of 'Volvo' branded trucks and parts. This transaction is very critical and crucial for running this business. VTI annual sales revenues are above Rs.3246 crores including after sales & service revenue of around



Sl. No.	Particulars	Details
		Rs. 737 crores, 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 40% 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, VTI achieved 93.7% market share during 2023-24 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. There are plans to introduce through VECV high productivity transport solutions like road trains for goods and mineral transport. Another forte of the Volvo Group, alternate energy is well established in Europe with the supply of LNG and Electric trucks. VECV plans to introduce these solutions in India. Prices are negotiated every year on various parameters such as inflation, new features etc. on arms length basis. 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 Rs.4000 Crores, excluding taxes, during the year 2024-25.
7	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: - details of the source of funds in connection with the proposed transaction - where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, - nature of indebtedness; - cost of funds - tenure - applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security - the purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
8	Arm's length pricing and valuation or other external party report, if any such report has been relied upon	The pricing mechanism followed for RPTs shall be based on arm's length principle. Also these RPTs are in the ordinary course of business. Valuation Report and/or other external report, if applicable, would be obtained and relied upon.
9	Name of the Director or Key Managerial Personnel who is related, if any and the nature of their relationship	None of the Directors or KMP(s) of the Company is Director or KMP of 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.



Sl. No.	Particulars	Details
10	Any other information that may be relevant	Non interested Independent Directors approved the above-mentioned related party transactions in the Audit Committee meeting of the Company. The Audit Committee on a quarterly basis reviews the status of related party transactions to ensure they are within the limits set by the Audit Committee/shareholders, as the case may be. The Board of the Company also approved the above mentioned related party transaction and recommended the same to the shareholders for approval.

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 Rs. 4000 Crores, excluding taxes, during the financial year 2024-25.

Validity of the approval of the members of the Company for said RPTs shall be as provided under SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 8, 2022, 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 26th May, 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. 4 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 Act read with regulation 2(1)(zb) of SEBI Listing Regulations.

The Members may please note that in terms of provisions of the SEBI Listing Regulations, 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. 5:

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 August 3, 2023 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 2023-24. 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 Rs. 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 2023-24. The Board recommends the Resolution as set out under business item no. 5 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: Leicestershire, United Kingdom
Date: May 11, 2024

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New Delhi – 110017
Phone: (011)-41095173
Website: www.eichermotors.com
E-mail: investors@eichermotors.com



(Refer Note 9 of the Notice of 42nd AGM)

COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND

In accordance with the provisions of the Income-tax Act, 1961 ("IT Act"), as amended from time to time, read with the provisions of the Finance Act, 2020, with effect from April 1, 2020, dividend declared by the Company is taxable in the hands of the members 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 member:

A. RESIDENT SHAREHOLDERS:

- A.1 No tax shall be deducted on payment of dividend to the resident individual members, if the total dividend for a financial year does not exceed Rs. 5,000 (Rupee Five Thousand), subject to availability of PAN of member.
- A.2 Tax shall be deducted from Dividend paid to resident members (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. Link Intime India Private Limited (in case shares are held in physical form) and no exemption is sought by the resident member	10%	Not applicable
No PAN/ Invalid PAN/ Inoperative PAN* or Specified person as per section 206AB of the IT Act and no exemption sought by member	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 197 of the IT 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 financial year 2024-25 and should cover the dividend income from the Company.

* As per section 139AA of the IT 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 IT Act.

- A.3 No tax shall be deducted on Dividend to resident members if the members submit documents mentioned in the below table with the RTA:

Particulars	Declaration/ documents required
Individual furnishing Form 15G/ 15H	• Copy of PAN card • Form 15G (applicable to an individual who is less than 60 years) OR Form 15H (applicable to individual who is 60 years or more), provided that all the required eligibility conditions are met. Format of Form 15G and 15H are given in the link below
Submitting Certificate under Section 197 of the IT Act	• Copy of PAN card • NIL withholding tax certificate obtained from tax authority Note: The certificate should be valid for the financial year 2024-25 and should cover the dividend income from the Company.
Members [e.g. LIC, GIC,] for whom Section 194 of the IT Act is not applicable	• Copy of PAN card • Self-declaration (refer format SDI 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 194 of the IT Act.



Particulars	Declaration/ documents required
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 196 of the IT Act (e.g. Mutual Funds specified under clause (23D) of Section 10 of the IT 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 196 of the IT Act
Other shareholders exempt as per Section 197A of the IT Act including those mentioned in Circular No. 18/2017 issued by CBDT viz. New Pension System Trust governed by Section 10(44), Recognised 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 90 of the IT Act, the non-resident member 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 member, 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 Members (including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% plus applicable surcharge and cess OR Tax Treaty Rate (Whichever is lower)	If the member 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 member's residency, evidencing and certifying the tax residency status of the member in the country of residency during the Financial Year 2024-25 ♦ Electronically generated Form 10F from the link https://eportal.incometax.gov.in ♦ In case of FIIs and FPIs, self-attested copy of SEBI registration certificate ♦ 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 Financial Year 2024-25; 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 206AB); vi. Non-resident complies with any other condition prescribed in the relevant Tax Treaty and provisions under the Multilateral Instrument ('MLI').
Submitting Certificate under Section 197 of the IT 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 2024-25 and should cover the dividend income from the Company.



Particulars	Applicable Rate	Documents required (if any)
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 u/s 94A(1) of the IT Act	30%	Not applicable
Sovereign Wealth funds and Pension funds notified by Central Government u/s 10(23FE) of the IT Act	NIL	♦ Copy of PAN card ♦ Copy of the notification issued by CBDT substantiating the applicability of section 10(23FE) of the IT Act issued by the Government of India. ♦ Self-Declaration (refer format SD4 & SD5 given in the link below) that the conditions specified in section 10(23FE) 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 section 10(23FE) of the IT Act	NIL	♦ Copy of PAN card ♦ Self-Declaration (refer format SD7 given in the link below) substantiating the fulfillment of conditions prescribed under section 10(23FE) of the IT 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 members 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 206AB of the IT Act applicable to all members (resident and non-resident)

Section 206AB(1) of the IT Act provides that where TDS is required to be deducted under Chapter XVIIIB, other than sections 192, 192A, 194B, 194BB, 194LBC or 194N on any sum or income or amount paid or payable or credited, by a person to a specified person, the tax shall be deducted at the higher of the below rates:-

- ♦ at twice the rate specified in the relevant provision of the IT Act; or
- ♦ at twice the rate or rates in force; or
- ♦ at the rate of 5%.

Further, sub section (2) of section 206AB provides that where sections 206AA and 206AB are applicable, i.e., the specified person has not submitted the PAN as well as not filed the income tax return (and the TDS/TCS for the previous year exceeds Rs. 50,000); the tax shall be deducted at the higher rate between both the said sections.

The non-resident who does not have a permanent establishment is excluded from the scope of a specified person.

The Income Tax Department has also released a Compliance Check Functionality to determine whether a payee is a specified person under section 206AB of the Act and 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 139AA read with section 206AA and 206AB of the IT Act.

For all members (Resident and Non- Resident)

Members 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, Link Intime India Private Limited website at <https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> or email to emltaxexemption@linkintime.co.in on or before August 10, 2024, 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 member 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 member in accordance with 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 members (s), such member(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. Members 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, Link Intime India Private Limited at its email address at **rnt.helpdesk@linkintime.co.in**.

To view / download Form 15G click here **<https://liiplweb.linkintime.co.in/admin/DownloadFiles/Form%2015G.pdf>**

To view / download Form 15H click here **<https://liiplweb.linkintime.co.in/admin/DownloadFiles/Form%2015H.pdf>**

To view / download – Self Declaration SD1 for Resident Shareholders click here **<https://liiplweb.linkintime.co.in/admin/DownloadFiles/SD1-%20Declaration%20for%20Resident%20Shareholders.PDF>**

To view / download – Self Declaration SD2 for Non-Resident Shareholders click here **<https://liiplweb.linkintime.co.in/admin/DownloadFiles/SD2-%20Declaration%20for%20Non%20Resident%20Shareholders.PDF>**

To view / download – Self Declaration SD3 for AIF Category III click here **<https://liiplweb.linkintime.co.in/admin/DownloadFiles/SD3-%20Declaration%20for%20AIF%20Category%20III.PDF>**

To view / download – Self Declaration SD4 for Sovereign Wealth Fund click here **<https://liiplweb.linkintime.co.in/admin/DownloadFiles/SD4-%20Declaration%20for%20Sovereign%20Wealth%20Fund.PDF>**

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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
Bandra CS	No 6 And 7, Imperial Plaza, Bandra West, Bandra West, Bandra Mumbai City, Mumbai, Maharashtra, 400050
BG Road CS	Survey No. 77/4, 94/5 94/3, BTM 2 nd Stage 1 st Phase, 29 th Main Road, BTM 2 nd Stage 1 st Phase, Bengaluru Urban, Karnataka, 560076
Delhi CS	GR 01, Select City Walk Mall Multiplex Block, Saket, New Delhi, South West Delhi, 110017
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, 9 th 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

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