

World's Oldest Motorcycle Manufacturer in Continuous Production



































































































C O N T

/ CORPORATE REVIEW

Pg. 01

| Eicher Motors Limited | 02 |
|---|----|
| About the Report | 04 |
| About Eicher Motors Limited | 08 |
| Financial Position – Consolidated | 10 |
| Operational Highlights – Consolidated | 11 |
| Message to the Shareholders | 12 |
| Pure Motorcycling with Royal Enfield | 18 |
| The Oldest Motorcycle | 20 |
| Quarterly Highlights | 22 |
| Financial Position – Standalone | 24 |
| Operational Highlights – Standalone | 25 |
| Riding Through the Pandemic | 26 |
| Manufacturing: Prioritising Safety and | |
| Sustaining Operations | 28 |
| Launch of the All-New Easy Cruiser - | |
| The Meteor 350 | 31 |
| The Meteor 350 Impresses One and All | 34 |
| Cruising Through Awards and Accolades | 35 |
| The Meteor 350: Ready to Cruise into | |
| International Markets | 36 |
| Refreshing the Portfolio | 37 |
| Enhancing Accessibility, Seizing | |
| Opportunities | 39 |
| Digital Innovation: Enhancing | |
| Consumer Experience | 41 |
| Gaining Traction on Digital | 43 |
| Redefining the Retail and | |
| Service Experience | 45 |
| Enhancing Pure Motorcycling Ecosystem | 47 |
| Riding on New Circuits and | |
| Uncharted Terrains | 50 |
| Fostering the Spirit of Creativity and Customisation Among Motorcyclists | 54 |
| Customisution Among Piotorcyclists | 54 |

/ MANAGEMENT REVIEW

Pg. 58

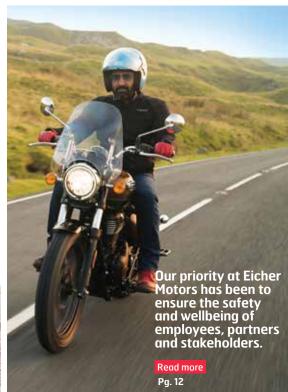


58

/ INTEGRATED REPORT

Pg. 80

| Our Approach to Value Creation | 80 |
|--|-----|
| Stakeholder Engagement | 84 |
| Materiality | 86 |
| Sustainability@EML | 88 |
| Financial Capital Economic Performance | 90 |
| Manufactured Capital Manufacturing Excellence | 94 |
| Intellectual Capital Innovation Management | 101 |
| Human Capital Employee Well-being | 113 |
| Social and Relationship Capital Creating Shared Value | 124 |
| Natural Capital Greener Business Operations | 147 |



E N T S



/ STATUTORY REPORTS

Pg. 162

| Business Responsibility Report | 162 | |
|--------------------------------|-----|--|
| Directors' Report | 169 | |
| Corporate Governance Report | 189 | |

/ FINANCIAL STATEMENTS

Pg. 212

| Standalone Financial Statements | 212 | |
|-----------------------------------|-----|--|
| Consolidated Financial Statements | 288 | |

/ REVIEW OF SUBSIDIARY

Pg. 364

| Performance Highlights | |
|--|-----|
| Business Highlights and Future Prospects | |
| | |
| Notice | 372 |
| GRI Index | 385 |

Forward-looking statement

Certain statements used in this Report regarding the Company's business operations, industry, objectives, business strategy, management plans and expectations may be forward-looking statements. These statements can be identified by usage of words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance. Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and hence may be incapable of being realised. These statements are not intended to be a guarantee of future results, but constitute our current expectations based on reasonable assumptions. The Company's actual results could materially differ from those projected in any forwardlooking statements due to various events, risks, uncertainties and other factors. The Company does not assume any obligation nor intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



Helping you navigate through the report Reference to other pages within the report Link to website Further online reading

EICHER MOTORS LIMITED (EML) HAS BEEN AT THE FOREFRONT OF REDEFINING PERSONAL AND COMMERCIAL MOBILITY ACROSS THE **WORLD. THE COMPANY** CONTINUED TO DO SO EVEN IN A CHALLENGING FY 2020-21, REMAINING FOCUSSED AND ENSURING THE INTERESTS OF ALL STAKEHOLDERS **WHILE CONTINUOUSLY** BROADENING HORIZONS.

EML's ethos reflects the undying spirit of its iconic motorcycle brand, Royal Enfield, which has been a symbol of resilience, purposeful longevity, and authenticity through its 120-year journey. Today, a leading global player in the middleweight motorcycle segment (250cc - 750cc), Royal Enfield has a community of over 10 million riding enthusiasts globally. Preserver of the legacy of building simple, timeless, and accessible motorcycles since 1901, Royal Enfield blends technology with traditional craftsmanship alongside curating experiences that introduce riders to the world of pure motorcycling.

EML also has a joint venture with Sweden's AB Volvo, named VE Commercial Vehicles Limited (VECV), which is driving commercial vehicle modernisation in India and other developing countries with its engineering prowess and technological know-how.

Consolidated financial highlights

Revenue from Operations (Rs. Crores)



Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA) before share of profit of Joint Ventures (%)

| 2020-21 | 20.4 | |
|---------|------|------|
| 2019-20 | | 23.8 |

Operating Margin (EBIT) before share of profit of Joint Ventures (%)



Share of profit of Joint Venture - VECV (Rs. Crores)



Total Comprehensive income including share of profits of Joint Venture (Rs. Crores)



Period of comparison 1.4.2020-31.03.2021 - 1.4.2019-31.03.2020

ABOUT THE REPORT

This is the first Integrated Report of Eicher Motors Limited, covering the reporting period from April 1, 2020, to March 31, 2021. This Report provides a summary of the organisation's approach to sustainability by presenting a comprehensive picture of its performance during the reporting period. Eicher Motors Limited has been reporting on its ESG performances over the years through its sustainability reports. The report has been prepared in accordance with the 'core' criteria of the Global Reporting Initiative (GRI) Standards. This year, it has adopted the International Integrated Reporting Council's (IIRC) Integrated Reporting Framework to showcase ESG progress in this Report and present various factors of its value-creation framework, incorporating key financial and nonfinancial aspects. Through this Report, EML wants to create awareness on the impact of our sustainability projects as well as the company's intent to integrate sustainability across our business operations amongst the stakeholders universe. We are cognisant of the fact that there are areas of improvement and alignment with the IIRC framework that may be missing in this Report. This

report has been prepared in accordance with the 'core' criteria of the Global Reporting Initiative (GRI) Standards. The GRI Content Index can be found at the end of this report. However, we believe that we have set forth in the right direction and we will keep working on strengthening our performance and disclosure in the years to come.

The scope and boundary of the Report pertains to EML's Headquarters in Chennai along with 3 domestic manufacturing sites situated at Thiruvottiyur, Oragadam, and Vallam Vadagal and technical centre at Bruntingthorpe, UK. Subsidiaries and joint ventures are excluded from the scope.

We have a profound commitment to listen to the ideas and viewpoints of our stakeholders. Your comments, enquiries, recommendations or details on every part of our sustainability success are also acknowledged as it will further increase our potential sustainability reporting. We would welcome any feedback on the contents and approach of this Report at investors@eichermotors.com

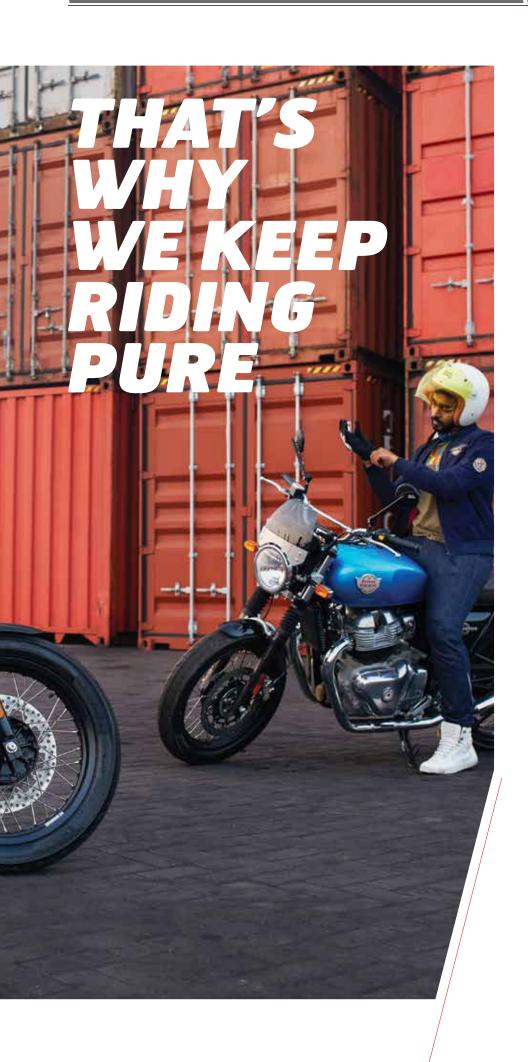


Further, details on sustainability performance of EML is available on the website: www.eichermotors.com



TO ENCOURAGE, ENABLE AND KICKSTART THE ACTIVE, LIFELONG PURSUIT OF EXPLORATION WE BELIEVE THAT PURE MOTORCYCLING UNLOCKS THIS PURSUIT,





RIDE

Invite people to the world of pure motorcycling

RIDE MORE

Inspire owners to increase their participation in this wonderful pursuit

RIDE PURE

Ally with riders for whom pure motorcycling becomes life's pursuit

ABOUT EICHER MOTORS LIMITED

Eicher Motors Limited (EML) is a globally reputable automobile company engaged in the manufacture of motorcycles and commercial vehicles. It is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

The Company's motorcycle business is led by the iconic brand, Royal Enfield, the world's oldest motorcycle brand, still in continuous production. It is revered among motorcycle enthusiasts globally for its distinctive range of authentic, simple, engaging, and accessible motorcycles, and its range of apparel and accessories. Its ecosystem of definitive premium

motorcycling retail and service network, and community rides and events, deliver truly authentic experiences and propel riders towards the active pursuit of "Pure Motorcycling". Royal Enfield's expert teams at its modern Technical Centres at Leicestershire, UK, and in Chennai, India, are consistently working to take this experience up a notch. They are continuously taking inspiration from the brand's rich history to develop timeless, modern classics with an uncompromising blend of tradition and technology for unmatched performance. These products are handcrafted at the Company's stateof-the-art manufacturing facilities.

EML's commercial vehicle business is led by VE Commercial Vehicles, which is amongst the leading players in India's trucks, buses, engines and engineering components segment. Its premium, new-generation range of commercial vehicles are modernising commercial transportation in India and the developing world. The Eicher range includes trucks with 4.9 to 55 tonnage and 12 to 62-seater buses. VECV's advanced engine manufacturing plant, VE PowerTrain, is a global hub for medium duty engines for the Volvo Group with Euro VI competencies.

BUSINESS SEGMENT

Performance FY 2020-21

609,403

Motorcycles sold

94%

Market share in India's mid-size (250cc-750cc) motorcycles segment

JOINT VENTURE

Performance FY 2020-21

41,268

Commercial vehicles sold

100%

All trucks and buses sold in India connected via advanced telematics

30.1%

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

Motorcycles

ROYAL ENFIELD

- World's oldest motorcycle brand in continuous production
- Focussed on mid-sized motorcycles (250 cc 750 cc)
- Products sold in India and 60+ countries globally through exclusive stores and dealers

Portfolio

- Motorcycles: Classic, Bullet, Himalayan, Interceptor INT 650, Continental GT 650, Meteor 350
- Apparel (men and women exclusive): Protective riding apparel, urban casual wear and riding accessories
- Motorcycle accessories, protective, seats, bodywork, controls, wheels, luggage and engine

Commercial Vehicles

VE COMMERCIAL VEHICLES

- Modernising commercial transportation in India and the developing world
- Best-in-class, fuel-efficient trucks and buses with superior uptime and modern industry-first features for driving productivity and profitability
- Leadership in Light and Medium vehicle segment
- CV industry's first state-of-the-art Uptime Centre
- Acquired Volvo India's premium buses segment

Portfolio

- Eicher branded Light & Medium duty trucks (4.9–15 tonnes), Heavy duty trucks (16–55 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