



EICHER MOTORS



has delivered another steady quarter despite a mixed macro environment and a competitive two-wheeler landscape.

NOVEMBER - 2025





EICHER MOTORS

Eicher Motors has delivered another steady quarter despite a mixed macro environment and a competitive two-wheeler landscape. The company's performance is supported by a strong product cycle at Royal Enfield, expanding international presence, and an improving contribution from VECV. Margin discipline remains intact, and cash generation continues to be healthy. This note summarises the key highlights of Q2 FY26 and presents our view on the company's performance and long-term outlook.





1. CONSOLIDATED PERFORMANCE

Eicher Motors delivered a stable Q2, supported by a strong product mix and continued demand across domestic and export markets.

- **Revenue (H1 FY26) :** ₹11,213 crore
- **EBITDA :** ₹2,714.7 crore
- **EBITDA Margin :** 24.2%
- **PAT :** ₹2,574.7 crore
- **PAT Margin :** 23%

Margins remain healthy despite new launches and cost inflation, reflecting strong brand strength and pricing power. VECV contributed ₹135 crore to consolidated profits in Q2.





2. ROYAL ENFIELD – KEY HIGHLIGHTS

Volumes

- H1 FY26 volumes stood at **588,393 units**, driven by the Himalayan 450, Guerrilla 450, and the refreshed 350cc range.
- Royal Enfield maintains **84% market share** in the mid-size motorcycle segment.

Domestic Business

- Strong acceptance for the updated Meteor, Hunter, and Guerrilla colourways.
- Ranked #1 in FADA Dealer Satisfaction Survey 2025.

International Business

- Market share across regions : **APAC 9%, EMEA 9%, Americas 8%**.
- Growth supported by Thailand CKD, Brazil and Argentina assembly, and wider adoption of 650 Twins.

Allied Business Strength

- Spares, accessories, and apparel continue to scale and drive margin-accretive, recurring revenue.





3. VECV – Q2 FY26 PERFORMANCE

Total volumes: 21,901 units (+5.4% YoY)

- H1 volumes: 43,511 units (+7.5% YoY)

Segment performance

- LMD Trucks: 10,096 units | 34.8% share
- HD Trucks: 5,915 units | Highest ever Q2 volumes
- Bus Division: 3,368 units (–15.5% YoY) due to cyclical slowdown
- Exports: 1,823 units, up 61.3% YoY
- Eicher Pro X EV: 244 units in Q2; 436 YTD
- Spares revenue at ₹724 crore, up 11.8%

Strategic Progress

- Investment of ₹544 crore for Volvo's 12-speed AMT manufacturing in India.
- New axle plant operational with strong capacity alignment.
- Long-term market share improvement across categories demonstrates consistent execution:
 - ✦ LMD: 25.4% → 34.8%
 - ✦ HD: 2.1% → 9.9%
 - ✦ Bus: 5.3% → 20.2%





4. BALANCE SHEET & CASH FLOWS

- **Net Worth:** ₹22,086 crore
- **Investments:** ₹13,719 crore
- **Cash & Bank:** ₹249 crore
- **Operating Cash Flow (H1 FY26):** ₹2,657 crore
- **Capex (H1):** ₹617 crore
- Dividend payout (FY25): **₹1,919 crore** (@ ₹70/share)

The balance sheet remains strong, allowing continued investments in EVs, R&D and global expansion.





OUR VIEW

Eicher Motors has posted a steady and high-quality Q2 FY26 performance. The company continues to benefit from a strong product cycle, a premium brand position, and the ability to sustain margins despite cost pressures. Royal Enfield's outlook remains positive. The refreshed 350cc line-up, strengthened 450cc platform, and broadened 650cc portfolio create a multi-year growth runway. Domestic leadership is intact, and the international opportunity is expanding steadily through CKD networks and a rising global fan base. The international business, in particular, is shaping up as a meaningful long-term pillar. The brand's premium perception, product appeal, and developing dealer ecosystem overseas will continue to drive export-led growth. VECV is also gaining ground. Higher exports, improving share in LMD and HD segments, early traction in EV trucks, and the upcoming AMT manufacturing program strengthen the medium to long-term story. It remains a valuable part of Eicher's consolidated earnings strength.

Overall, the company remains on a healthy financial footing with strong cash generation and disciplined capital allocation. With a deep product pipeline and expanding global footprint, Eicher Motors is well positioned to deliver consistent earnings growth and sustain long-term value creation for shareholders.





EQUITY HELPLINE!

HAVE QUESTIONS ABOUT INVESTING IN
STOCKS (SHARES) ?



CONTACT INFORMATION



+91 90716-13599



www.sukhanidhi.in



info@sukhanidhi.in



TOLL FREE: 1800 889 0255



<https://sukhanidhi.in/industry-analysis/>



CALL US

1800 889 0255