July 29, 2020

Online intimation/submission

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Security Code: 505200

The Secretary
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051
Symbol: EICHERMOT

Subject: Disclosure of Material Impact of COVID–19 Pandemic under Regulation 30 of SEBI (LODR) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015 read with the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 and in continuation of disclosures dated March 22, 2020, March 23, 2020, April 30, 2020, May 1, 2020, May 6, 2020 and May 7, 2020, filed by the Company intimating impact of COVID-19 pandemic on operations of the Company and operations of VE Commercial Vehicles Limited (VECV), unlisted material subsidiary of the Company, please find enclosed herewith disclosure of material impact of COVID–19 pandemic on overall operations of the Company.

This is for your information and records.

Thanking you,
For **Eicher Motors Limited**

MANHAR KAPOOR

Digitally signed by MANHAR KAPOOR
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Date: 2020.07.29 18:17:09 +05'30'

Manhar Kapoor
General Counsel & Company Secretary

Encl: a.a.

www.eichermotors.com

Disclosure of impact of COVID-19 on overall operations of Eicher Motors Limited

Sl. No.	Particulars	Details
1.	Impact of the CoVID-19 pandemic on the business	In accordance with the directives issued by the Government for complete lockdown in the country owing to COVID-19 pandemic, Company suspended its operations across its factories, technology centres in India and in Bruntingthorpe, Leicestershire in the UK, all offices and dealerships in the country, starting from March 23, 2020. The Company had further issued advisories to all dealerships in India to shut down for the same time period, or follow local administrative orders, as may apply. This has been done keeping in mind the safety and wellbeing of all employees, and casual and temporary workers. During this time period, Company employees continue to work-from-home, and there was no salary deduction for any permanent or temporary employees or workforce, and no reduction of workforce. As of March 20, 2020, the company has successfully cleared all existing inventory of BS-IV motorcycles across channels and dealerships. For the month of April 2020, Company's manufacturing facilities across Tiruvottiyur, Oragadam and Vallam Vadagal in Chennai, and the entire supply chain including the Company's dealerships across India, remained closed and due to this complete halt in operations, Royal Enfield reported sales of only 91 units i.e. exports for the month of April 2020.
2.	Ability to maintain operations including the factories/ units/ office spaces functioning and closed down	
3.	Schedule, if any, for restarting the operations	Subsequent to the new directives issued by the Government on May 1, 2020 with regard to resumption of manufacturing, industrial and commercial business activities, Royal Enfield has resumed operations at its manufacturing facilities starting May 6, 2020. As on date, all the three manufacturing facilities of the Company are operational. There has been complete compliance to norms of social distancing & workplace sanitization. At all other office locations including Corporate offices in Chennai, Gurgaon and the UK technology Centre, employees are encouraged to work from home. As on date, more than 85% of dealers have begun operations.

		The Company is offering facilities like 'home test-rides' to ensure adherence to preventive safety measures. During the period of the lockdown, Royal Enfield had also extended warranty and free service validity for a period of two months. Most dealerships and the service stations are now functioning normally, barring those located in areas that continue to be under restrictions. Company is closely monitoring the situation and is taking appropriate action as per Regulatory and Administrative guidance.
4.	Steps taken to ensure smooth functioning of operations	The Company has in all its manufacturing plants and other offices followed the measures as listed below for smooth conduct of operations: • Strict follow of all COVID-19 related guidelines & advisory issued by the Government/ local authorities, from time to time. • Keeping minimal staff over a single shift. • Employees and shop floor staff residing in and around plant locations were aligned to work so as to avoid any long-distance travel and minimise contact during transportation. • Complete compliance to norms of social distancing, regular workplace sanitization, wearning of safety gears (masks, googles, face shields) by floor workers, regular washing of hands by them and thermal screening of all employees and workers. • Most of the employees working at the office have been asked to work from home and necessary office connectivity had been put in place. • Creation of Standard Operating Procedures for employees working in the plants. • Sanitization of freight vehicles, trucks, loading vehicles and other entrants at the entry gate of manufacturing units itself. In order to support all the stakeholders including customers, workforce, dealers and vendors during this uncertain situation, Company has taken appropriate actions.
5.	Estimation of the future impact of COVID-19 on operations	The Company has been closely monitoring the situation arising out of COVID-19 and is forecasting balanced revival in demand of its motorcycles. However, it is difficult to forcast definitive future impact on operations of the Company. In the months of May 2020 and June 2020, the Company has

		reported sales of 19,113 units and 38,065 units, respectively. The Company is positive towards its approach and believes further revival of demand in the upcoming months.
6.	Details of impact of COVID-19 on Company's: **a.** Capital and financial resources **b.** Profitability **c.** Ability to service debt and other financing arrangements **d.** (i) Liquidity position; and (ii) Assets **e.** Internal financial reporting and controls **f.** Supply chain	Impact of COVID-19 on different functions of the Company is explained below: **a.** There are no redemable preference shares or debentures. In addition, the Company has not accepted any deposits. During this pandemic, Company's equity capital structure remains unchanged. The Company has adequate financial resources to run its operations smoothly. **b.** The profitability of the Company for Q1 2020-21 will be impacted due to country wide lockdown. In the months of April 2020, May 2020 and June 2020, the Company could sell only 91 units, 19,113 units and 38,065 units, respectively. The definitive impact on Q1 2020-21 profitibility and revenue will be annouced post consideration and approval of Q1 2020-21 financial results by the Board. **c.** The Company does not have long-term borrowings or loans. The working capital facilities of the Company are running smooth and are backed with adequate assets. These working capital facilities are sufficient to meet the financial requirements of the Company. **d.** As mentioned above, the Company has adequate resources to match its operational costs. The Company has performed a detailed assessment of its liquidity position and the recoverability of the assets as on the balance sheet date i.e. March 31, 2020 and concluded that based on the indicators of future economic conditions, the carrying value of the assets will be recovered. The Company believes that it had fully considered the possible impact of all the known events arising from COVID-19 pandemic in its assessment. However, the impact assessment of COVID-19 is a continuing process and the Company will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any. **e.** There is no impact on internal financial reporting and controls existing in the Company, due to COVID-19. **f.** The Supply Chain of the Company was affected due to lockdown of operations during April 2020 and May 2020. With the ease in restrictions and staggered resumption of the operations, the supply chain is getting restored.

	g. Demand for products/ services	**g.** The Company is optimistic about revival in demand of its motorcyles and this is witnessed from the June 2020 month sales numbers. Demand for Company's motorcycle is expected to recover further in the forthcoming quarters of the financial year 2020-21.
7.	Existing contracts/ agreements where non-fulfilment of the obligations by any party will have significant impact on Company's business	There are no significant impact on the busienss of the Company on account of non-fulfilment of the obligations, if any, by any party under the existing contracts/ agreements. The Company is well positioned to fulfil its obligations towards all the stakeholders at large.
8.	Other relevant material updates about the Company's business	None