

News monitored for: Royal Enfield

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# Royal Enfield accelerates EV play

With plans of investing \$100-150 million, the development work on a dedicated platform code named 'L' has begun and the new EV Project Head Umesh Krishnappa aims to deliver by 2024, writes Ketan Thakkar.

As the transition towards electric vehicles gathers speed, Royal Enfield, the iconic and longest production British motorcycle brand owned by India's Eicher Motors is making rapid progress with its own electric vehicle portfolio with which it plans to enter the market within the next 18-24 months.

To make the plan happen, Royal Enfield recently brought on board Umesh Krishnappa, the former CTO of Ola Electric to steer its EV entry. According to several people in the know, a dedicated team for the electric vehicle business has been set up in India and the UK to develop a plan to participate in the emerging zero emission mobility space.

Eicher Motors has invested \$60.22 in Stark Future to strategically help design electric Royal Enfield motorcycles. Sources say, Royal Enfield will be investing in excess of \$100-150 million in its EV endeavour. The work on a dedicated platform internally codenamed 'L' has already started and the company wants to have a range of products to cater to different needs of buyers.

Under the L-platform, there will be several body styles, internally, they have been designated as L1A, L1B, L1C respectively. The company is exploring a business potential of 1.2 to 1.8 lakh units per annum from EVs, within a few years of its market entry in the second half of 2024. The platform has been designed for global markets and India's emerging EV space. The prototype of this architecture is expected to be ready in the next 12 months and the company wants to get its product validated before the end of 2023 to be ready for a market launch in 2024, added a person in the know, requesting anonymity. In an official response, the company's spokesperson told *Autocar Professional* that the company has made huge strides in its "EV journey" over the last few years. The R&D programmes have included a major focus on sustainability mobility technologies and there are several ideas in the "advanced stages of testing."

"Our approach to developing an electric motorcycle has been very different and we have spent considerable time in studying and understanding the market and customers. We are strategically working on our EV portfolio and business model,



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**Siddharth Lal,**  
MD, Eicher Motors

and have started deeper investment in the segment," added the spokesperson.

To be sure, the electrification globally has accelerated more on the scooter, mopeds and last mile commercial solution on two wheels, there are a very few electric motorcycles in the marketplace that have taken off.

Given the unique character of Royal Enfield's engines and its performance, how it differentiates itself in an EV avatar has been the biggest question mark, amongst the company executives. People in the know say the bikes are likely to come with a 96-volt system to ensure that they are high on performance. "We have been aggressively building a sharp and insightful understanding of EV space with an intention to create uniquely differentiated electric motorcycles with strong Royal Enfield DNA in the mid-weight segment," assured the spokeswoman.

As part of its mid-term business strategy, Royal Enfield recently told investors that the

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Stark Future CEO Anton Wass with the company's first production model, the Stark Varg.

and innovative solutions. Royal Enfield will draw on those capabilities for developing its EV platforms.

The company is also working towards developing a supplier ecosystem and building development and testing infrastructure for EV.

On its preparedness to get into the EV business, the company said, it has built a highly capable team with EV specialists who are working on the technology business and customer aspects in the segment. Clearly the models under development have taken cognisance of some of the key global markets where this EV may be rolled out later.

Stark Future CEO Anton Wass said: "With the Stark VARG, we believe we have a launch model that will reset benchmarks, so to know that the bike's technical basis will spread much further and filter into more machinery and products is another source of pride for us. It has been a short, intense, and incredible journey for us so far but our link with Royal Enfield and what lies in store in the coming years are brilliant signs for the future."

This investment marks a particularly exciting development considering Royal

company is presently working on over 20 parallel projects across its multiple R&D centres in the world and EV is understood to be a core part of its development work. The company assured investors that in its attempt to create an agile, resilient and timeless business, the strategy plan enlisted by the company stated the brand is seeking to strike a balance with EV as a game changer along with ICE.

And hence the recent move to pick up a 10 percent stake in the EV two-wheeler start up, Spain-based Stark Future SL, which will help the brand to accelerate its move into the electric vehicle space. Going ahead RE and Stark will co-develop bikes in the future, the maker of Hunter and Meteor will use the Stark's technology in the future RE platforms. Stark is well-known for its high-performance electric motocross machines.

Founded in 2020, Stark Future recently launched its first high performance electric motocross bike, the Stark VARG, which received an exceptional response from global media, professional riders and dealers.

Speaking on the rationale behind the move, Siddhartha Lal, MD of Eicher Motors shared that he loved the vision, passion and focus of the team at Stark Future. "Leisure motorcycles do not easily lend themselves to EV technology at this stage, due to challenges like the battery range, packaging, weight and cost. This has resulted in stunted growth of this segment till now. Stark Future has been able to understand and harness the potential of EV technology by dramatically outperforming ICE offerings, without compromising on range, weight, packaging and cost," says Lal. As Stark is scaling up and planning their market entry soon, Royal Enfield will support former in the industrialisation process. In the 2W EV business, Swedish two-wheeler EV start up is seen as a thought leader by Eicher, particularly in lightweight components

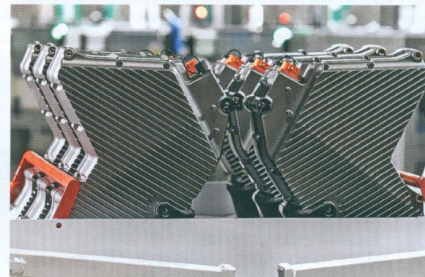
What next

Enfield has said that their intention is to build a "uniquely differentiated electric motorcycle in the middleweight segment.

The future RE product will share and license some of Stark's proprietary technologies that will likely play a pivotal role in their final offering.

Till now, Eicher Motors has invested \$60.22 million in the Spanish EV brand.

On the association with Royal Enfield, Stark Future said in a statement that what lies in store in the coming years are brilliant signs for the future.



Stark Varg assembly line in Barcelona.

Enfield's previously conservative approach to the electric market. Stark VARG bike assembly plant is located outside Barcelona in Spain. The facility is spread out 2,15,000-square-foot and it has already installed two battery manufacturing lines and one motorcycle assembly line. ■