

# TVS to continue to invest in UK bike firm despite losses

**Wants shareholders 'to remain patient' with its Norton bet**

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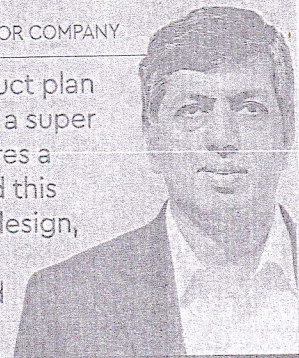
TVS MOTOR COMPANY wants shareholders 'to remain patient' with the investment bets it has placed on Norton, which it had purchased in early 2020, even as profit remains elusive on the British motorcycle brand.

After the initial ₹153 crore, the Chennai-based scooter and motorcycle maker followed up with a commitment to pump in more than six times that investment, pushing the total to ₹1,153 crore. Norton is the largest overseas investment by TVS till date. In FY24, TVS has invested ₹180 crore in Norton Motorcycles. Investments would continue to flow for the next two years, said a senior company executive in a post earnings call.

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KN RADHAKRISHNAN,  
DIRECTOR AND CEO, TVS MOTOR COMPANY

We have a clear product plan with Norton and such a super premium brand requires a series of products and this needs investment in design, development ... and that is what is needed for next 8 quarters



this needs investment in design, development and that is what is going on and that is what is needed for the next 8 quarters."

Analysts tracking the company have been raising questions on the continued investments in Norton by TVS without a clear guidance on profitability. Norton presently sells three models, only one of which was launched under TVS ownership.

Recent sales volume performance of Norton is not available publicly, though their 2019 total stood at 128, out of which 98 were in the UK. Priced at ₹17,000-42,000, Norton competes against the range of BMW,

Harley-Davidson, Ducati and others.

"You give me a few more quarters and Norton will start delivering very good results for the company," Radhakrishnan added after citing the example of PT TVS (Indonesian subsidiary) which after years of being in the red, started to deliver profits.

As TVS shareholders wait for a turnaround at Norton, losses may stay with it for some time. At the close of FY23, losses at Norton more than doubled to ₹277.28 crore from ₹119.43 crore reported in FY22, according to information shared in the annual reports of TVS.