

Euler Motors signals Hero MotoCorp stake raise as EV maker scales capacity

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Hero MotoCorp is set to increase its investment in electric commercial vehicle maker Euler Motors with an additional ₹275 crore, which will raise the two-wheeler major's stake in the start-up from 34.1 per cent to about 36 per cent on a fully diluted basis.

The investment comes as demand for electric cargo vehicles gathers pace in India's last-mile logistics and urban freight segments, prompting Euler to accelerate manufacturing expansion and product development. Founder and CEO Saurav Kumar indicated the development was underway and would be finalised soon. "It is in the works. Give me a couple of days or weeks and I will come back with the full picture," he told *businessline*.

CAPEX PLAN

Euler has outlined a ₹300-400 crore capital expenditure plan over the next 18-24 months to expand production facilities and strengthen its electric commercial vehicle portfolio.

The company currently operates three manufacturing facilities in Palwal, Haryana. As part of its expansion



GROWTH ARC. Euler Founder Saurav Kumar indicated the development was well underway and would be finalised soon

strategy, it is adding new production lines and dedicated manufacturing space for electric four-wheelers.

Across its facilities, Euler plans to scale production capacity from about 1,000 vehicles per month per shift to around 2,000 vehicles per month per shift, with flexibility to add additional shifts as demand grows.

Euler initially built its presence in the electric three-wheeler cargo segment through its flagship Hi-Load platform, which now has more than 10,000 vehicles on the road serving logistics and e-commerce operators.

However, the company's business mix is increasingly shifting towards electric four-wheel cargo vehicles. Euler has introduced two

models — the Storm EV and Turbo EV1000 — which have been witnessing impressive numbers. According to Kumar, the company now commands roughly 20 per cent share in the electric four-wheel cargo segment, placing it among the top three players in the category. Even as Euler scales operations, EV start-ups are seeking greater policy support to strengthen domestic manufacturing capabilities.

Start-ups including Euler Motors and Ather Energy have written to the government seeking modifications to the automotive production linked incentive (PLI) scheme, arguing that companies investing heavily in EV-focused manufacturing and research should also be eligible for incentives.