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IPO Note

April 28, 2025

Ather Energy Limited

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Issue Snapshot:
Issue Open: April 28 – April 30 2025

Price Band: Rs. 304 –321 (Discount of Rs 30 for all eligible employee)

*Issue Size: 9,28,58,599 Equity Shares (Fresh issue of Rs 26,260 million + Offer for sale 11,051,746 eq sh)

Reservation for:

QIB	atleast	75% eq sh
Non-Institutional	upto	15% eq sh
((including 1/3rd for applications between Rs.2 lakhs to Rs.10 lakhs))		
Retail	upto	10% eq sh

Face Value: Rs 1

Book value: Rs 4.0 (December 30, 2024)

Bid size: - 46 equity shares and in multiples thereof

100% Book built Issue

Capital Structure:

Pre Issue Equity:	Rs. 29.06 cr
*Post issue Equity:	Rs. 37.24 cr

Listing: BSE & NSE

Book Running Lead Manager: Axis Capital Limited, HSBC Securities and Capital Markets (India) Private Limited, JM Financial Limited, Nomura Financial Advisory and Securities (India) Private Limited

Sponsor Bank: HDFC Bank and Axis Bank Ltd.

Registrar to issue: MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)

Shareholding Pattern

Shareholding Pattern	Pre issue %	Post issue %
Promoter and Promoter Group	54.61	42.09
Public	45.39	57.91
Total	100.0	100.0

*=assuming issue subscribed at higher band
Source for this Note: RHP

Background & Operations:
Ather Energy Ltd (AEL) is a pioneering pure-play electric two-wheeler (E2W) company in India, recognized by the CRISIL Report as a leading player in the rapidly growing Indian EV market. Founded in 2013 by Tarun Sanjay Mehta and Swapnil Babanlal Jain, Ather has focused on indigenous product and technology development to build a comprehensive E2W ecosystem. The Company designs and conceptualizes its entire product ecosystem—including electric scooters, proprietary software, charging infrastructure, and smart accessories—in India.

AEL's product design approach is vertically integrated, covering both hardware and software components. Key E2W components such as motor controllers, transmissions, vehicle control units, dashboards, DC-DC converters, wiring harnesses, and chassis are designed in-house and outsourced for manufacturing. Battery packs are manufactured internally, while portable chargers and motors are designed and produced by suppliers. The Company develops all aspects of its Atherstack software platform in-house, which powers its scooters and associated services. Its sales volumes reflect its strong market presence, having sold 109,577 E2Ws in Fiscal Year 2024 and 107,983 units in the nine months ended December 31, 2024. According to the CRISIL Report, Ather was the third-largest E2W player by volume in FY24 and the fourth-largest in the nine months ended December 2024.

The Company's product portfolio currently includes two main lines:

Ather 450 Series: Launched in June 2018, the Ather 450 was India's first connected electric scooter, introducing features such as a 3G SIM card, touchscreen dashboard, aluminium chassis, and cloud integration—industry firsts for E2Ws in India. The 450 was also the first E2W in India to offer a top speed of 80 km/h, comparable to internal combustion engine (ICE) scooters, and had the highest top speed among E2Ws in 2018.

Ather Rizta: Introduced in April 2024, the Rizta targets customers seeking convenience scooters for family use. It features a large seat, up to 56 liters of storage, WhatsApp notifications on the dashboard, Alexa voice commands, and introduced traction control to the Indian E2W market.

Complementing its scooters is Ather's product ecosystem, which includes the Atherstack software and the Ather Grid fast-charging network. Atherstack powers the scooters with 69 connected features as of December 31, 2024, including industry-first capabilities such as Over-The-Air (OTA) software updates and ride statistics accessible through the Ather app. The Ather Grid is India's first 2W fast charging network, with over 580 charging points across 56 cities, providing fast and convenient charging solutions.

AEL's commitment to innovation is supported by significant in-house research and development (R&D) capabilities. As of December 31, 2024, the Company employed 731 R&D personnel, representing 46% of its total workforce, across three R&D centers in Bengaluru. The Company holds a strong intellectual property portfolio, with 303 registered trademarks, 201 registered designs, and 45 registered patents globally, alongside numerous pending applications.

Manufacturing is centered at the Hosur Factory in Tamil Nadu, where AEL assembles E2Ws and manufactures battery packs using lithium-ion cells sourced from suppliers. As of December 31, 2024, the Hosur facility had an annual installed capacity of 420,000 E2Ws and 379,800

battery packs. To support future growth, Ather is constructing Factory 3.0 in Chhatrapati Sambhajinagar (Aurangabad), Maharashtra, which upon completion of phase two will increase total production capacity to 1.42 million E2Ws annually. It operates an asset-light distribution model with experience centers and service centers operated by third-party retail partners across India, Nepal, and Sri Lanka. As of December 31, 2024, the Company had 265 experience centers and 233 service centers in India, five experience centers and four service centers in Nepal, and ten experience centers and one service center in Sri Lanka.

Objects of Issue:

The Offer comprises of a Fresh Issue aggregating up to 26,260 million by AEL and an Offer for Sale of up to 11,051,746 Equity Shares, by the Selling Shareholders.

Offer for sale

Each of the Selling Shareholders shall be entitled to its respective portion of the proceeds of the Offer for Sale after deducting its proportion of the Offer expenses and relevant taxes thereon. AEL will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

Objects of the Fresh Issue

The Company proposes to utilize the Net Proceeds towards funding the following objects:

1. Capital expenditure to be incurred by AEL for establishment of an E2W factory in Maharashtra, India;
2. Repayment/ pre-payment, in full or part, of certain borrowings availed by the Company;
3. Investment in research and development;
4. Expenditure towards marketing initiatives; and
5. General corporate purposes.

In addition, AEL expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, including among other things, enhancement of the Company's brand name among existing and potential customers and creation of a public market for the Equity Shares in India.

Utilization of Net Proceeds

S.No	Particulars	Estimated Amount (in Rs million)
1	Capital expenditure to be incurred by AEL for establishment of an E2W factory in Maharashtra, India	9,272
2	Repayment/ pre-payment, in full or part, of certain borrowings availed by the Company;	400
3	Investment in research and development	7,500
4	Expenditure towards marketing initiatives	3,000
5	General corporate purposes	*
	Total	*

Competitive Strengths

Ability to pioneer new technologies: AEL has played a pioneering role in the electrification of India's two-wheeler (2W) industry, especially following the launch of high-speed electric two-wheelers (E2Ws) capable of exceeding 25 km/h. Entering the market in 2018 with the Ather 450, the Company introduced several industry-first features, such as a touchscreen dashboard with navigation, internet connectivity via 3G SIM, an aluminium chassis, fast charging, and guide-me-home lights. Building on this, Ather's proprietary software package, Atherstack, enabled advanced features like traction control, fall safe, cloud integration, over-the-air (OTA) updates, and ride statistics accessible through a mobile app.

AEL was the first original equipment manufacturer (OEM) in India to launch an electric scooter with a top speed of 80 km/h, which was the highest among E2Ws in 2018. The Company also established its own fast-charging network (Ather Grid) and developed a smart helmet (Halo), further distinguishing itself in the market. These innovations were supported by significant in-house research and development (R&D): between 2022 and the nine months ended December 31, 2024, The Company invested between ₹1,010 million and ₹2,388 million annually in R&D. As of December 31, 2024, its R&D team comprised 731 employees—46% of its total workforce—and R&D expenses accounted for 11% to 24% of total income over recent periods.

Globally, AEL held 303 registered trademarks, 201 registered designs, and 45 registered patents as of February 28, 2025, with additional applications pending. According to the CRISIL Report, AEL's early innovations—such as the high-speed Ather 450, fast charging, advanced safety features, and the first dedicated E2W fast-charging network—have set benchmarks in the Indian E2W sector and contributed to the segment's rapid technological evolution.

E2Ws are positioned at a premium price within their respective segments in the Indian E2W market: AEL's positions its electric two-wheelers (E2Ws) as premium products within both the performance and convenience scooter segments, leveraging a strong focus on quality and user experience, as supported by CRISIL data. By December 31, 2024, it had conducted 4,535 unique tests to validate all E2W components, ensuring high product reliability. Their software-defined ecosystem enhances user engagement and product quality, featuring tools like the Trip Planner in the Ather app, which helps customers plan daily commutes and charging needs. Data from app usage also informs ongoing product development and customer interaction strategies.

AEL's commitment to user experience extends to its distribution and service network. Experience centres showcase the engineering excellence of their products, with the chassis highlighted as a key feature. Sales and service personnel at both retail partner and company-owned company-operated (COCO) centres receive dedicated training to maintain consistent quality. The service network is designed for efficiency, achieving average turnaround times of 4.8 hours and 4.7 hours for standard periodic maintenance in the nine months ended December 31, 2024, and Fiscal Year 2024, respectively. To further improve service, AEL introduced ExpressCare in Fiscal Year 2024, providing expedited servicing within one hour. In January 2025, it launched its premium Ather Gold service centres, starting with the first centre in Trivandrum, Kerala, aimed at delivering an enhanced service experience.

Customer satisfaction is closely monitored through 13 key metrics covering the entire customer journey, from initial contact to after-sales service, alongside a retail partner satisfaction index. These efforts support AEL's ability to command premium pricing, reflected in strong sales growth: 107,983 E2Ws sold in the nine months ended December 31, 2024, up from 74,333 in the same period of 2023, and 109,577 units in Fiscal Year 2024 compared to 23,402 in Fiscal Year 2022. Despite premium pricing, AEL was the third and fourth largest E2W manufacturer in India by sales as of March 31, 2024, and December 31, 2024, respectively. To broaden its market reach, it launched the Ather Rizta convenience scooter series, priced on average ₹16,474 lower than the Ather 450 series as of December 31, 2024, targeting a wider customer base.

Vertically integrated approach to product design with strong in-house R&D capabilities: AEL's control over the design of key components and underlying software for its electric two-wheelers (E2Ws) enables rapid product improvements, quality assurance, cost management, and strong partnerships with major technology companies. This integrated approach allows Ather to quickly introduce new models and adapt to market changes, as demonstrated by 204 component upgrades made through engineering changes in Fiscal Year 2024, which supported higher sales volumes and resilience during the global semiconductor shortage from FY21 to FY23, when sales continued to grow despite supply disruptions.

AEL focuses on reducing the bill of materials (BOM) costs. For example, the in-house developed Ather Drive Controller (ADC) reduced the BOM cost for the motor controller by 51% in FY22 compared to vendor-sourced components in FY21. In FY24, 91 additional engineering modifications further reduced BOM costs, and the newly launched Ather Rizta series had an average BOM cost 7% lower than the Ather 450 series as of December 31, 2024.

The Company's design capabilities allow sourcing from multiple suppliers, enhancing competition, scalability, and supply chain resilience. While some EV components are outsourced, Ather focuses on in-house manufacturing of IP-sensitive parts and partners with global firms like Infineon, Qualcomm, LG Energy Solution, Mahle, and Nidec for critical components. Battery packs and E2Ws are assembled in-house on proprietary assembly lines. Strong in-house R&D across disciplines enables better system integration, reflected in Ather's robust IP portfolio and continuous innovation efforts.

Software-defined ecosystem that drives customer engagement and margins*:* AEL's software-defined ecosystem, powered by its in-house developed Atherstack, is central to enhancing user experience, driving customer engagement, and improving profit margins. Atherstack integrates hardware and software to deliver a connected, intelligent product ecosystem, unlocking features such as navigation, analytics, ride assistance, safety, productivity tools, and seamless integration with charging infrastructure and smart accessories. As of December 31, 2024, customers could access 69 features through Atherstack, and 86% of E2W buyers opted for its advanced features. The Ather app, which had 308,067 monthly active users by the end of 2024, boasts high ratings—4.4 on the Android App Store and 4.5 on the Apple App Store—reflecting strong user satisfaction.

Atherstack's data-driven approach creates a flywheel effect: continuous upgrades based on user data enhance product appeal, expand the customer base, and generate further data for ongoing improvement. The AEL Data Platform processes information from various sources, including the Ather app, E2Ws, charging infrastructure, and smart accessories, providing insights into customer usage patterns, product performance, and charging behavior. These insights guide product development and allow for real-time feedback, such as the creation of virtual drive cycles for more accurate range prediction and sharing fleet-level metrics with customers.

Regular over-the-air (OTA) software updates keep the ecosystem current and engaging. Financially, the software ecosystem is a significant contributor: revenue from Atherstack software sales accounted for 6% of operational revenue in the nine months ended December 31,

2024, and in FY2024. The software segment demonstrated strong profitability, with EBITDA margins of 53% and 56% in the nine months ended December 31, 2024, and FY2024, respectively. This robust software-driven strategy not only differentiates Ather in the premium E2W market but also underpins its scalable, capital-efficient business model.

Scalable technology platform enabling accelerated product launches: AEL's scalable technology platform, which integrates its battery, powertrain, electronics, chassis, and proprietary Atherstack software, is fundamental to its accelerated product development and launch capabilities. As of December 31, 2024, scooters based on the Ather 450 platform had collectively covered 4.11 billion kilometres since launch, demonstrating the platform's robustness and widespread adoption.

The platform's modular architecture allows AEL to leverage common components—such as the chassis, battery, and battery management system (BMS)—across multiple models. This approach not only reduces development time and costs but also enables the rapid introduction of new products while upholding stringent quality standards. Quality remains a key focus alongside speed. As of December 31, 2024, Ather's batteries maintained a median state of health of 88% in scooters aged five to six years, reflecting durability. This commitment to quality has also resulted in reduced warranty costs between Fiscal Year 2022 and Fiscal Year 2024, as well as between the nine months ended December 31, 2023, and December 31, 2024. Overall, AEL's scalable and adaptable technology platform enables it to accelerate product launches, maintain high quality, and efficiently integrate new features, ensuring continued innovation in the dynamic electric vehicle market.

Capital efficient and flexible operations: AEL Energy follows a capital-efficient business model focused on maintaining control over design and technology while ensuring operational flexibility. This approach reduces upfront capital requirements, promotes cost savings, and minimizes the risk of over investment, allowing the Company to quickly adapt to evolving technologies and market demands. According to the CRISIL Report, its cumulative cash burn rate is lower than comparable domestic and international peers, reflecting strong financial prudence. The Company also demonstrates efficient working capital management with favorable working capital days of 48 and 46 in the nine months ended December 31, 2024, and Fiscal Year 2024, respectively.

The Company strategically outsources the manufacturing of key components such as lithium-ion cells, chassis, battery management systems (BMS), vehicle control units (VCU), motor controllers, signal harnesses, and fast chargers to third-party contract manufacturers. This outsourcing reduces capital expenditures and preserves flexibility amid rapid technological changes, enabling Ather to allocate more resources toward expanding its product portfolio and advancing vehicle and manufacturing technologies.

Starting with a small factory in Bengaluru with an annual capacity of 21,300 E2Ws in Fiscal Year 2021, Ather shifted manufacturing to its larger Hosur Factory. The first Hosur facility, operational since January 2021, has a capacity of 113,700 E2Ws and 121,200 battery packs annually. The second facility, operational from September 2022, added capacity for 266,850 E2Ws and 232,475 battery packs. As of December 31, 2024, the Hosur Factory's total installed capacity reached 420,000 vehicle assemblies and 379,800 battery packs per annum.

AEL employs an asset-light distribution model, relying on retail partners to operate experience and service centres. This model avoids significant upfront investments in physical stores, lowers operating costs, and leverages regional sales expertise, facilitating rapid network expansion and cost efficiency. This capital-efficient and flexible approach underpins Ather's ability to scale sustainably while maintaining control over critical design and technology elements.

Experienced management team and long-term investors committed to strong corporate governance standards: AEL is led by Tarun Sanjay Mehta and Swapnil Babanlal Jain, and an experienced management team, who are committed to upholding its corporate governance standards. Tarun Sanjay Mehta and Swapnil Babanlal Jain have played pivotal roles in shaping the Company's strategic direction. Its experienced and professional senior management team comes from diverse backgrounds and has execution track records across various industries such as engineering, manufacturing supply chain, software and technology. The Company have a panel of directors and experienced investors from diverse industries such as automotive, finance, and fintech, who has been instrumental in providing financial support and strategic direction. Their support has provided it with the agility and resilience needed to navigate the dynamic E2W market conditions.

Business Strategy:

Strategic expansion of product portfolio through multi-product technology platforms: AEL's electric two-wheeler (E2W) portfolio comprises the performance-oriented Ather 450 line and the family-focused Ather Rizta, both built on the Ather 450 platform and powered by proprietary Atherstack software. In Fiscal Year 2024, it held a market share of approximately 11.5% in the Indian E2W market, with sales of 0.94 million units industry-wide. The Ather Rizta, launched in April 2024, marked the Company's entry into the convenience scooter segment, featuring a large seat, up to 56L of storage, and advanced safety features like traction control and Emergency Stop Signal. Despite sales commencing only in May 2024, the Rizta accounted for 52% of Ather's sales volume in the nine months ended December 31, 2024, driving a 45% increase in total sales volume to 107,983 units compared to the previous year.

To maintain momentum, AEL updated the 450 series in January 2025, introducing multi-mode traction control, up to 14% increased range for the 450X 2.9 kWh variant, and new color options. The Company is developing two new platforms: the EL scooter platform, aimed at cost-effectiveness and versatility, and the Zenith motorcycle platform, targeting the large 125–300cc motorcycle segment (which constitutes over 60% of the Indian two-wheeler market). Additionally, AEL is advancing battery technology with a new lithium-iron phosphate (LFP) platform and exploring rare earth-free motors to reduce costs and supply risks.

The Company continues to invest in R&D, software enhancements (including advanced rider assistance features), and ecosystem expansion (charging, accessories, and data-driven product development) to address the broader Indian two-wheeler market and drive future profitability.

Expand and deepen distribution network in India and beyond: AEL is leveraging its asset-light distribution model to rapidly expand and deepen its network while maintaining a strong focus on quality and customer satisfaction. Despite the south zones accounting for only about 33% of total E2W sales in India, 48% of Ather's experience centres are located there, contributing to 61% of sales in the nine months ended December 31, 2024, and 68% in Fiscal Year 2024. This indicates significant untapped potential in other regions, providing ample opportunity for expansion.

With the launch of the Ather Rizta and entry into the convenience scooter segment, Ather is now able to target a broader segment of the scooter market as it expands distribution. The Company plans to partner with additional third-party retail partners to grow its network of experience and service centres, particularly in less-penetrated regions, to drive sales cost-effectively. As of December 31, 2024, the Company had increased its experience centres by 58% year-on-year and aims to further boost market penetration in existing and new regions.

To ensure easy customer access to after-sales support, Ather targets a service centre to experience centre ratio greater than one; the ratio currently stands at 0.9 in India, 0.8 in Nepal, and 0.1 in Sri Lanka. The Company is committed to providing marketing support and training to partners' staff to ensure consistent, high-quality service. Internationally, Ather operates five experience centres and four service centres in Nepal, and ten experience centres and one service centre in Sri Lanka, with plans for further global expansion. Indian-made E2Ws are recognized for offering more features and comparable performance to global peers, positioning Ather to capitalize on electrification trends in both domestic and international markets.

Improving operational efficiency and manufacturing capabilities through the establishment of Factory 3.0: AEL is preparing to meet the projected surge in Indian electric two-wheeler (E2W) demand, which is expected to reach 10.3–12.3 million units by Fiscal Year 2031, according to the CRISIL Report. To scale up its production capacity, Ather will establish Factory 3.0 in Chhatrapati Sambhajinagar (formerly Aurangabad), Maharashtra. Construction of the first phase is set to begin in May 2025, with phased production starting in July 2026 and completion of the first phase by March 2027. This will increase Ather's total installed capacity across all facilities to 0.92 million E2Ws per year, with Factory 3.0 alone reaching a capacity of 1 million units annually upon full completion.

Currently, AEL's Hosur facility focuses on E2W assembly and battery pack manufacturing. Factory 3.0 will introduce backward integration of key processes such as transmission assembly, electronics assembly, and painting, helping to de-risk the supply chain and control operating costs. The new plant will also support the production of Ather's upcoming scooter and motorcycle platforms, with a phased approach to ensure capital efficiency.

Strategically located in Maharashtra, Factory 3.0 will help mitigate risks from regional disruptions, improve delivery timelines, and leverage the state's high EV penetration and strong automotive supplier base. This expansion positions Ather to efficiently serve growing domestic demand and enhance operational resilience, while supporting its long-term growth and innovation strategy.

Continue focus on unit economics: AEL's revenue from operations surged by 329% between Fiscal Year 2022 and Fiscal Year 2024, and by 28% in the nine months ended December 31, 2024, compared to the previous year, driven by its premium positioning and a significant increase in electric two-wheeler (E2W) sales volume. This growth was supported by strategic investments in R&D and technology, which enabled substantial reductions in the bill of materials (BOM) costs and improvements in gross margins.

The Company has increased in-house design of key components, such as the ADC motor controller, which cut costs by 51% and enabled advanced features like Smart Eco, AutoHold, and traction control. The newly launched Ather Rizta series has an average BOM cost 7% lower than the Ather 450 series, and the in-house designed synchronous belt drive system reduced transmission costs by 16% in Fiscal Year 2024. The Company's vertically integrated approach allows close collaboration with leading semiconductor and battery manufacturers to further optimize costs.

AEL's gross margin doubled to 19% in the nine months ended December 2024, up from 9% the previous year, and losses were reduced by a fourth in the same period. The upcoming Factory 3.0 will bring additional processes like electronics assembly and painting in-house, further leveraging manufacturing efficiencies and economies of scale. Continued R&D, including the development of Grid 3.0 fast charging, and 91 engineering changes in Fiscal Year 2024, underpin Ather's focus on improving unit economics and progressing toward profitability.

Securing cell supply chain through long-term partnerships: AEL is pursuing long-term supply partnerships with leading cell manufacturers to ensure a stable and cost-effective supply of lithium-ion cells, thereby enhancing its competitiveness in the electric two-wheeler (E2W) market. In February 2023, It signed a memorandum of understanding (MoU) with LG Energy Solution Limited for the supply of lithium-ion cells and access to advanced cell technologies. More recently, on August 1, 2024, the Company entered a non-binding MoU with Amara Raja Advanced Cell Technologies (ARACT), a subsidiary of Amara Raja Energy & Mobility Ltd., to develop and supply both Nickel Manganese Cobalt (NMC) and Lithium Iron Phosphate (LFP) lithium-ion cells tailored to its requirements. This collaboration aims to leverage Ather's data-driven insights to co-design and manufacture customized cells in India, with definitive supply agreements to follow successful validation of prototypes.

AEL's strategy of outsourcing cell manufacturing allows it to benefit from declining global cell prices, which are projected to fall from $115/kWh in 2024 to $80/kWh by 2030, according to the CRISIL Report. Establishing in-house cell manufacturing would require significant capital and scale—estimated at $60–100 million per gigawatt-hour—making it incompatible with its capital-efficient approach. By partnering with third-party suppliers, AEL gains flexibility to adopt new cell chemistries and form factors across its product lines, supporting innovation and cost optimization. This approach also enables AEL to allocate more resources toward expanding its product portfolio and advancing vehicle and manufacturing technologies, rather than investing heavily in cell production infrastructure.

Continue to build the 'Ather' brand: AEL has strategically built its brand around delivering a high-quality user experience across all touchpoints, including its Ather Space Experience Centres, digital platforms, proprietary Atherstack software, and the Ather app. The Company actively engages consumers through initiatives like Open House events, Ather Community Day, and the development of a strong online community, fostering transparency, education, and direct interaction with customers. It also invests in consumer education about electric two-wheelers (E2Ws) both online and at its curated centres, helping to dispel myths and build trust in the EV space.

As of December 31, 2024, Ather had established the widest fast-charging network among two-wheeler manufacturers in India, with a total of 3,562 touchpoints—including experience centres and Ather Grid chargers—across 314 cities in India, Nepal, and Sri Lanka. In the nine months ended December 2024 alone, 799 new chargers were added, 425 of them in the last quarter, further reducing adoption barriers and enhancing convenience for users.

Looking ahead, AEL plans to broaden its brand engagement as it enters the convenience scooter segment, focusing on large-scale brand awareness campaigns through mass media, digital platforms, and influencer marketing. The engagement strategy will target performance-oriented customers through the Ather 450 portfolio and highlight comfort, convenience, and safety features for the Ather Rizta, all while reinforcing core brand values of quality, reliability, and superior user experience.

Community-building remains central to Ather's strategy, with 249,042 community members as of December 2024. Events like Ather Community Day—attended by over 2,200 customers in person and 20,343 via livestream in 2024—along with ongoing programs such as Wheee camps and PluggedIn meetups, foster loyalty and advocacy. By investing in these initiatives, AEL's aims to position itself as not just an EV manufacturer, but the brand of choice for a growing, engaged community.

Pursue Selective Strategic Partnerships and Acquisitions: In addition to growing business organically, AEL may also pursue strategic partnerships and targeted acquisitions that complement its product portfolio, enhance its software and other service offerings or strengthen or establish its presence in its targeted overseas markets. Its existing technology platform will enable it to successfully and cost-effectively integrate partners or new companies AEL acquires into its Ather ecosystem. While it has not entered into any agreements or commitments for any partnerships or acquisitions, AEL will continue to explore such opportunities. Any acquisition will be subject to diligence by it and obtaining any required corporate, lender and regulatory approvals. It plans to use cash from internal accruals and do not plan to use the proceeds from this Offer for any such acquisitions.

Industry Overview

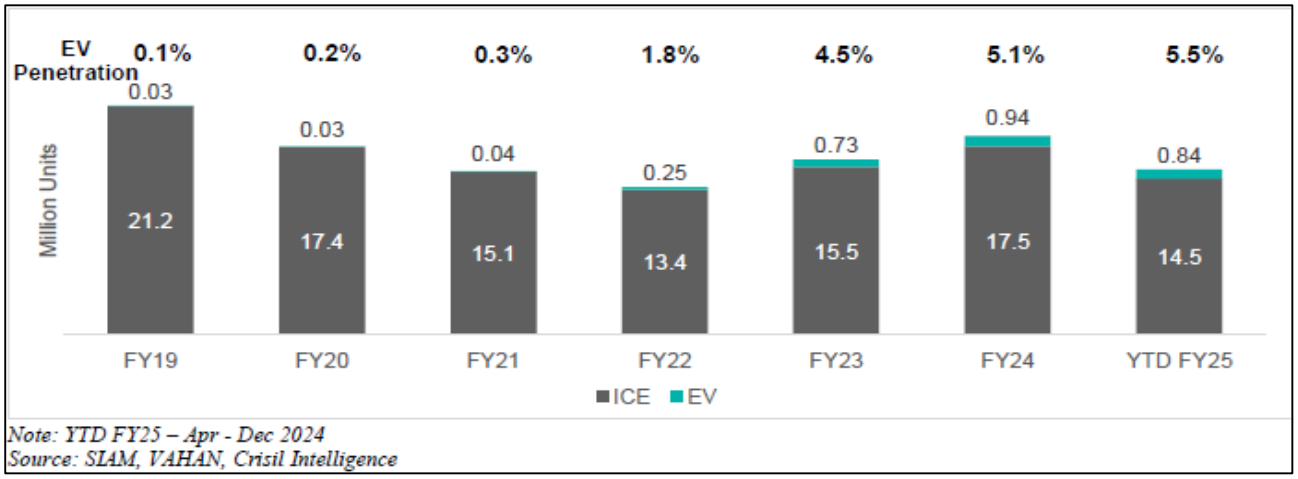
Review of the Indian Domestic Two-wheeler Industry

Domestic Two-wheeler Industry Review (fiscals 2019 to YTD 2025)

India is the largest motorised two-wheeler market by volume in the world as of CY 2023 (according to Mordor intelligence) and had domestic sales of 18.4 million units in fiscal 2024. Indian automobile segment primarily consists of two-wheelers (2W), passenger vehicles (PV), commercial vehicles (CV), three wheelers (3W) and tractors. In fiscal 2024, Two-wheeler was the largest segment and contributed 73% to the total auto market by volume followed by the passenger vehicle segment which contributed 16.7%. The share of Two-wheeler

segment in total auto market reached to ~75% by volume as of Apr – Dec period of fiscal 2025, followed by passenger vehicle segment with ~15% share. In the last 15 years (fiscal 2009 to fiscal 2024), the domestic two-wheeler industry has grown at a CAGR of 6.2% and reached a volume of 18.4 million in fiscal 2024. Within this period, the industry accelerated at a much faster pace of 11.1% CAGR over the 10-year period from fiscal 2009 to fiscal 2019 and reached a historic high of volumes of 21.2 million in fiscal 2019.

Domestic two-wheeler sales volume trend (ICE vs EV)



Note: YTD FY25 – Apr - Dec 2024
Source: SIAM, VAHAN, Crisil Intelligence

In the last 5 years, the electrification within the industry has helped grow the industry sales. During fiscal 2019 to fiscal 2024 period, ICE segment contracted at 3.7% CAGR and EV retails grew with a 101.7% CAGR, albeit from a lower base. In Apr – Dec period of fiscal 2025, EV penetration reached around 5.5% and EV volumes reached 0.84 million units.

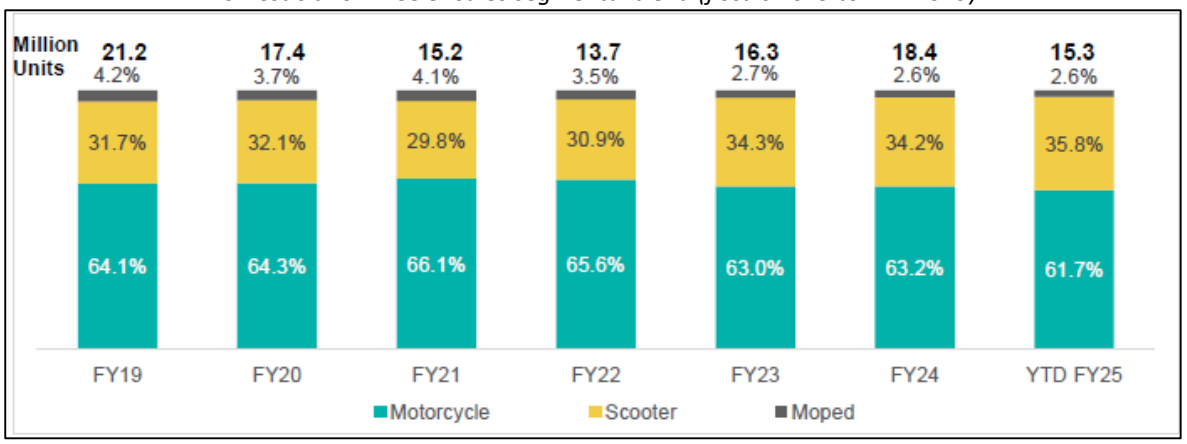
Seasonality of sales

Demand in the automotive industry typically peaks between January and March, reduces from April to July before increasing again during the festive season from September to December. These festive months account for maximum of the festivals like Ganesh Chaturthi, Onam, Dussehra, Diwali and Christmas and are usually the best months from retail perspective. The fiscal year end month of March also sees higher dispatches to comply with the annual targets. Post the higher offtake, the beginning of the new fiscal (April-June) sees relatively lower dispatches after the increased inventory built up done during the previous financial year end coupled with lower retails during the rainy season.

Segment wise domestic sales trend

Motorcycles dominate the domestic two-wheeler industry sales with more than 60% contribution to the annual domestic sales volumes. However, their contribution has gradually contracted over the years, from 78% in fiscal 2009 to 63% by fiscal 2024. On the other hand, the scooters segment expanded its presence over the long-term horizon; from 15% in fiscal 2009 to 34% in fiscal 2024. The share of scooters expanded from 34% in fiscal 2024 to 36% in Apr-Dec of fiscal 2025. While the share of motorcycles dropped to 62% in Apr-Dec of fiscal 2025 from 63% in fiscal 2024. The share of mopeds remained steady at 2.6% in Apr-Dec of fiscal 2025.

Domestic two-wheeler sales segmental trend (fiscals 2019 to YTD 2025)



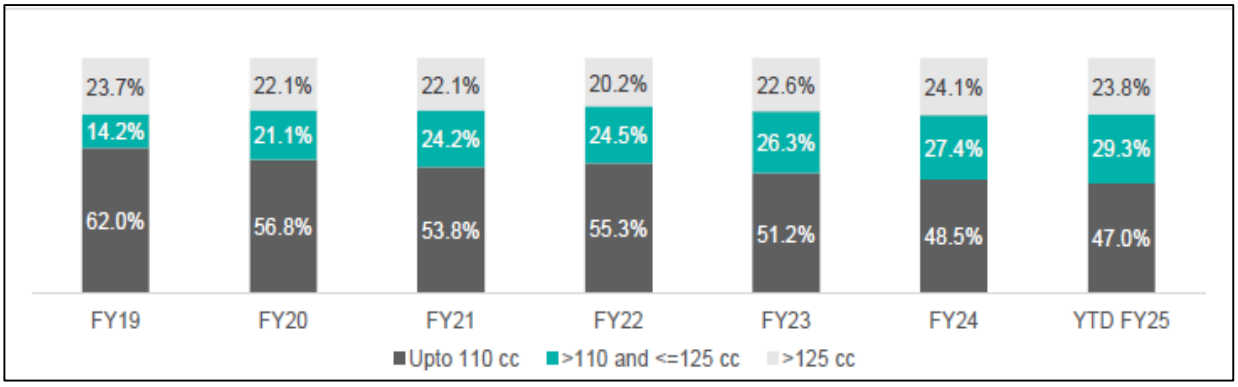
Scooters

In the last 5 years, scooters witnessed gradual expansion and their share increased from 31.7% in fiscal 2019 to 34.2% in fiscal 2024. The strong demand for new model launches (like the Dio 125, Avenis, upgrades of Activa, Jupiter as well as e-scooters), increasing usage of scooters by working professionals, especially women in urban areas (due to high convenience) and a growing preference as a second vehicle in households restricted the fall in demand for scooters. There has also been a rise in multiple vehicle ownership within a family including a passenger vehicle coupled with multiple two-wheelers. Within ICE scooters, over 97% of the market by volumes has fallen under the >90cc and <=125cc subsegment, consistently since fiscal 2019, with over 99% of the volumes in fiscal 2024 and Apr-Dec of fiscal 2025. The <=90cc subsegment which had a 2% volume share in fiscal 2019 has degrown at a CAGR of 48% and had only a 0.1% volume share in fiscal 2024. There was no share of <=90cc subsegment (TVS Pep+ model) in Apr-Dec of fiscal 2025 as it has been discontinued. Based on Crisil Intelligence's estimates and market understanding, there has also been a lot of shifting within the >90cc and <=125cc subsegment in terms of customers purchasing higher cc scooters. The 110cc scooters held almost ~78% share in fiscal 2019. However, their volumes have seen a sharp decline in recent times. The share of 125cc scooters within the ICE scooter segment rose from ~20% in fiscal 2019 to ~47% by fiscal 2024. The overall scooters segment can also be categorized into performance and convenience scooters basis the market positioning by OEMs. Convenience scooters cater to customers seeking comfort, fuel efficiency and family friendliness. On the other hand, performance scooters cater to customers who focus on higher power and superior performance. Convenience ICE scooters primarily have 110cc and 125cc engines, and these scooters account for ~81% of the 2W ICE scooter market by volume. Within scooters, e-scooters witnessed growth at an accelerated pace and contributed a sizeable share of 14.7% to overall scooter sales in fiscal 2024. Launch of new models, government incentives, rising awareness, increased acquisition and operating costs for the ICE equivalents provided a boost to the EV sales during the fiscal 2019-2024 period. E-scooters clocked growth at 101% CAGR in the last 5 years and their penetration within the scooters segment rose from 0.4% in fiscal 2019 to 14.7% in fiscal 2024.

Motorcycles

In the overall domestic sales, motorcycles have maintained their leading position in the last 5 years, however, they lost some ground to scooters during the period. During the pandemic period of fiscal 2021 and fiscal 2022, amidst the lack of availability of public transportation, requirement of motorcycles continued especially for daily commute, thereby restricting their drop. Unlike scooters, the EV penetration within motorcycles has remained inconsequential amidst lack of EV options. A few OEMs like Revolt offered EV motorcycles from fiscal 2020. Manufacturers like Tork and Ultraviolette also introduced their e bikes/ motorcycles in the following 2/3 years. With OEMs like Ola and Royal Enfield announcing EV launches in the motorcycle segment, the segment is expected to grow gradually.

ICE motorcycles domestic sales split (fiscals 2019 to YTD 2025)



Within the ICE motorcycles segment, the 125cc subsegment has witnessed 11% CAGR growth during fiscal 2019-2024 period while the <=110cc subsegment has contracted at a rapid pace of 8% CAGR. The >125cc subsegment has also contracted by 3% CAGR during this period. However, within the ICE motorcycles segment, the 125cc and above (>110 and <=125cc and > 125cc) subsegments together hold 51.5% of the market share by volume in fiscal 2024 as against 38.0% in fiscal 2019, thereby indicating a shift towards higher cc motorcycles. During Apr – Dec of fiscal 2025 the share increased to 53.0%.

Demand drivers and trends in the domestic two-wheeler market

The performance of the Indian 2W industry is dependent on numerous social and economic factors, including demographic trends and preferences, income levels, affordability of 2W vehicle customers, changes in government policies, overall economic conditions as well as availability of finance and interest rates. Certain factors, such as general macroeconomic and consumer trends, have a direct impact on demand for 2W vehicles.

Macroeconomic support

The primary demand drivers for the two-wheeler industry are improving affordability and lower cost of acquisition and ownership. Macroeconomic factors primarily determine the disposable income and affordability for customers. During the fiscal 2009-2019 decade, India's GDP grew at a healthy pace of 7% CAGR aiding the affordability of the customer base. This improvement in income levels translated into a healthy growth for the domestic two-wheeler industry at 11% CAGR. After this healthy growth, slowdown in the GDP growth during fiscal 2020 and the pandemic induced economic contraction in fiscal 2021 impacted the healthy run of the domestic two-wheeler industry. Going ahead, CRISIL expects India's GDP to clock a healthy growth at 6.5-7.5% CAGR (till fiscal 2031) aiding the growth of domestic two-wheeler industry sales over the long-term horizon.

Financing support

Finance support plays an important role in the overall demand growth of the two-wheeler industry given the relatively lower income profile of customers as well as smaller ticket size of the industry. Over the years, amidst the intensifying competition, financial institutions have expanded their reach to gain further market share within the auto finance industry. Moreover, the entry of NBFCs which focus primarily on nonmetros, expanded the reach of the financing system further as banks primarily catered to the urban and salaried customers. This expansion aided the growth of overall finance penetration in the industry and in turn supported the growth of the domestic two-wheeler industry. Going forward, Crisil Intelligence expects the finance penetration to improve further and support the growth of two-wheeler industry.

Women participation in the workforce

Increasing women participation in the Indian workforce has provided an additional boost to the two-wheeler, especially scooter sales. Given the added comfort in terms of ease of seating, lower vehicle weight, easy maneuverability and baggage space, scooters are amongst the preferred vehicle choices for working women. The female participation in the work force has also aided the overall household incomes, boosting the two-wheeler sales as well.

Premiumization in the 2W Industry

There is a clear shift towards premium vehicles being witnessed within the two-wheeler industry. Customers are looking to upgrade to the next premium vehicle segment within motorcycles as well as scooters. Younger buyer profiles, new vehicles with attractive features launched at competitive rates and increasing financing support have supported this premiumization trend within the two-wheeler industry. In the last 5 years, as per Crisil Intelligence's estimates, the share of >=125cc motorcycles increased from ~38% in fiscal 2019 to ~52% in fiscal 2024 and reached ~53% in Apr - Dec of fiscal 2025. While for scooters, the share of >=125cc scooters is estimated to have risen from ~20% in fiscal 2019 to ~47% in fiscal 2024 and to ~48% in Apr - Dec of fiscal 2025. A relatively price agnostic customer base, feature rich vehicles and young buyers that prefer high performance and advanced features have led to a premiumization trend in scooters.

A similar premiumization trend is being witnessed in other industries as well. Within the consumer durable industry, there is clear customer shift towards the premium larger panel TVs. According to CRISIL Research, the share of large size panel TV (>55 inch) haves increased from 20-25% in fiscal 2019 to an estimated 35-40% in fiscal 2024. Even in washing machines, the premium fully automatic washing machines have been growing at a faster rate compared to semi-automatic washing machines signaling the customer shift towards the premium products. Similarly, in the automobile space, the passenger vehicle PV segment is seeing a noteworthy premiumization trend. In fact, the share of relatively premium PVs – Sports Utility Vehicles (SUVs) has increased from 29% in fiscal 2019 to 60% in fiscal 2024 and reached 65% in Apr- Dec of fiscal 2025. The traction for these feature rich connected vehicles has been on the rise, especially from the young customer base, and is expected to continue going ahead. Thus, this growth of premium products – premiumization trend – has taken over multiple industries including the twowheeler industry. Over the long-term horizon, Crisil Intelligence expects the premiumization trend to drive the overall sales in the 2W industry.

Electrification in the 2W industry

EV sales have grown, especially post pandemic aided by the rising awareness, government support and expanding EV portfolio of the industry. The entry of the new age non-traditional OEMs like Ola, Ather, Okinawa and Ampere provided an additional boost to the EV segment in India. Going ahead, the rise in electrification is estimated to contribute significantly to the industry growth over the long term.

Shrinking replacement cycles

The vehicle replacement cycles have been shrinking amidst the expanding vehicle portfolios by OEMs, entry of newer players into the industry - global & non- traditional, increasing number of attractive, feature rich and competitively priced vehicle launches, shortening duration of new vehicle launches by OEMs, continuous technological advancement in vehicles, younger buyer demographic, expanding financing coverage and rising awareness. The increasing share of scooters with a relatively lower ownership holding period is another factor contributing to the shortening of the replacement cycle in the overall 2W industry. From an average 10-12 years replacement cycle a decade ago, the replacement cycles have come down to 7-8 years. The shortened replacement cycle for the average customer is an added boost for the two-wheeler industry sales.

Accessories lending further support to OEM topline and the bottom line

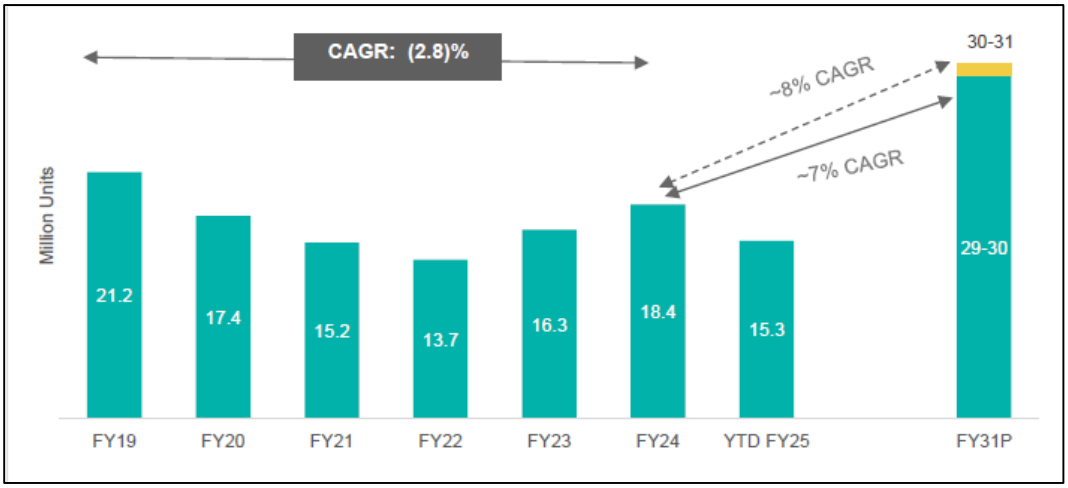
Over the years, traditional ICE 2W OEMs have expanded their consumer offerings with company branded accessories and merchandise like side mirrors, vehicle covers, seat covers, handlebar pads, engine guard, backrest, helmets, apparels, gloves etc. Such branded accessories form an integral part of the two-wheeler industry. For the premium models / brands, merchandising has also been actively promoted as a means to drive brand image and build long term loyalty by developing a sense of community (for example Royal Enfield). The revenues from sales of accessories & merchandise, along with those from sale of parts and spares, typically contribute ~10-15% of the overall revenues for the traditional ICE 2W OEMs.

In line with the ICE 2W players, the new age EV players have also entered the accessories and merchandise space and are providing some of the traditional accessories like vehicle cover, seat covers, floor mats, sidestep, t-shirts and helmets. However, they have also started to offer technologically advanced accessories for their customers including smart helmets, portable chargers, fast chargers, electronic tyre inflators, pressure monitors etc. These advanced accessories are sold at a premium over the general accessories as they have technology integrations that cater specifically to the E2W customer. Going forward, the demand for such accessories is expected to rise along with the growth of the overall E2W industry. These accessories and merchandise products are high gross margin (25-30%) products for the OEMs which not only promote the brand but also provide an added support to the Company top line as well as bottom line.

Domestic Two-Wheeler Industry Outlook (fiscals 2025 to 2031)

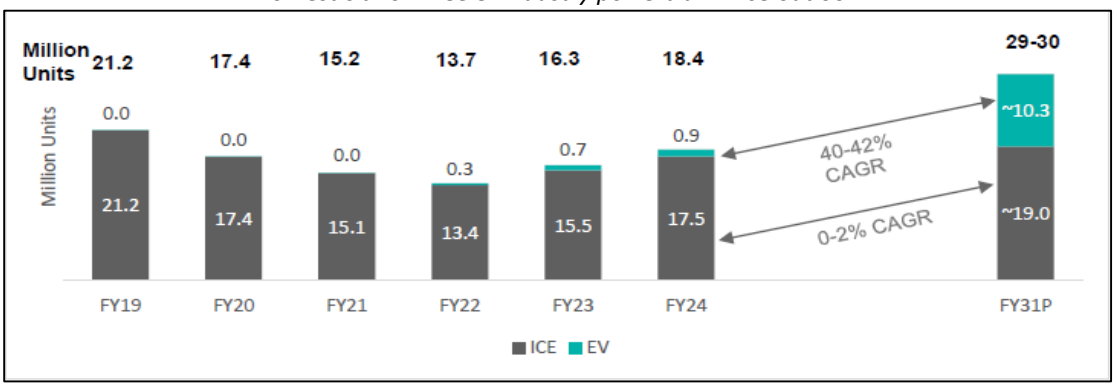
The industry is expected to continue its growth momentum over the long-term horizon led by the positive microeconomic and macroeconomic environment, favourable rural demand, premiumization, intermittent launches, shrinking replacement cycle and continued support from financers. Moreover, continued R&D investments by the OEMs and the technological advancements in the industry to provide an added support to the growth of the industry over the long-term horizon. Additionally, the fast-rising EV segment, with EV portfolio expansion by legacy players, capacity expansion by new age players will accelerate the industry growth. Entry of legacy players like HMSI, Suzuki and Royal Enfield in the EV space will provide further thrust to the segment growth. Introduction of CNG powertrain motorcycle by Bajaj and TVS also announced CNG scooter, which will offer lower operating costs compared to petrol variants, will push the two-wheeler industry growth further. Led by these positive industry drivers, the two-wheeler industry sales are projected to grow at ~7% CAGR and reach volumes of 29- 30 million by fiscal 2031. Of this, the E2W segment is projected to clock a healthy CAGR of ~41% during the period and the ICE 2W vehicle segment is expected to grow at a pace of ~2% CAGR. With the growth in E2Ws, the EV penetration is expected to reach ~35% of overall 2W industry sales by fiscal 2031. In an optimistic scenario, supported by increased EV launches, favourable government support, faster momentum in infrastructure development, reduced battery prices, easing supply chain constraints, localized value chain and faster consumer shift towards electrification, the industry sales are projected to grow at a faster pace of ~8% CAGR to reach volumes of 30-31 million by fiscal 2031. In the optimistic scenario, EV penetration is expected to reach ~40% compared to ~35% estimated for the base case.

Domestic two-wheeler industry outlook (till fiscal 2031)



Note: The numbers indicated by the dotted arrow represent the optimistic case
YTD FY25: Apr – Dec 2024
Source: SIAM, Crisil Intelligence

Domestic two-wheeler industry powertrain wise outlook



Note: Figures above the graph showcase the total sales, outlook is for the base case scenario
Source: SIAM, Crisil Intelligence

Going ahead, over the long-term horizon, Crisil Intelligence expects the scooter segment to grow at a much faster pace off the relatively lower base, backed by expected sharp rise in e-scooter demand, ubiquitous usage of scooters, rising share of women in workforce, projected growth of e commerce segment coupled with continued focus of OEMs on the scooters segment. The strong launch pipeline, especially for e-scooters and faster replacement cycles of the scooters segment will also back the faster growth of the scooters segment. Further, the improvement in supporting charging infrastructure is expected to provide added impetus to the segment's growth. Crisil Intelligence projects the scooters segment to grow at a faster pace of 8-10% CAGR over the long-term horizon. Sizeable portion of the ICE scooter replacement demand will shift towards the electric variants.

Electrification Outlook for Indian Two-wheeler Industry (fiscals 2025-2031)

The electric two-wheeler retails rose at a sharp growth pace of 101% CAGR in the last 6 years, albeit off the small base of fiscal 2019. Going ahead the growth momentum in the industry is expected to continue over the long-term horizon led by rising awareness, improving TCO for electric vehicles, bridging acquisition cost gap between EV and ICE counterparts, larger vehicle portfolio, expanding charging infrastructure, furthering financing support, increasing EV manufacturing capacity, and continued government support. If the government continues with the demand incentive (FAME, EMPS or an equivalent alternate form) at least for the next 1 year (till fiscal 2026), Crisil Intelligence expects the EV retails to rise at a healthy pace of ~41% CAGR and reach volumes of ~10.3 million in fiscal 2031. And the EV penetration to reach ~35% by fiscal 2031. Such expansion will make E2Ws one of the fastest growing segments in the automotive industry in India.

Scooters are expected to lead the charge going ahead as well. EV penetration within scooters is currently the highest at 14.7% as of fiscal 2024. Due to the fast-expanding e scooter portfolio, OEM focus, highly tech-enabled e-scooter offerings, lowering TCO and reduction in acquisition cost difference vs ICE counterparts, the customer preference is expected to shift from ICE scooters to e-scooters leading to a sharp rise in e-scooter penetration going forward. Crisil Intelligence expects the EV penetration to reach ~70% for scooters by fiscal 2031. Electrification within motorcycles segment has remained limited amidst limited offerings as well as longer distance usage of motorcycles compared to scooters. However, amidst the projected launch of e bikes/ motorcycles from OEMs including Revolt, Ola, Tork and Ather will back electrification within motorcycles as well. Hence, EV penetration is expected to reach ~10% within motorcycles by fiscal 2031. In the above projections, Crisil Intelligence has considered the government demand incentive to continue till fiscal 2026 which will provide an additional support to the EV adoption going forward. In an optimistic scenario, the electric vehicles sales are projected to grow at a faster pace of ~44% and reach volumes of 12.3 million. In this scenario, penetration within the motorcycles segment as well as scooters segment will reach a higher level of 12% and 75% by fiscal 2031. In this scenario, Crisil Intelligence projects the overall EV penetration in 2Ws to reach ~40% by fiscal 2031.

Review and Outlook of 2W Exports from India

In the last six years, between fiscal 2019-2024, two-wheeler industry exports rose at a moderate pace of 1% reaching volumes of 3.5 million in fiscal 2024. During the Apr-Dec period of fiscal 2025, exports account for ~17% of the overall two-wheeler sales in India. During fiscal 2024, two-wheeler industry exports dropped by 5% further amidst continued focus on rising domestic market and slowdown in demand from major contributing geographies of Africa and Asia. In Apr-Dec of fiscal 2025, export clocked 3.1 million units.

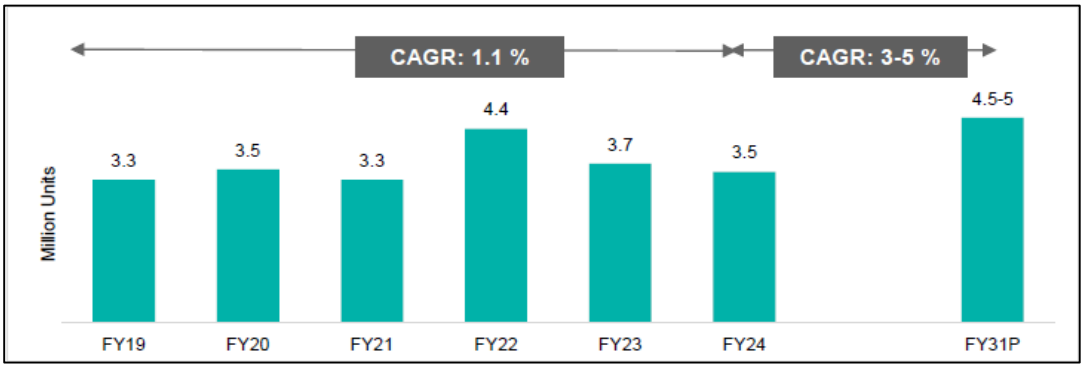
Two wheelers are primarily exported to developing countries from India with Africa contributing the major share. However, exports to Africa have been under pressure amidst the slowdown in their economy, sharp rise in inflation levels and unavailability of forex in Nigeria, the leading two-wheeler importer from India. Contribution of Africa has reduced from 44% in fiscal 2023 to 40% in fiscal 2024. ICE two-wheelers completely dominate the exports. However, in line with electrification in the domestic twowheeler market, OEMs have started exporting EVs from India in the last 3 years. In fact, in fiscal 2024, EV exports rose 19x compared to EV exports in fiscal 2023. As of fiscal

2024, TVS, Ola and Ather are primarily exporting EVs from India. The EV exports are currently at a nascent stage, however, are expected to grow going ahead. In Apr-Dec of fiscal 2025, TVS contributed majorly to the export of EVs from India, helping increase the share of EVs from 0.05% in fiscal 2024 to 0.18% in Apr-Dec of fiscal 2025. Ather Energy's contribution towards EV exports has also increased significantly in Apr-Dec fiscal 2025.

Exports Outlook

Two-wheeler exports from India grew at a moderate pace of 1.1% CAGR during fiscal 2019 to fiscal 2024. Going ahead, Crisil Intelligence expects the industry growth to grow at a faster pace of 3-5% CAGR to reach 4.5-5 million levels by fiscal 2031.

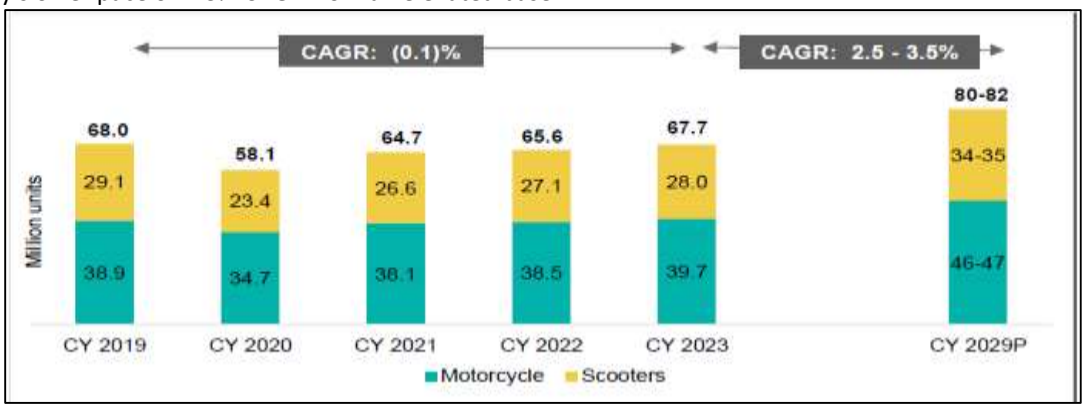
Two-wheeler exports outlook



India being one of the largest two-wheeler domestic markets globally, has a unique opportunity to leverage its domestic market scale and manufacturing competitiveness to produce electric two-wheelers not just for the domestic market but also for the exports markets. Additionally, the growing demand for eco-friendly and sustainable transportation options globally is expected to provide the fillip to e-two-wheelers demand going forward. Countries like Nepal, which have a strong dependence on India for their two-wheeler imports, have declared high electrification targets of 90% EV penetration in all private passenger vehicles sales (including 2W) by 2030. They have also reduced import duties on EVs, ranging from 25% to 90% (import duties for gas and diesel fueled vehicles are 276% and 329%). Such initiatives will aid the Indian E2W exports demand going ahead.

Global Industry Outlook

The global two-wheeler industry sales are expected to grow at an accelerated pace of 2.5-3.5% CAGR till CY2029 compared to a 0.1% CAGR contraction witnessed during CY2019-2023 period. Improvement in economic conditions, rising demand from underlying segments like e commerce, ride hailing coupled with increased traction for EVs to support this demand growth. Sales volumes are projected to reach 80-82 million levels by CY2029. Rising electrification is projected to support faster growth of scooters at 3-4% CAGR. Motorcycles are projected to grow at a slightly slower pace of 2-3% CAGR from an elevated base.



Amidst the continued push from governments, increasing awareness, expanding vehicle portfolio is expected to provide a fillip to electrification growth going forward. Globally, the EV penetration is expected to reach 15-16% levels by CY2029.

Conclusion

The E2W industry is set to grow in the coming years with a CAGR of 41% to 44% and reach overall 2W industry penetration of 35%-40% by fiscal 2031. While there are some headwinds that could impact both the supply side and the demand side, Crisil Intelligence expects that long term policy support, expansion of product portfolio, and lowering battery prices leading to lowering of cost of acquisition and overall cost of ownership will lead to steady growth in the E2W industry.

Key Concerns

- Other than the batteries that AEL manufactures in-house, it relies on its suppliers to provide all other EV components used in assembling its E2Ws in-house. Any loss of key suppliers, or any failure or refusal by them to supply such components to it could cause business disruptions.

- AEL has received some customer complaints pertaining to its products in the past. There is no assurance that it will not receive similar complaints in the future or that it will be able to address such customer complaints in a timely manner or at all.

- AEL has incurred losses since incorporation. It had stagnant revenue growth in Fiscal Year 2024 and loss before tax of ₹5,779 million and ₹10,597 million in the nine months ended December 31, 2024 and Fiscal Year 2024, respectively. There is no assurance that it will be cost effective in its operations or achieve profitability in the future.

- The Company has incurred negative cash flows from operations continuously since incorporation. It had net cash used in operating activities of ₹7,171 million and ₹2,676 million in the nine months ended December 31, 2024 and Fiscal Year 2024, respectively. Negative cash flows may adversely impact its liquidity and prospects.

- AEL's limited operating history makes evaluating its business and future prospects difficult and its historical performance may not be indicative of future performance.

- AEL's future growth is dependent on the demand for and adoption of electric two-wheelers. AEL had a 10.7% and 11.5% market share of the Indian E2W market in the nine months ended December 31, 2024 and Fiscal Year 2024, respectively. If the market does not develop as it expects, or develops at a speed that is slower than anticipated, its business, prospects, financial condition and operating results will be affected.

- The lithium-ion cells used in electric two-wheelers' battery packs could catch on fire or vent smoke even if properly manufactured, managed or controlled. Such instances could subject AEL to adverse publicity, which may impact its brand, business, prospects, financial condition and results of operations.

- Any disruptions in the availability and any changes in the pricing and quality of lithium-ion cells could cause significant disruptions to and adversely impact its business operations.

- AEL relies on imports from certain countries, such as China, and supplies of such imports may be disrupted by changes in government regulations or policies, deterioration in economic conditions or escalation of trade tensions.

- There are outstanding legal proceedings against the Company, certain of its Promoters and Directors. Any adverse decision in such proceedings may render AEL/them liable to liabilities/penalties and may adversely affect its business, cash flows and reputation.

Profit & Loss

Particulars (Rs in million)	9MFY25	FY24	FY23	FY22
Revenue from operations	15789.0	17538.0	17809.0	4089.0
Other Income	385.0	353.0	209.0	49.0
Total Income	**16174.0**	**17891.0**	**18018.0**	**4138.0**
Total Expenditure	**19874.0**	**24385.0**	**24885.0**	**6688.0**
Cost of materials consumed	13069.0	15792.0	15370.0	3482.0
Purchases of stock-in-trade	612.0	279.0	923.0	201.0
Changes in inventories of finished goods, stock-in-trade and work-in-progress	-552.0	247.0	-339.0	155.0
Employee benefits expense	3033.0	3692.0	3348.0	1139.0
Other expenses	3712.0	4375.0	5583.0	1711.0
PBIDT	**-3700.0**	**-6494.0**	**-6867.0**	**-2550.0**
Interest	821.0	890.0	650.0	407.0
PBDT	**-4521.0**	**-7384.0**	**-7517.0**	**-2957.0**
Depreciation and amortization	1258.0	1467.0	1128.0	484.0
PBT	**-5779.0**	**-8851.0**	**-8645.0**	**-3441.0**
Exceptional items	0.0	1746.0	0.0	0.0
Tax (incl. DT & FBT)	**0.0**	**0.0**	**0.0**	**0.0**

Adj. PAT	**-5779.0**	**-10597.0**	**-8645.0**	**-3441.0**
EPS (Rs.)	-23.0	-47.0	-48.0	-27.0
Face Value	1	1	1	1
OPM (%)	-25.9	-39.0	-39.7	-63.6
PATM (%)	-36.6	-60.4	-48.5	-84.2

Source: Company, RHP

Balance Sheet

Particulars (Rs in million) As at	9MFY25	FY24	FY23	FY22
Non-current assets				
Property, plant and equipment	2,445.0	1,871.0	1,818.0	935.0
Capital work-in-progress	34.0	0.0	9.0	4.0
Right of use assets	2,391.0	1,489.0	1,844.0	646.0
Intangible assets	1,242.0	1,229.0	1,783.0	1,766.0
Intangible assets under development	835.0	706.0	365.0	923.0
Financial assets				
Other financial assets	365.0	153.0	177.0	132.0
Other financial assets	1,738.00	1,393.00	689.0	855.0
Total non-current assets	**9,050.0**	**6,841.0**	**6,685.0**	**5,261.0**
Current assets				
Inventories	2,227.0	1,167.0	2,574.0	607.0
Financial assets				
Investments	2,384.0	2,922.0	2,859.0	373.0
Trade receivables	103.0	16.0	12.0	10.0
Cash and cash equivalents	469.0	2,279.0	826.0	574.0
Other balances with banks	3,003.0	2,199.0	936.0	313.0
Loans	1.0	2.0	0.0	0.0
Other financial assets	1,473.0	1,170.0	3,721.0	355.0
Current tax asset	36.0	24.0	23.0	9.0
Other current assets	2,974.0	2,515.0	2,132.0	684.0
Total current assets	**12,670.0**	**12,294.0**	**13,083.0**	**2,925.0**
Total assets	**21,720.0**	**19,135.0**	**19,768.0**	**8,186.0**
EQUITY & LIABILITIES				
Equity				
Equity share capital	31.0	0.0	0.0	0.0
Instruments entirely equity in nature	8.0	8.0	6.0	7.0
Other equity	1,041.0	5,451.0	6,131.0	2,242.0
Total equity	**1,080.0**	**5,459.0**	**6,137.0**	**2,249.0**
Liabilities				
Non-current Liabilities				
Financial Liabilities				
Borrowings	1,602.0	309.0	1,205.0	1,087.0
Lease liabilities	1,393.0	1,419.0	1,686.0	597.0
Other financial liabilities	115.0	103.0	59.0	19.0
Other non-current liabilities	681.0	379.0	0.0	0.0
Provisions	714.0	702.0	486.0	290.0
Total non-current liabilities	**4,505.0**	**2,912.0**	**3,436.0**	**1,993.0**
Current liabilities				
Financial liabilities				
Borrowings	9,614.0	2,840.0	3,647.0	1,897.0
Lease liabilities	237.0	209.0	178.0	68.0
Trade payables				
total outstanding dues of micro enterprises and small enterprises	267.0	185.0	238.0	100.0
total outstanding dues of creditors other than micro enterprises and small enterprises	3,854.0	3,842.0	3,599.0	1,109.0
Other financial liabilities	422.0	1,348.0	1,383.0	533.0
Other current liabilities	613.0	1,533.0	563.0	132.0
Current tax liabilities (net)	1,128.0	807.0	587.0	105.0
Total current liabilities	**16,135.0**	**10,764.0**	**10,195.0**	**3,944.0**
Total liabilities	**20,640.0**	**13,676.0**	**13,631.0**	**5,937.0**
Total equity and liabilities	**21,720.0**	**19,135.0**	**19,768.0**	**8,186.0**

Source: Company, RHP

Disclosure & Disclaimer:

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