

**ATHER**

ATHER ENERGY LIMITED

IPO NOTE - Investor Education Series

April 2025

ISSUE HIGHLIGHTS

- ❑ **Ather Energy** was founded on 21st October 2013 and is headquartered in Bangalore, Karnataka. As of Apr-Dec of fiscal 2025, Ather was the 4th largest **Electric 2-Wheeler ("E2W")** manufacturer in India by sales volume, after Ola, TVS and Bajaj.
- ❑ Ather Energy is a pioneer in the E2W industry as they introduced the Ather 450 in 2018 with a top speed of 80 kmph, which was comparable to ICE scooters and the highest among E2W in India in 2018. They also introduced connected features and cloud integration through a 3G SIM card for the first time in the E2W industry in India. In 2024 Ather Energy launched a new range of '**Rizta**' scooters targeting the family convenience segment. It features a large seat, WhatsApp notifications on the vehicle dashboard, voice commands through Alexa Skills and up to 56L of storage space. They have also introduced traction control which is a segment first feature in the E2W market. **Rizta was awarded with Autocar electric 2W of the year award in Autocar Awards 2025.**
- ❑ Ather Energy has brought about several firsts in the E2W industry by introducing features like touchscreen dashboard with navigation, internet connectivity via 3G SIM, aluminium chassis, fast charging and guide-me-home lights. They have also introduced several **industry first** features such as traction control, fall safe, cloud integration, OTA updates (**Over-The-Air**), ride statistics on app, through their software package - AtherStack. Ather was also the first OEM to introduce an electric scooter with a high speed of 80 kmph, first OEM to establish its own fast charging network (**Ather Grid**) and the first OEM to develop a smart helmet (**Halo**).
- ❑ Ather Energy's manufacturing facility is located at Hosur, Tamil Nadu. They are also planning to set up another manufacturing plant in Maharashtra, which has a high E2W penetration and has a strong automotive supplier base.
- ❑ In fiscal 2024, Ather Energy's sales grew by 39.3% year-on-year to cross the 1 lakh unit mark. Ather's market share witnessed a growth of 25% year-on-year in Apr-Dec period of fiscal 2025 with the 90,351 units sold compared to 71,973 units sold during the same period in Apr - Dec fiscal 2024.
- ❑ The company has built a strong dealer network with 265 Experience Centres (ECs) across India as on December 31, 2024. They also have a dealer network present in Nepal and Sri Lanka with 5 and 10 ECs respectively. Out of this 280 ECs globally, 3 ECs are Company Owned Company Operated (**COCO**).
- ❑ The company has launched two 'smart helmets' under the brand 'Halo' with light weight version called 'Halo Bit'. The helmet provides seamless connectivity and enhanced safety and is the first smart helmet designed and developed by an E2W OEM in India. Ather sells its software and battery warranty via the Propack bundle. The Ather Battery Protect is a comprehensive 5-year warranty plan that extends the battery's manufacturer warranty of 3 years by an additional 2 years.
- ❑ Ather Energy as part of its Ather Grid charging network, has a company owned network of over 2,583 fast chargers in India, 22 in Nepal and 11 in Sri Lanka as of December 31, 2024. Ather was the first 2-wheeler OEM to establish a two-wheeler fast charging network in India in 2018 and has the widest footprint amongst two-wheeler fast charging networks in India. Ather also has the provision of neighbourhood charging which provides access to AC charging points in shared private spaces.

BRIEF FINANCIAL DETAILS*

(₹ IN Cr)

	As at Dec'31,		As at Mar' 31,		
	2024(09)	2023(09)	2024(12)	2023(12)	2022(12)
Equity Share Capital~	3.1	0.0	0.0	0.0	0.0
Instruments entirely equity in nature	0.8	0.8	0.8	0.6	0.7
Reserves as stated	104.1	842.7	545.1	613.1	224.2
Net Worth as stated	108.0	843.5	545.9	613.7	224.9
Total Borrowings#	1,121.6	299.0	314.9	485.2	298.4
Revenue from Operations	1,578.9	1,230.4	1,753.8	1,780.9	408.9
Revenue Growth (%)	28.32%	-	(1.52)%	335.53%	-
EBITDA	(370.0)	(422.9)	(649.4)	(686.7)	(255.0)
EBITDA Margin (%) as stated	(23.0)%	(34.0)%	(36.0)%	(38.0)%	(62.0)%
Net Loss for the period	(577.9)	(776.4)	(1059.7)	(864.5)	(344.1)
NAV - Basic & Diluted (₹)	4	39	24	34	18
Debt to Equity	0.9	0.6	0.9	1.1	1.6

Source: RHP, ~Restated Statement, ^ not annualized; ~Equity Share Capital as on 31st March 25 stands at ₹29.06 Cr after conversion of CCPS; #Including proceeds from Series G CCPS of ₹ 600 crore to be converted into Equity Shares as at Dec'31, 2024. Subsequently, said CCPS has been converted into equity shares pursuant to the board resolution dt 8.3.2025.

Issue Details

Fresh Issue of Equity Shares aggregating upto ₹2,626 Cr and Offer for Sale of 11,051,746 shares

Issue size: ₹ 2,962 – 2,981 Cr

Face value: ₹ 1/-

Employee Reservation: Upto 1,00,000 Shares

Price band: ₹ 304 – 321

Bid Lot: 46 Shares and in multiple thereof

Employee Discount: ₹ 30/- Per Share

Post Issue Implied Market Cap =

₹ 11,788 – 12,300 Cr

(On diluted basis (including vested ESOPs))

BRLMs: Axis Capital, HSBC Securities, JM Financial, Nomura Financial

Registrar: MUFG Intime India Pvt Ltd

Issue opens on: Monday, 28th Apr' 2025

Issue closes on: Wednesday, 30th Apr' 2025

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	02-05-2025
Refunds/Unblocking ASBA Fund	05-05-2025
Credit of equity shares to DP A/c	05-05-2025
Trading commences	06-05-2025

Issue Break-up

	No. of Shares		₹ In Cr		% of Issue
	@Upper	@Lower	@Upper	@Lower	
QIB	73,007,396	69,575,960	2,219.42	2,233.39	75%
NIB	14,601,478	13,915,191	443.88	446.68	15%
-NIB2	9,734,319	9,276,794	295.92	297.79	-
-NIB1	4,867,159	4,638,397	147.96	148.89	-
RET	9,734,319	9,276,794	295.92	297.79	10%
Emp	100,000	100,000	2.74	2.91	-
Total	97,443,193	92,867,945	2,961.97	2,980.76	100%

NIB-1= Bid between ₹ 2-10 Lakhs NIB-2 = Bid Abv ₹ 10 Lakhs

Category	Retail Category	NII-Bid between ₹ 2 - 10 Lakhs	NII - Bid Above ₹ 10 Lakhs
Minimum Bid Lot (Shares)	46 Shares	644 Shares	3,128 Shares
Minimum Bid Lot Amount (₹)	₹ 14,766^	₹ 2,06,724^	₹ 10,04,088^
Appl for 1x	2,01,669 Applications	7,202 Applications	14,405 Applications

Listing: BSE & NSE

Shareholding (No. of Shares)#

Pre issue	Post issue~	Post issue^
290,643,469	377,034,916	372,459,668

~@Lower price Band ^@ Upper Price Band

Shareholding (%)#

	Pre-Issue*	Post-Issue
Promoters	53.71%	41.39%
Promoter Group	0.90%	0.70%
Public-Corporate Selling S/h	30.36%	21.26%
Public-Individual Selling S/h	0.01%	0.00%
Public - Others	15.02%	36.65%
Total	100.00%	100.00%

*Calculated on the basis of paid-up share capital basis

BACKGROUND

Company and Directors

The Company was originally incorporated as “Ather Energy Private Limited” on October 21, 2013. Tarun Sanjay Mehta, Swapnil Babanlal Jain and Hero MotoCorp Ltd (“HMCL”) are the Promoters of the company. Currently, the Promoters hold in aggregate 15,61,18,716 Equity Shares, which constitutes 51.80%^ of the issued, subscribed and paid-up share capital of the company, on a fully diluted basis. (^ Calculated on the basis of total Equity Shares held and such number of Equity Shares on a fully diluted basis, including those resulting upon exercise of vested options under the ESOP Scheme).

Brief Biographies of Directors and Key Managerial Personnel

Tarun Sanjay Mehta, one of the Promoters, is an Executive Director and the Chief Executive Officer of the company. He has been associated with the company since incorporation and leads operations in the product, business as well as growth front. He has over 10 years of experience in the electric vehicles sector.

Swapnil Babanlal Jain, one of the Promoters, is an Executive Director and the Chief Technical Officer of the Company. He has been associated with the company since incorporation and works on both the long-term technology roadmap for the company, as well as day-to-day aspects of creating an engineering team and culture. He has over 10 years of experience in the electric vehicles sector.

Niranjan Kumar Gupta is a Non-executive Director of the company and a nominee of HMCL on the Board. He has been associated with the company since November 3, 2020. He was previously associated with Vedanta Group as the chief financial officer for the aluminium and power vertical and is currently the chief executive officer of HMCL, however he steps down as chief executive officer of HMCL with effect from April 30, 2025. He has over 10 years of experience in finance, mergers and acquisitions and supply chain.

Nilesh Shrivastava is a Nominee Director of the company, nominee of National Investment and Infrastructure Fund II on the Board. He has been associated with the company since July 22, 2022. He was previously associated with International Finance Corporation as a manager. He is currently designated as a Partner, Strategic Opportunities Fund at National Investment and Infrastructure Fund II. He has over 25 years of experience in private equity, portfolio management and banking.

Pankaj Sood is a Nominee Director of the company, nominee of Caladium Investment Pte Ltd on the Board. He has been associated with the company since November 11, 2022. He was previously associated with Kotak Mahindra Capital Co Ltd, Ernst & Young and SBI Capital Markets. He is currently employed by GIC in the Global Leadership Group. He has over 25 years of experience in finance, advisory and capital markets.

Ram Kuppuswamy is a Non-executive Director of the company and a nominee of HMCL on the Board. He has been associated with the company since January 27, 2023. He was previously associated with Bharti Airtel Ltd and VMware Singapore Pte. Ltd. He is currently designated as the chief operations officer- manufacturing of HMCL. He has over 9 years of experience in supply chain management, logistics and customer fulfilment.

Kaushik Dutta is an Independent Director of the company. He was also associated with Price Waterhouse & Co., Chartered Accountants, LLP, and Lovelock & Lewes, Chartered Accountants as Partner for over 16 years. He was engaged as an expert on corporate governance by the Indian Institute of Corporate Affairs of the Ministry of Corporate Affairs. He was engaged as a consultant by the Serious Fraud Investigation Office, MCA and was a member of the Task Force to lay down the Criteria for Selection of the Strategic Partners for Various Platforms from the Private Sector Industry. He has over 25 years of experience in governance, policy and audit.

Neelam Dhawan is the Chairperson and an Independent Director of the company. She was previously associated with Hewlett Packard Enterprise India Pvt Ltd as vice president, solutions sales and with HP India Sales Pvt Ltd, Hewlett-Packard India Pvt Ltd, Microsoft Corporation (India) Pvt Ltd as managing director. Currently she serves as an independent director on the boards of ICICI Bank Ltd, Yatra Online Ltd, Yatra Online Inc., Capita PLC and Tech Mahindra Ltd. She has 18 years of experience in information technology.

Sanjay Nayak is an Independent Director of the company. He has been associated with the company since August 27, 2024. He was previously associated with Tejas Networks Ltd as its managing director and chief executive officer. He has 23 years of industry experience and has expertise in electronics and telecommunications.

Sohil Dilipkumar Parekh is the Chief Financial Officer of the company, overseeing financial strategy, reporting, operations, fundraising, and tax matters. Prior to joining the company on September 9, 2022, Sohil had been associated with Claris Ltd, as well as had past work experience across various other sectors.

Puja Aggarwal is the Company Secretary and Compliance Officer of the company. She has been associated with the company since April 17, 2023.

OBJECTS OF THE ISSUE

Objects	Amount (₹ Cr)
• Capital expenditure to be incurred by the company for establishment of an E2W factory in Maharashtra;	927.2
• Repayment/ pre-payment, in full or part, of certain borrowings availed by the company;	40.0
• Investment in research and development;	750.0
• Expenditure towards marketing initiatives;	300.0
• General Corporate Purposes	[•]
Total	[•]

OFFER DETAILS

Fresh Issue	No. of Shares	
<i>Fresh Issue (up to ₹ 2,626 Cr[^])</i>	<i>Upto 8,63,91,447 – 8,18,16,199[^] Equity Shares</i>	
Offer for Sale by:	No. of Shares	WACA per Equity Share (₹)
Promoter Selling Shareholder		
Tarun Sanjay Mehta	Up to 9,80,000 Equity Shares	21.09
Swapnil Babanlal Jain	Up to 9,80,000 Equity Shares	21.09
Corporate Selling Shareholder		
Caladium Investment Pte Ltd	Up to 60,03,460 Equity Shares	204.24
National Investment and infrastructure Fund II	Up to 26,34,514 Equity Shares	183.71
Internet Fund III Pte Ltd	Up to 4,00,000 Equity Shares	38.58
IITM Incubation Cell	Up to 31,050 Equity Shares	Nil
IITMS Rural Technology and Business Incubator	Up to 4,191 Equity Shares	8.31
Individual Selling Shareholder		
Amit Bhatia	Up to 18,531 Equity Shares	184.82

SHAREHOLDING PATTERN

Particulars	Pre-offer		Fresh Issue and Offer for Sale Shares [^]	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
<i>Promoters</i>	15,61,18,716	53.71%	19,60,000	15,41,58,716	41.39%
<i>Promoter Group</i>	26,10,000	0.90%	0	26,10,000	0.70%
Total for Promoter & Promoters Group	15,87,28,716	54.61%	19,60,000	15,67,68,716	42.09%
<i>Public - Corporate Selling S/h</i>	8,82,45,405	30.36%	90,73,215	7,91,72,190	21.26%
<i>Public - Individual Selling S/h</i>	18,531	0.01%	18,531	0	0.00%
<i>Public – Others#</i>	4,36,50,817	15.02%	8,18,16,199	13,65,18,762	36.65%
Total for Public Shareholders	13,19,14,753	45.39%		21,56,90,952	57.91%
Total Equity Share Capital	29,06,43,469	100.00%		37,24,59,668	100.00%

Source: RHP, [^] @upper Band

BUSINESS OVERVIEW



Ather Energy (“**Ather**”) is a pioneer in the Indian **Electric 2-Wheeler (“E2W”)** market. They design and develop E2Ws, battery packs, charging infrastructure, associated software and accessories, while they manufacture their battery packs and assemble their E2Ws in-house. Ather was founded by Tarun Sanjay Mehta and Swapnil Babanlal Jain in 2013, with a focus on product and technology development in India in order to build an E2W ecosystem. They are a pure play EV company that designs all their products ground-up in India. Ather sold 107,983 and 109,577 E2Ws in the 9 months ended December 31, 2024, and Fiscal Year 2024, respectively.

They were the 3rd and 4th largest player by volume of E2W sales in Fiscal Year 2024 and the 9 months ended December 31, 2024, respectively.

Ather build products with a focus on quality and user experience. Their **products are positioned at a premium price** in their respective segments. They launched their first product, the Ather 450, in June 2018. With the Ather 450, they introduced connected features through a 3G SIM card, touchscreen dashboard, aluminium chassis and cloud integration for the first time in the E2W industry in India. It was also the 1st E2W to offer a top speed of 80 kmph, comparable to internal combustion engine (“**ICE**”) scooters and had the highest top speed among E2Ws in India in 2018. Their current E2W portfolio comprises 2 product lines – the Ather 450 line, which caters to customers seeking performance scooters, and the Ather Rizta line, which is targeted at customers seeking convenience scooters for their family. Launched in April 2024, the Ather Rizta features a large seat, WhatsApp notifications displayed on the vehicle dashboard, voice commands through Alexa Skills, up to 56 L of storage and introduced traction control to the Indian E2W market.

Company’s E2Ws are complemented by their product ecosystem which comprises charging infrastructure, accessories and the Atherstack, their in-house developed software that powers their products. They were the 1st 2-wheeler (“**2W**”) OEM to establish a 2W fast charging network, the Ather Grid, in India. Their software, the Atherstack, introduced industry-first connected features such as Over-The-Air (“**OTA**”) updates and ride statistics on the Ather App. It had 69 features as of December 31, 2024.

Ather has a vertically integrated approach to the design of their products and key technologies. This integrated approach is applicable to both their hardware and software and has enabled them to pioneer several EV technological advancements. Through this approach towards design, they seek to establish new standards for performance, efficiency and user experience in the E2W market.

Ather’s technological innovations are enabled by their in-house design and research and development (“**R&D**”) capabilities. Their R&D team had 731 on-roll employees, housed at 3 R&D facilities in Bengaluru, India, as of December 31, 2024. They had 46% of their total workforce dedicated to R&D as at December 31, 2024.

As of February 28, 2025, globally, Ather had 303 registered trademarks, 201 registered designs and 45 registered patents, in addition to pending applications for 102 trademarks, 12 designs and 303 patents.

The company assembles their E2Ws and manufacture their battery packs at their manufacturing facilities located near Hosur, Tamil Nadu (the “**Hosur Factory**”). At the Hosur Factory, they had a total annual installed capacity of 420,000 units for E2Ws and 379,800 units for battery packs as of December 31, 2024. They are in the process of building the first phase of their factory 3.0 in Chhatrapati Sambhaji Nagar (formerly Aurangabad), Maharashtra to expand their total installed production capacity to 1.42 million E2Ws upon completion of Phase-2. **The company operates an asset-light distribution model** comprising experience centres and service centres operated by their third-party retail partners in India and through an authorised distributor in Nepal and Sri Lanka. As of December 31, 2024, they had 265 experience centres and 233 service centres in India, 5 experience centres and 4 service centres in Nepal, and 10 experience centres and 1 service centre in Sri Lanka. They place an emphasis on capital efficiency across their value chain and prioritise control over design and technology, while maintaining operational flexibility.

MARKET OPPORTUNITY

India was the largest motorised 2W market by volume in the world in 2023. Total domestic sales in Fiscal Year 2024 were 1.84 crore units. In the 9 months ended December 31, 2024, the India 2W market recorded sales of 1.53 crore units, positioning itself for sustained growth in Fiscal Year 2025. This performance marks a 11% year-on-year increase compared to the 9 months ended December 31, 2023. The Indian 2W market is expected to further grow at a CAGR of approximately ~7% between Fiscal Years 2024 and 2031 to reach a market size of 2.9 to 3 crore in FY2031. Apart from domestic sales, Indian 2Ws are also exported. Such exports accounted for approximately 17% of the overall Indian 2W sales in the 9 months ended December 31, 2024. Indian OEMs exported 3.1 million and 3.5 million 2Ws in the 9 months ended December 31, 2024, and FY2024 respectively, primarily to Africa, Asia and North America.

India's middle class is expected to grow to a population of 71.5 crore by FY 2031 from 43.2 crore in Fiscal Year 2021. India's per capita income is expected to grow at 9.2% CAGR over 2024 to 2029. The growth in per capita income and discretionary spending is expected to lead to a corresponding increase in the demand for premium products and experiences. There is a clear shift towards preferences for more premium vehicles within the 2W industry. In the last 5 years, the share of motorcycles and scooters with an engine capacity of 125cc and beyond, increased from approximately 38% and 20% in FY 2019, respectively to approximately 52% and 47% in FY2024, respectively. Younger buyer profiles, new vehicles with attractive features launched at competitive rates, and increasing financing support have supported this premiumisation trend within the 2W industry.

An expanding E2W portfolio of technology-rich vehicles has driven consumer interest in and accelerated the growth of E2Ws in India. E2Ws currently offer advanced technological features such as touch screen displays, Bluetooth and LTE connectivity. Further, E2Ws also offer a lower total cost of ownership ("TCO") as compared to ICE vehicles. In FY2025, the TCO of an E2W, including subsidies, was 52% lower than that of an ICE 2W for an annual running range of 8,000 km for the same period. Assuming that the current GST structure will continue to FY2032, and that some of the subsidies will be provided until FY2032, the acquisition cost (ex-showroom price) between an E2W and ICE 2W is projected to shrink to approximately 5% by FY2032.

In FY2024, E2W penetration rose to 5.1% and EV penetration in the scooter segment increased to around 14.7%. In the 9 months ended December 31, 2024, EV penetration reached around 5.5% with EV volumes totalling 0.84 million units. During this period, the share of e-scooters increased to 15.2%, underpinned by the continued policy support. This led to a decrease in the market share of ICE scooters to 84.8% in the 9 months ended December 31, 2024, from 85.3% in Fiscal Year 2024.

Reduction in the acquisition price gap, coupled with the wide range of technological features offered by E2Ws are expected to further drive EV penetration. Scooters are expected to lead the electrification of the 2W market in India, with the penetration of electric scooters expected to reach approximately 70% by Fiscal Year 2031 and the penetration of electric motorcycles expected to reach approximately 10% by FY2031. The E2W segment is expected to grow at a CAGR of approximately 41% to 44% to reach a market size of approximately 1.03 crore to 1.23 crore units by FY2031. Such expansion will make it one of the fastest growing segments in the automotive industry in India.

Moreover, with India being one of the largest 2W domestic markets globally, it has a unique opportunity to leverage its domestic market scale and manufacturing competitiveness for the export market. This, together with the industry-wide trend of electrification afford Indian E2Ws an opportunity to amass a larger share of the global 2W market. The global 2W market is expected to reach 8 to 8.2 crore units by 2029.


The trends of electrification and premiumisation hence present a large domestic and international opportunity for E2W players. Quality, software capabilities, control over design of key components, unit economics, capital efficiency and supply chain resilience are key factors for success in EVs. Company's emphasis on all of the above, coupled with their focused product strategy, position them well to capture the opportunities presented by the shifting consumer preferences and trends of electrification in India and globally.

PRODUCT ECOSYSTEM

Company's product ecosystem consists of E2Ws, Accessories, Atherstack software and Charging Infrastructure:



Consistent product enhancement over generation

Model (Launch date)	450 Jun 2018	450X Jan 2020	450X Gen 3 Jul 2022	450X Gen 3.1 Jan 2023	450 Apex Jan 2024
					
Battery (kWh)	2.7	+7% → 2.9	+28% → 3.7	3.7	3.7
Range (km)	97	+20% → 116	+26% → 146	146	+8% → 157
Powertrain (kW)	5.4	+11% → 6.0	+3.3% → 6.2	6.2	+13% → 7.0
Top Speed (kmph)	80	80	+12.5% → 90	90	+11% → 100
Acceleration (0-40 kmph)	3.9s	-15% → 3.3s	3.3s	3.3s	-12% → 2.9s

Ather design, develop and manufacture E2Ws. They delivered their 1st scooter model, the Ather 450 in September 2018. Following that, they launched their flagship scooter, the Ather 450X in January 2020; the Ather 450S, their entry-level scooter, in August 2023; and their top-of-the-range scooter, the Ather 450 Apex, in January 2024. With the Ather 450, they introduced connected features through a 3G SIM card, touchscreen dashboard, aluminium chassis and cloud integration for the first time in the E2W industry in India.

With the Ather 450X, Ather improved the model's performance with features such as Warp mode and Bluetooth-based features. The Ather 450X (Generation 3) introduced higher driving range options and the Ather 450X (Generation 3.1) introduced more colour options in January 2023. The Ather 450S, a more affordable model than the Ather 450X, features the DeepView display on the dashboard. With the Ather 450 Apex, they increased the 450 line's acceleration and top speed specifications and introduced new features, such as the Magic Twist, a ride feature that allows riders to utilise the vehicle's throttle for electronic braking regardless of the level of battery charge.

In Fiscal Years 2024, 2023 and 2022, Ather generated revenue from sales of vehicles of ₹1,570.6 crore, ₹1,432.7 crore and ₹370.2 crore, respectively. This represents a CAGR of 106% for the past 3 Fiscal Years. In the 9 months ended December 31, 2024, they generated revenue from sales of vehicles of ₹1,393 crore, as compared to ₹1,015 crore for the corresponding period in 2023, representing a growth of 26%. With the introduction of each new E2W model, they also leveraged their R&D and design capabilities to introduce new features and performance upgrades while lowering their BOM costs.

The Ather Rizta, launched in April 2024, is their 1st convenience scooter model. They commenced delivery of Ather Rizta variants in May 2024, and had sold 56,651 units of these variants as of December 31, 2024.

Company's current E2W product portfolio comprises:

- Ather 450X (2.9 kWh)
- Ather 450X (3.7 kWh)
- Ather 450S
- Ather 450 Apex
- Ather Rizta S
- Ather Rizta Z (2.9 kWh)
- Ather Rizta Z (3.7 kWh)

In addition, in January 2025, they introduced updated versions of the Ather 450 series, featuring performance enhancements such as multi-mode traction control and an increase of up to 14% in range for the Ather 450X 2.9 kWh variant, along with 2 new colour variants across their Ather 450 series. They plan to further expand their product portfolio by launching E2Ws that cater to the broader 2W market with upgraded software features, including electric motorcycles. They

are in the process of developing 2 new E2W platforms that are expected to further improve cost structures and enable them to launch products across a range of scooter and motorcycle segments.

In the 9 months period ended on December 31, 2024, and in FY2024, they performed 272 tests on their battery pack and its components in each period. All of their battery packs are tested to ensure an IPX7 waterproof rating and have undergone a variety of tests. Their E2Ws are certified by relevant authorities and certification organisations, such as ARAI.

They have improved their Ather 450 product line from 2018 to 2024. Between the Ather 450 and the Ather 450 Apex, they have improved the peak battery capacity by 37%, the peak power by 30%, the top speed by 25% and the acceleration from 0-40 kmph by 26%, as of December 31, 2024. They have lowered the BOM cost of this variant by 31% as of December 31, 2024. Meanwhile, compared to the Ather 450X (Gen 3) (3.7 kWh) that was first launched in Fiscal Year 2023, the BOM cost of this variant was reduced by 18% as of December 31, 2024. All E2W purchases come with a standard portable charger that can be plugged into any 6A socket.

BUSINESS MODEL

Ather's business model is founded on 4 key pillars: (i) Their vertically integrated approach to design, (ii) Their software-defined ecosystem, (iii) Their premium positioning, and (iv) Their capital efficient approach to business operations across the value chain. This business model is designed to deliver products focused on quality and user experience.



Vertically integrated approach

Ather has a vertically integrated approach to design focused on delivering quality and user experience. They design and develop in-house, key components of their E2Ws, accessories and the Atherstack, the software that powers them. Their control over all key aspects of their product design enables them to quickly introduce new technologies and deliver an improved user experience. This approach also allows them to control critical aspects of their products' quality, such as battery life, thermal management, build quality and safety. They develop all their products in accordance with the Ather Product Development System ("APDS"). The APDS requires 8 quality reviews prior to the launch of all their products. Their in-house designed hardware includes the vehicle architecture and chassis, battery packs and battery management system ("BMS"), vehicle control unit ("VCU"), touchscreen dashboard, motor controller, transmission, signal harness and fast charging system. Their commitment to the "Make in India" initiative is reflected in their comprehensive in-house development and manufacturing processes.

Software-defined ecosystem

The Atherstack powers their product ecosystem and generates customer engagement by unlocking features related to navigation, analytics, ride assistance, safety and productivity, as well as integration with their charging infrastructure and smart accessories. As of December 31, 2024, their customers had access to 69 features of the Atherstack. The Ather App had the highest App ratings amongst key E2W players in India, scoring a 4.4 out of 5 on the Android App store and a 4.5 out of 5 the Apple App store, as of January 20, 2025. In the 9 months ended December 31, 2024, and in FY2024, 86% and 89% of their E2W owners purchased advanced Atherstack features respectively, while 61% of their users engaged with their connected software features at least once a week during both periods. Revenue from sales of the Atherstack software amounted to 6% of their revenue from operations in the 9 months ended December 31, 2024, and in FY2024, respectively. Further, during the same periods, the Atherstack recorded an EBITDA of 53% and 56%, respectively.

Premium positioning across segments

Company's products are focused on quality and user experience and are positioned at a premium price within their respective segments in the Indian E2W market. They have developed their 2 E2W product lines – the **Ather 450 series** and the **Ather Rizta** – along with their software-defined ecosystem which includes their extensive charging infrastructure and smart accessories, with an aim to provide their customers with a quality user experience. Ather introduced the Ather Grid in every city into which they expanded their distribution network through their retail partner-operated experience centres. Further, in March 2024, they entered into partnership agreement with Google Asia Pacific Pte. Ltd., pursuant to which Google Maps' customers are able to find Ather Grid locations along with their live status starting from July 25, 2024. Their experience centres are designed to provide a curated experience for potential customers. Additionally, their service network is designed to be accessible and efficient, with an average turnaround time of 4.8 hours for their standard periodic maintenance. In FY2024, they introduced their ExpressCare service, which offers expedited vehicle servicing within a maximum turnaround time of 1 hour for standard periodic maintenance.

Their products, despite being positioned at premium prices, recorded an increase in sales volumes to 107,983 in the 9 months ended December 31, 2024, from 74,333 in the 9 months ended December 31, 2023, and to 109,577 in FY2024 from 92,093 in FY2023 and 23,402 in FY2022. They were the 3rd and 4th largest E2W player by sales volume in FY2024 and the 9 months ended December 31, 2024, respectively.

Capital efficient approach across the value chain

Ather employs a capital efficient approach across their value chain with an emphasis on control over design and technology, while maintaining operational flexibility. Their prudent capital deployment approach is focused on ascertaining the reliability of their product platform through testing and achieving scalable cost structures before making higher investments to minimise risk. They operate an asset-light distribution model primarily comprising experience centres and service centres operated by third-party retail partners. This model reduces both their upfront capital investments and operational costs in their distribution network.

PRODUCT ECOSYSTEM

Company's E2Ws

Company's current E2W line-up comprises 2 product lines, the Ather 450 performance scooter line and the Ather Rizta convenience scooter line, with a total of 7 variants.

Performance



Convenience



	450S	450X (2.9 kWh)	450X (3.7 kWh)	450 Apex	RIZTA ⁰	RIZTA ⁰ (2.9 kWh)	RIZTA ⁰ (3.7 kWh)
O-40 km/h	3.9s	3.3s	3.3s	2.9s	4.7s	4.7s	4.7s
Top Speed	90 km/h	90 km/h	90 km/h	100 km/h	80 km/h	80 km/h	80 km/h
Range	122 km	126 km	161 km	157 km	123 km	123 km	159 km

The breakdown of the sales volume by vehicle model for the Fiscal Years indicated:

(in Units)

E2W Model	Price (₹) as at December 31, 2024 (exclusive of tax)	9 months ended Dec'31,		Fiscal Year		
		2024	2023	2024	2023	2022
Ather 450S	1,17,489	15,195	7,824	22,712	-	-
Ather 450X	-	1	39,028	39,067	92,093	23,402
Ather 450X (2.9 kWh)	1,42,647	8,286	8,697	11,249	-	-
Ather 450X (3.7 kWh)	1,57,046	25,835	18,784	35,999	-	-
Ather 450 Apex	1,94,946	2,015	-	550	-	-
Ather Rizta Z (2.9 kWh)	1,28,546	21,388	-	-	-	-
Ather Rizta Z (3.7 kWh)	1,48,547	19,341	-	-	-	-
Ather Rizta S	1,12,046	15,922	-	-	-	-
Total	-	107,983	74,333	109,577	92,093	23,402

(₹ in crore)

Particulars	9 months ended December 31,				Fiscal Year					
	2024		2023		2024		2023		2022	
	Amount	% to Total Revenue	Amount	% to Total Revenue	Amount	% to Total Revenue	Amount	% to Total Revenue	Amount	% to Total Revenue
Ather 450S	174.1	11%	103.5	8%	277.7	16%	-	-	-	-
Ather 450X	-	-	594.3	49%	590.5	34%	1432.7	80%	370.3	91%
Ather 450X (2.9 kWh)	110.2	7%	123.8	10%	157.8	9%	-	-	-	-
Ather 450X (3.7 kWh)	374.0	24%	279.9	23%	535.5	31%	-	-	-	-
Ather 450 Apex	34.5	2%	-	-	9.1	1%	-	-	-	-
Ather Rizta Z (2.9 kWh)	259.2	16%	-	-	-	-	-	-	-	-
Ather Rizta Z (3.7 kWh)	269.5	17%	-	-	-	-	-	-	-	-
Ather Rizta S	171.5	11%	-	-	-	-	-	-	-	-
Total	1,393.0	88%	1,101.5	90%	1,570.6	90%	1,432.7	80%	370.3	91%

Atherstack

The Atherstack is the in-house developed software that powers all Ather products and as of December 31, 2024, offered 69 features related to navigation, analytics, ride assistance, safety and productivity, as well as integration with their charging infrastructure and smart accessories. The Atherstack comprises several layers of software which include algorithms, firmware, middleware, human machine interface ("HMI"), data platforms and mobile applications.

Upon purchase of an E2W, their customers have the option to purchase advanced Atherstack software features through the Pro Pack bundle. The Pro Pack is priced at a fixed fee ranging from ₹13,000 to ₹20,000, depending on the E2W model at the time of purchase. The Pro Pack unlocks Ride Assist features, such as traction control, AutoHold, and theft and tow alerts, and provides 3-year access to Ather Connect features, such as live location sharing and access to OTA software updates. At the end of 3 years, customers have the option to pay a subscription charge to access or continue to access Ather Connect features.

Select Operational and Financial Metrics

Particulars	As of and in the 9 months ended Dec'31,		As at and for the Financial Year ended March 31,		
	2024	2023	2024	2023	2022
Vehicles Sold (Nos.)^	108,000	74,000	110,000	92,000	23,000
Year-on-year growth of Vehicles Sold (%)	45%	Na	19%	294%	373%
Revenue from Operations (₹ Cr)	1,578.9	1,230.4	1,753.8	1,780.9	408.9
Year-on-year growth in Revenue from Operations (%)	28%	Na	(2)%	336%	412%
Adjusted Gross Margin (%)	19%	9%	9%	11%	7%
EBITDA (₹ Cr)	(370.0)	(422.9)	(649.4)	(686.7)	(255.0)
EBITDA Margin (%)	(23)%	(34)%	(36)%	(38)%	(62)%
Revenue Mix - Sale of Vehicles (%)	88%	90%	90%	80%	91%
Revenue Mix - Sale of Non-Vehicle (%)	12%	10%	10%	20%	9%
Revenue per unit of 2-Wheeler Vehicle Sold	129,001	148,180	143,333	155,571	158,192
Profit / (Loss) For the Year (₹ Cr)	(577.9)	(776.4)	(1,059.7)	(864.5)	(344.1)
Profit / (Loss) For the Year Margin (%)	(36)%	(62)%	(59)%	(48)%	(83)%
Working Capital Days (Days)	(48)	(21)	(46)	(21)	(33)
E2W Market Share (%)	10.7%	11.3%	11.5%	10.6%	7.9%

^Figures disclosed have been rounded off. Actual figures are 109,577 (in Fiscal 2024), 92,093 (in Fiscal 2023) and 23,402 (in Fiscal 2022).

Accessories

Company's current accessory offerings include the **Halo smart helmet**, **Halo Bit** and **tyre pressure monitoring system**. The Halo smart helmet offers wireless charging, seamless connectivity and a premium sound system, while maintaining safety standards. They also offer other in-house designed accessories, such as side-steps, bodyguards, seat covers and the Frunk (front storage) for their E2Ws. In addition, the Ather Rizta is equipped with additional accessories designed for convenience, such as a multipurpose charger, storage organiser and back rest.

Charging Infrastructure

Ather is the first 2W OEM to establish a 2W fast charging network in India in 2018 and the Ather Grid is India's widest 2W fast charging network, as of December 31, 2024. Their EV charging solutions comprise (i) the **Ather Grid**, a public charging network of 2,616 fast chargers and 666 neighbourhood chargers spread across 314 cities in India, Nepal and Sri Lanka, as of

December 31, 2024, and (ii) their **portable chargers** for home charging, which are bundled and sold with the E2Ws. They designed their own in-house charging connector technology, the Light Electric Combined Charging System (“**LECCS**”) and protocol, for their fast-charging network.

Technology and R&D

Company’s technology platform is composed of 5 key elements: (i) battery, (ii) powertrain (comprising the motor, controller and transmission), (iii) electronics, (iv) chassis, and (v) the Atherstack.

The breakdown of the cost of key E2W components for the Ather 450X (2.9 kWh) and Ather 450X (3.7 kWh) variants as a percentage of bill of materials (“**BOM**”) for these respective variants as at the dates indicated.

E2W Component	As of Dec’ 31,	As of March 31,		
	2024	2024	2023	2022
Ather 450X (2.9 kWh)				
Mechanical	37%	35%	-	34%
Battery pack	29%	31%	-	29%
Electronics	34%	34%	-	37%
Total	100%	100%	-	100%
Ather 450X (3.7 kWh)				
Mechanical	35%	32%	28%	-
Battery pack	32%	33%	40%	-
Electronics	33%	35%	32%	-
Total	100%	100%	100%	-

As of December 31, 2024, they had 3 R&D facilities in India. Their R&D facilities house testing labs, prototype build labs, battery labs and vehicle testing facilities. Their R&D team comprised 731 on-roll employees as of December 31, 2024.

MANUFACTURING FACILITIES

Ather assembles their E2Ws and manufacture their battery packs using lithium-ion cells sourced from suppliers at their Hosur Factory, which had a total installed capacity of 420,000 E2Ws per year and 379,800 battery packs per year as of December 31, 2024. Their battery pack manufacturing capacity at the Hosur Factory is being expanded to manufacture 531,120 units per year.

Their Hosur Factory is integrated with their manufacturing execution system (“**MES**”) and equipped with industry 4.0 smart manufacturing technologies that feature semi-automated assembly lines. The plant also housed 65 connected machines, 124 smart devices and 108 connected manual stations that monitor 10,953 parameters and checked 300 parameters at the end of the manufacturing line, as of December 31, 2024.

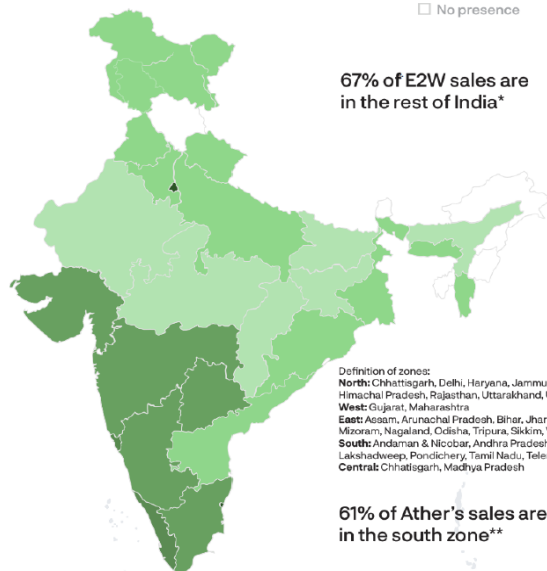
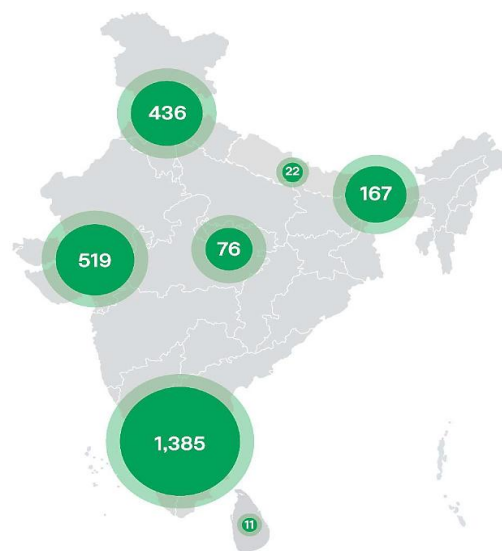
Ather plans to build their Factory 3.0 in Chhatrapati Sambhaji Nagar, Maharashtra, in 2 phases. This facility will be built with industry 4.0 principles of integrating intelligent digital technologies into the manufacturing process. They plan to commence the 1st phase of construction of the Factory 3.0 in May 2025 and plan to commence production at the Factory 3.0 in phases, starting in July 2026. The first phase of construction is expected to be completed by March 2027, following which, it will provide an additional installed production capacity of 0.5 million E2Ws per year. Upon completion of construction for both phases, the total installed capacity from the Hosur Factory and Factory 3.0 is expected to reach a total of 1.42 million E2Ws per year.

The summary of the Hosur Factory’s E2W production and battery pack production capacity statistics respectively:

(in Units, unless otherwise indicated)

Particulars	9 months ended 31 st Dec’		Fiscal Year		
	2024	2023	2024	2023	2022
E2W Production					
Annual Installed Capacity	420,000	420,000	420,000	266,850	113,700
Effective Annual Capacity	379,800	379,800	379,800	232,475	113,700
Actual Production					
– Ather 450S	15,811	7,965	22,814	23	-
– Ather 450X	34,412	64,994	84,814	93,925	22,644
– Ather 450 Apex	1,935	8	688	-	-
– Ather Rizta	59,049	-	28	-	-
Total	111,207	72,967	108,344	93,948	22,644
Capacity Utilisation	39%	26%	29%	40%	20%
Battery Pack Production					

Particulars	9 months ended 31 st Dec'		Fiscal Year		
	2024	2023	2024	2023	2022
Annual Installed Capacity	379,800	379,800	379,800	232,475	121,200
Effective Annual Capacity	379,800	379,800	379,800	232,475	113,700
Actual Production					
– Ather 450S	3,383	559	1,097	10,660	23,100
– Ather 450X	50,979	56,977	73,635	85,593	-
– Ather 450 Apex	63,403	18,225	34,627	-	-
– Ather Rizta	117,765	75,761	109,359	96,253	23,100
Capacity Utilisation	41%	27%	29%	41%	20%

Concentration of Ather's Experience Centres in India

Ather's Charging Infrastructure Across India, Nepal and Sri Lanka


REVENUE FROM OPERATIONS

Revenue from sale of products and services

(₹ in crore)

Particulars	For 9 months ended 31 st Dec'		Year ended 31 st March		
	2024	2023	2024	2023	2022
Sale of finished goods	1,401.0	1,108.8	1,581.9	1,432.7	370.3
Sale of stock-in-trade	74.3	35.0	50.2	207.2	8.9
Sale of services	100.5	85.0	119.0	139.7	29.3
Other operating revenue	3.1	1.6	2.7	1.3	0.4
Total	1,578.9	1,230.4	1,753.8	1,780.9	408.9

Revenue from Operations - Geographical basis

(₹ in crore)

Particulars	For 9 months ended 31 st Dec'		Year ended 31 st March		
	2024	2023	2024	2023	2022
India	1,566.1	1,226.8	1,747.4	1,778.7	408.9
Other countries	12.8	3.6	6.4	2.2	-
Total	1,578.9	1,230.4	1,753.8	1,780.9	408.9

COMPETITIVE STRENGTHS

• Ability to pioneer new technologies

Ather entered the market in 2018 with the Ather 450 model and has introduced several technologies 1st to the E2W market. They were also the 1st OEM to introduce an electric scooter with a high speed of 80 kmph, 1st OEM to establish its own fast charging network (Ather Grid) and also the 1st OEM to develop a smart helmet (Halo).

Ather invested ₹238.8 crore, ₹163.7 crore, ₹236.5 crore, ₹191.6 crore and ₹101 crore in R&D in the 9 months ended December 31, 2024, and 2023 and FY 2024, 2023 and 2022, respectively. As of December 31, 2024, their R&D team had 731 on-roll employees who made up 46% of the total workforce. They were the 3rd and 4th largest E2W manufacturer by sales in

India as of March 31, 2024, and December 31, 2024, respectively. They seek to further expand their market share with the launch of their latest convenience scooter, the **Ather Rizta** to serve a broader range of customers.

- **E2Ws are positioned at a premium price within their respective segments in the Indian E2W market**

Company's focus on quality and user experience enables them to position their E2Ws at a premium price. As of December 31, 2024, they had 4,535 unique tests to validate all components of their E2W. Their service network is designed to be accessible and efficient, with an average turnaround time of 4.8 hours for their standard periodic maintenance in the 9 months ended December 31, 2024. The company announced the launch of **Ather Gold service centres** in December 2024, which designed to provide an upgraded service experience. The 1st Ather Gold service centre was opened in Trivandrum Kerala, India in January 2025.

Company's investments in ensuring quality and user experience allow them to command a premium price for their E2Ws in each of their respective segments. This is reflected in their sales growth to 107,983 E2Ws in the 9 months ended December 31, 2024, from 23,402 E2Ws in Fiscal Year 2022.

- **Vertically integrated approach to product design with strong in-house R&D capabilities**

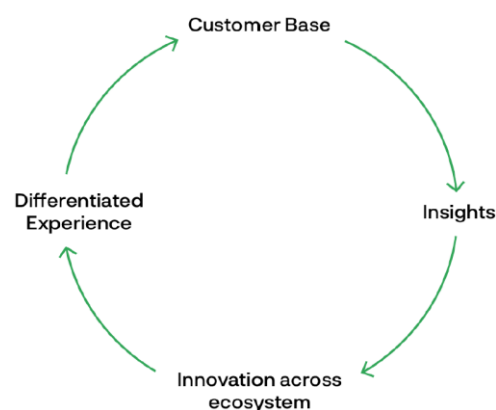
Company's control over the design of key components of their E2Ws and accessories, including the underlying software, gives them speed to market, control over quality, cost management capabilities, access to partnerships with large technology companies and the ability to deliver an improved user experience.

They made 204 component upgrades in Fiscal Year 2024 via engineering changes, which enabled them to drive higher sales volumes and adapt to market developments. During Fiscal Year 2024, they also implemented 91 engineering modifications, further reducing their bill of materials ("BOM") costs. Additionally, in April 2024, they launched the Ather Rizta series, which features an average BOM cost that is 7% lower than that of the Ather 450 series as of December 31, 2024.

- **Software-defined ecosystem that drives customer engagement and margins**

The in-house developed Atherstack, the software-defined ecosystem aims to improve user experience and drive customer engagement. The continued innovation and improvements to their product ecosystem generate a flywheel effect. Continuous technological upgrades enhance the products' appeal to customers, enabling them to grow their customer base and harness more user data.

Ather receive data from multiple sources such as the Ather App, their E2Ws, charging infrastructure, smart accessories and other information systems. The data from these sources is processed by the Ather Data Platform, which gives them intelligence on customer cohort usage patterns, product performance, post-sales journey and charging insights.



As of December 31, 2024, 86% of customers who purchased the E2Ws also purchased access to the advanced features of the Atherstack. They had 308,067 monthly active users on the Ather app, as of December 31, 2024.

- **Scalable technology platform enabling accelerated product launches**

As of December 31, 2024, company's scooters based on the Ather 450 platform have clocked 4.11 billion kilometres since launch. Their technology platform offers scalability, adaptability and cost structures that accelerate the development of new products. While they have accelerated their product launch times, they have maintained their focus on quality controls for their products. As of December 31, 2024, their batteries' median state of health remained at 88% in scooters that are between 5 and 6 years old.

- **Capital efficient and flexible operations**

Company's business model aims to prioritise sustainability and flexibility, giving them the ability to respond to evolving market trends and customer demands. They place an emphasis on financial prudence in working capital management, as evidenced by their 48 days and 46 days of favourable working capital days in the 9 months ended December 31, 2024, and in Fiscal Year 2024, respectively. They procure lithium-ion cells from third-party suppliers to avoid upfront capital investments into cell manufacturing. Their approach to out-source certain components has allowed them to allocate more of their capital and resources into expanding their product portfolio and developing other vehicle and manufacturing technologies. As of December 31, 2024, the Hosur Factory had a total installed capacity of 420,000 units p.a. for vehicle assembly and 379,800 units p.a. for battery pack manufacturing.

- ***Experienced management team and long-term investors committed to strong corporate governance standards***

The Company is led by Tarun Sanjay Mehta and Swapnil Babanlal Jain, and an experienced management team, who are committed to upholding their corporate governance standards. Their 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. Their management team is committed to and is focused on growing their business.

KEY BUSINESS STRATEGIES

- ***Strategic expansion of the product portfolio through multi-product technology platforms***

They are currently developing 2 new E2W platforms: a new scooter platform (the **EL platform**) and a motorcycle platform (the **Zenith platform**). The EL platform, which is in an advanced stage of development, will serve as a more cost-effective and versatile platform for their scooter lines.

The EL platform will allow them to develop a diverse range of scooter models tailored to various domestic and international markets needs and reduce their costs. The Zenith platform, which is designed to support new E2W models targeting the 125 cc to 300 cc motorcycle segments.

Further, they are in the process of designing a new battery platform using the lithium-iron phosphate (“**LFP**”) cathode chemistry to augment their existing battery platform. This new battery platform is expected to be compatible with some of their existing products and leverage the price difference between LFP and nickel-based chemistries.

- ***Expand and deepen the distribution network in India and beyond***

Ather plans to continue to leverage on their asset-light distribution model to quickly expand and deepen their distribution network while maintaining their focus on quality and customer satisfaction. To ensure their customers have easy access to service centres, they aim to achieve a ratio of service centres to experience centres of greater than one. As they grow their distribution network, they plan to continue offering marketing support and training to the sales agents and technicians at their retail partners’ experience centres and service centres to ensure a consistent and high-quality customer service.

As of December 31, 2024, they had 5 experience centres and 4 service centres in Nepal, and 10 experience centres and one service centre in Sri Lanka operated by their authorised distributors.

- ***Improving operational efficiency and manufacturing capabilities through the establishment of the Factory 3.0***

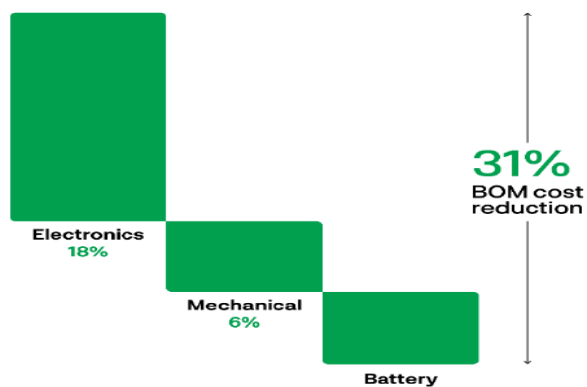
E2W demand in India is projected to reach approximately 1.03 crore to approximately 1.23 crore units by FY2031. Based on this expected growth rate, Ather plan to scale up their production capacity to meet the projected demand through the establishment of their Factory 3.0. Ather plans to commence the 1st phase of construction of the Factory 3.0 in May 2025 and plan to commence production at the Factory 3.0 in phases, starting in July 2026. Upon completion of construction for both phases, their total installed capacity from the Factory 3.0 is expected to reach 1 million E2Ws per year.

In Factory 3.0, aside from the available production processes, Ather plans to introduce backward integrations of certain processes such as transmission assembly, electronics assembly and painting. Further, by locating Factory 3.0 in a different region, they also seek to mitigate the impact of possible regional disruptions because of geographical concentration.

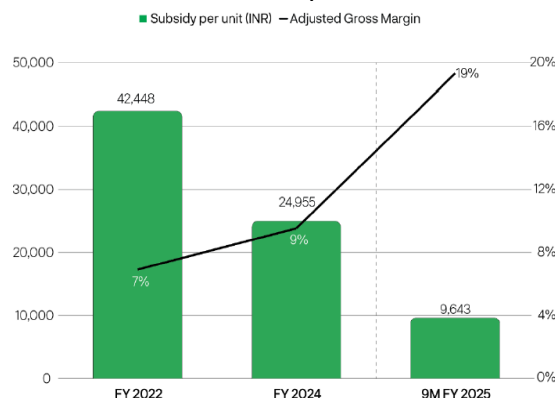
- ***Continue the focus on unit economics***

Company’s revenue from operations improved by 329% between FY2022 and FY2024, and by 28% between the 9 months ended December 31, 2024, and December 31, 2023. They have focused on improving gross margins through the reduction of the BOM cost of their E2Ws through investments in the R&D capabilities and technologies. They have focused on improving gross margins through the reduction in the BOM cost of their E2Ws through investments in their R&D capabilities and technologies. They have strategically increased the number of key components they design in-house to improve their cost structures. In addition, in April 2024, they launched the Ather Rizta series, which features an average BOM cost that is 7% lower than that of the Ather 450 series of scooters.

Apart from conducting production trials for their LFP-based battery packs in December 2024, they are in the process of developing Grid 3.0, the next iteration of their fast-charging system, which is focused on delivering higher charging power and further reducing the BOM cost of their fast chargers.

Reduction of BOM Cost for Ather 450X (2.9 kWh)


Note: BOM cost reduction on the Ather 450X (2.9 kWh) variant from the start of production in FY2021 to the end of FY 2024.

Adjusted Gross Margins and Subsidies under the FAME/EMPS/PM E-DRIVE Scheme per E2W


• **Securing the cell supply chain through long-term partnerships**

The company signed a MOU with LG Energy Solution Ltd in February 2023 for the supply of lithium-ion cells and access to their latest cell technologies. Further, on August 1, 2024, they signed a non-binding and non-exclusive MOU with Amara Raja Advanced Cell Technologies Pvt Ltd ("ARACT"), a wholly owned subsidiary of Amara Raja Energy & Mobility Ltd., pursuant to which ARACT will provide samples or prototypes of products involving NMC and/or LFP lithium-ion cells to them for testing and validation. Once the products have been validated, ARACT will enter into a definitive business arrangement with Ather before commencing manufacture of the developed cells.

• **Continue to build the 'Ather' brand**

Ather has focused on building Ather into a brand which delivers quality user experience at every touchpoint, including Ather Space Experience Centres, digital touchpoints such as websites and social media, Atherstack software experiences and the Ather app. To further strengthen their brand strategy as a pure EV company focused on delivering high levels of service, they had the widest footprint among 2W fast charging networks in India, as of December 2024.

Their engagement strategy will focus on

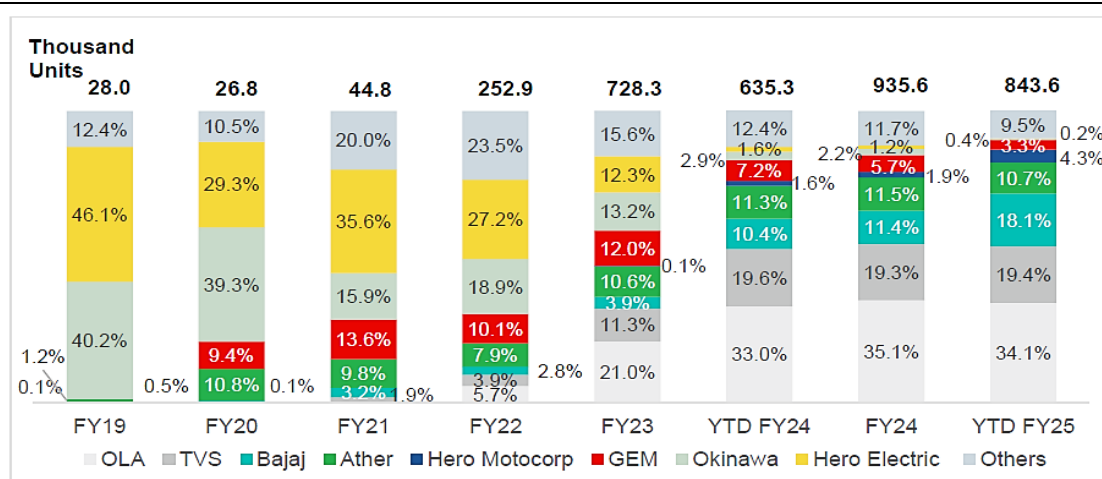
- Targeting customers through the Ather 450 portfolio by building on their established performance credentials;
- Targeting customers through the Ather Rizta by emphasising features around comfort, convenience and safety;
- Focusing on the core brand values such as quality, reliability and an enhanced user experience for all product offerings;
- Expanding their charging infrastructure to remove adoption barriers for their E2Ws.

Ather has added 799 chargers to their Ather Grid in the 9 months ended December 31, 2024, with 425 chargers being added in 3 months ended December 31, 2024, alone. They had 249,042 community members as of December 31, 2024.

• **Pursue Selective Strategic Partnerships and Acquisitions**

In addition to growing their business organically, Ather may also pursue strategic partnerships and targeted acquisitions that complement their product portfolio, enhance their software and other service offerings or strengthen or establish their presence in their targeted overseas markets. Any acquisition will be subject to diligence by them and obtaining any required corporate, lender and regulatory approvals

COMPETITIVE LANDSCAPE OF THE 2W/E2W INDUSTRY



Note: YTD FY25: Apr – Dec 2024 and YTD FY24: Apr – Dec 2023; Source: VAHAN, Crisil Intelligence

India's 2-wheeler industry has traditionally been a market with only few major players, wherein the Top 4 players have contributed to more than 80% of the annual sales. However, over the years, the competition has intensified within the industry, especially, with the entry of new age players in the electric scooter segment like **Ola**, **Ather**, **Okinawa** and **Ampere** catering to the fast-expanding segment of EVs.

The E2W segment has been highly concentrated with a few players primarily catering to the entire segment. During fiscal 2019, a few OEMs like Hero Electric and Okinawa completely dominated the market with more than 80% of the market share. Over the years, with the entry of new players, EV launches from legacy ICE OEMs as well as expansion in EV portfolio of players, competition intensified within the EV space.

High speed vehicles offered initially by **Hero Electric** and **Okinawa** offered relatively lower speed and acceleration compared to the ICE counterparts. **Ather Energy** entered the market in fiscal 2019 with its 450 model which offered comparable power and acceleration as an ICE vehicle along with internet connectivity and "smart" features. This helped Ather achieve ~11% market share in fiscal 2020 and they have managed to maintain that share through multiple updates to the Ather 450 line, despite the intensifying competition in the next 4 years. **Ather Energy** had a 11.5% market share in fiscal 2024. It is the 3rd largest E2W manufacturer in India by sales market share, after **Ola** and **TVS**, as of fiscal 2024.

Intermittent launches, technology rich products, expansion in retail network and development of the overall E2W ecosystem has helped the company maintain its momentum in the market. Amidst the intensified competition, **Ather Energy** has lost share from 11.3% to 10.7% in Apr-Dec of fiscal 2025 as compared to same period last year.

Ola entered the EV market in fiscal 2022 and expanded its presence at a very fast pace and became the leading contributor to EV retails in India. Expansion in product portfolio and distribution network thrust the contribution of Ola in E2W market. As of fiscal 2024, Ola has the market leadership in E2W sales with a share of 35.1%. In Apr - Dec of fiscal 2025 Ola share decreased to 34.1%. However, compared to the Apr-Dec of fiscal 2024, Ola's share has increased from 33.0% to 34.1% in Apr-Dec of fiscal 2025.

The legacy OEMs have also entered the EV space. **TVS introduced the iQube model** in fiscal 2020 and has gradually increased its supply over the years. Its model iQube received healthy traction helping them clock 2nd highest retails during fiscal 2024. It has maintained 2nd highest market share in Apr - Dec of fiscal 2025.

Bajaj's Chetak EV was introduced in Q4 of fiscal 2019. The company gradually expanded its presence across the country in the next few years. With increased company focus, coverage expansion and higher production, the company's share increased to 10.4% during Apr-Dec period of fiscal 2024 and 11.4% in fiscal 2024 and the share further expanded to 18.1% in Apr - Dec of fiscal 2025.

Ampere entered the market in fiscal 2020 and gradually expanded its presence in the E2W space. In fiscal 2023, company's contribution reached 12% levels. However, amidst the increased competition, the company lost some ground during Apr-Dec of fiscal 2024 and full year fiscal 2024 to 7.2% and 5.7% respectively and the share further reduced to 3.3% in Apr - Dec of fiscal 2025.

HMCL entered the EV segment with **VIDA** in fiscal 2023. In the two years, the company's contribution has increased to ~2% by fiscal 2024. Its share increased to ~4% in Apr - Dec of fiscal 2025 amidst increased traction for its VIDA models.

In late November 2024, **HMSI** entered the electric scooter market with the launch of the **Activa e** model featuring swappable batteries, and the QC1 model equipped with a fixed battery system. Deliveries for the same started in February 2025 in some selected cities in India. This move is expected to further boost the electric vehicle market. Erstwhile leading contributors in the E2W industry, **Hero Electric** and **Okinawa** faced stiff competition from newer entrants and increased focus from other legacy 2-wheeler manufacturers. From a high base, their share contracted in the next 3 years.

The market share of the company and other E2W players in the Indian market for the periods indicated:

Particulars	For 9 months ended 31 st Dec'		Year ended 31 st March		
	2024	2023	2024	2023	2022
Ather Energy Ltd	10.7%	11.3%	11.5%	10.6%	7.9%
Ola Electric Mobility Ltd	34.1%	33.0%	35.1%	21.0%	5.7%
TVS Motor Company Ltd	19.4%	19.6%	19.3%	11.3%	3.9%
Bajaj Auto Ltd	18.1%	10.4%	11.4%	3.9%	2.8%
Hero Motocorp Ltd	4.3%	1.6%	1.9%	0.1%	0.0%
Greaves Electric Mobility Ltd (Ampere)	3.3%	7.2%	5.7%	12.0%	10.1%
Okinawa Autotech Private Ltd	0.4%	2.9%	2.2%	13.2%	18.9%
Hero Electric Private Ltd	0.2%	1.6%	1.2%	12.3%	27.2%
Others	9.5%	12.4%	11.7%	15.6%	23.5%

COMPARISON WITH INDUSTRY PEERS (AS ON 31ST MARCH 2024)

Company	Consolidated / Standalone	Face Value (₹)	Revenue from Operations for Fiscal 2024 (₹ Cr)	Closing Price on Mar'28, 2025 (₹)	EPS – Basic & Diluted (₹)	NAV (₹ per Share)	P/E (x)	RONW (%)
Ather Energy Ltd	Restated	1	1,753.8	NA	(47)	24	[●]	(194)%
Hero MotoCorp Ltd	Consolidated	2	37,788.6	3,723	187	884	20	21%
Bajaj Auto Ltd	Consolidated	10	44,870.4	7,879	273	935	29	29%
Ola Electric Mobility Ltd	Consolidated	10	5,009.8	53	(4)	6	NA	(78)%
TVS Motors Ltd	Consolidated	1	39,144.7	2,420	36	143	68	26%
Eicher Motors Ltd	Consolidated	1	16,535.8	5,348	146	657	37	22%

Source: RHP; All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis)

KEY PERFORMANCE INDICATORS (“KPIs”)

Consolidated KPIs	Ather			Ola			Bajaj		
	9 months ended Dec'31, 2024	FY2024	FY2023	9 months ended Dec'31, 2024	FY2024	FY2023	9 months ended Dec'31, 2024	FY2024	FY2023
Vehicles sold (Nos.)	108,000	110,000	92,000	308,000	330,000	156,000	3,548,000	4,351,000	3,923,000
Out of which 2W	108,000	110,000	92,000	308,000	330,000	156,000	3,039,000	3,728,000	3,438,000
Vehicles sold growth (Year-on-year)	45%	19%	294%	44%	112%	643%	8%	11%	(9)%
Out of which 2W	45%	19%	294%	44%	112%	643%	8%	8%	(10)%
Revenue from Operation (₹ in Cr)	1,579	1,754	1,781	3,903	5,010	2,631	38,348	44,870	36,455
Revenue growth (Year-on-year) (%)	28%	(2)%	336%	14%	90%	605%	15%	23%	10%
Adjusted Gross Margin (%)	19%	9%	11%	24%	16%	8%	32%	31%	31%
EBITDA (₹ in Cr)	(3,700)	(649)	(687)	(743)	(1,034)	(1,101)	8,277	10,465	8,167
EBITDA margin (%)	(23)%	(36)%	(38)%	(18)	(20)%	(40)%	21%	23%	22%
Revenue mix									
Sale of Vehicles (%)	88%	90%	80%	Na	92%	88%	Na	Na	Na
Sale of non-vehicle (%)	12%	10%	20%	Na	8%	12%	Na	Na	Na
Revenue per unit of 2-wheeler vehicle sold (₹)	129,901	143,333	155,571	Na	139,503	147,654	Na	Na	Na
Profit/(Loss) for the year (₹ in Cr)	(578)	(1,060)	(865)	(1,406)	(1,584)	(1,472)	5,523	7,708	6,060
Profit/(Loss) for the year Margin (%)	(36)%	(59)%	(48)%	(33)%	(30)%	(53)%	14%	17%	16%
Working capital days	(48)	(46)	(21)	Na	(23)	(6)	Na	(21)	(18)
E2W market share	11%	11%	11%	34%	35%	21%	18%	11%	4%

Consolidated KPIs	Hero			TVS			Eicher		
	9 months ended Dec'31, 2024	FY2024	FY2023	9 months ended Dec'31, 2024	FY2024	FY2023	9 months ended Dec'31, 2024	FY2024	FY2023
Vehicles sold (Nos.)	4,519,000	5,621,000	5,329,000	3,527,000	4,191,000	3,682,000	722,000	912,000	824,000
Out of which 2W	4,519,000	5,621,000	5,329,000	3,429,000	4,045,000	3,513,000	722,000	912,000	824,000
Vehicles sold growth (Year-on-year)	7%	5%	8%	13%	14%	11%	6%	11%	38%
Out of which 2W	7%	5%	8%	14%	14%	12%	6%	11%	38%
Revenue from Operation (₹ in Cr)	30,954	37,789	34,158	32,843	39,145	31,974	13,629	16,536	14,442
Revenue growth (Year-on-year) (%)	10%	11%	16%	13%	22%	31%	11%	15%	40%
Adjusted Gross Margin (%)	35%	34%	31%	40%	38%	35%	49%	49%	45%
EBITDA (₹ in Cr)	5,043	6,084	4,666	4,852	5,606	4,165	4,831	5,851	4,354
EBITDA margin (%)	16%	16%	13%	15%	14%	13%	33%	33%	29%
Revenue mix									
Sale of Vehicles (%)	Na	83%	83%	Na	75%	76%	Na	85%	85%
Sale of non-vehicle (%)	Na	17%	17%	Na	25%	24%	Na	15%	15%
Revenue per unit of 2-wheeler vehicle sold (₹)	Na	55,731	53,294	Na	Na	Na	Na	153,810	149,468

Consolidated KPIs	Hero			TVS			Eicher		
	9 months ended Dec'31, 2024	FY2024	FY2023	9 months ended Dec'31, 2024	FY2024	FY2023	9 months ended Dec'31, 2024	FY2024	FY2023
Profit/(Loss) for the year (₹ in Cr)	3,207	3,742	2,800	1,683	1,779	1,309	3,372	4,001	2,914
Profit/(Loss) for the year Margin (%)	10%	10%	8%	5%	5%	4%	23%	23%	19%
Working capital days	Na	(23)	(19)	Na	(42)	(40)	Na	(16)	(18)
E2W market share	4%	2%	0%	19%	19%	11%	Na	Na	Na

Restated Consolidated Summary of Cash Flows

	9 months ended Dec'31, 2024		For the year ended March 31,		
	2024	2023	2024	2023	2022
Profit before tax	(577.90)	(776.40)	(1,059.70)	(864.50)	(344.10)
Adjustments Related to Non-Cash & Non-Operating Items	276.20	228.60	355.90	370.10	144.90
Operating Profits before Working Capital Changes	(301.70)	(547.80)	(703.80)	(494.40)	(199.20)
Adjustments for Changes in Working Capital	(414.20)	(27.50)	436.30	(375.50)	(28.50)
Net cash generated from operations before tax	(715.90)	(575.30)	(267.50)	(869.90)	(227.70)
Income tax paid (net)	(1.20)	(1.00)	(0.10)	(1.40)	(0.70)
Net cash generated from operating activities	(717.10)	(576.30)	(267.60)	(871.30)	(228.40)
Net cash used in investing activities	(310.20)	(386.80)	(228.10)	(135.00)	(6.60)
Net cash used in financing activities	805.90	642.20	633.20	1317.40	230.70
Net (decrease) / increase in cash and cash equivalents during the period	(221.40)	(320.90)	137.50	311.10	(4.30)
Add: Cash and cash equivalents as at the beginning of the period	227.90	82.60	82.60	57.40	5.30
Add: Cash & Bank Acquired in Business Combinations	278.10	285.90	285.90	-	56.40
Cash and cash equivalents as at the end of the period	284.60	47.60	506.00	368.50	57.40

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