



## IPO Note

# Ather Energy Limited

Recommendation: **NEUTRAL!**

### Company Background –

- **Incorporation:** Ather Energy was originally incorporated on Oct 21, 2013. The registered office is located at Bengaluru, Karnataka.
- **Business Activity:** The company is engaged in the business of manufacturing, design and sell premium electric two-wheeler, battery packs, charging infrastructure, and supporting software systems.
- **Human Resource:** The company had 495 permanent employees, 602 contract personnel and 148 apprentices, interns and fixed term contract personnel as of Sep 30, 2024.

### Objects of the Issue –

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

### Promoters Name –

Tarun Sanjay Mehta, Swapnil Babanlal Jain and Hero Motocorp Limited

### Rationale for recommendation –

- ✓ The PE ratio has remained negative.
- ✓ The top line has increased over the years.
- ✓ The company has incurred loss since inception.
- ✓ The company had negative profitability margins.
- ✓ Overall, the financials of the company look unsustainable.
- ✓ The company has established a good presence in the EV sector.
- ✓ The management overview is satisfactory
- ✓ The industry is expected to grow at a CAGR of 41%.

### IPO Details

Opening Date	Apr 28, 2025
Closing Date	Apr 30, 2025
Allotment Date	May 02, 2025
Listing Date	May 05, 2025
Stock Exchange	BSE, NSE
Lot Size	46 Shares
Issue Price Per Share	₹304 to ₹321
Issue Size	2,980.76 Cr.
Fresh Issue	2,626.00 Cr.
Offer for Sale	354.76 Cr.
	₹ 14,766 –
Application Amt	₹ 1,91,958 (46 to 598 shares)

### INDUSTRY – Electric Two-Wheeler

Avg. PE ratio as per RHP – 38.50

	KPIs (In Crores)			
KPI's	FY 22	FY 23	FY 24	Dec-24
Revenue	408.90	1,780.90	1,753.80	1,578.90
EBITDA	-259.90	-707.60	-859.30	-408.50
Net Profit	-344.10	-864.50	-1,059.70	-577.90
RoCE	-72.68%	-85.70%	-120.18%	-26.32%*
ROE	-153.00%	-140.87%	-194.12%	-30.26%*
P/E	-	-	-	-

\*Annualized

### Promoter Share Holding Pattern

Pre-Issue	Post Issue
52.67%	42.09%

### Valuation Parameters

Particulars	Pre-Issue	Post Issue*
EPS	-47.00	-20.65
BVPS	49,166.45	68.25
P/E	-	-
P/BV	0.01	4.70
Mkt Cap (In Cr)	9,329.66	11,955.66

\*Annualized

### Lead Managers –

- Axis Capital Limited
- HSBC Securities and Capital Markets (India) Private Limited
- JM Financial Limited
- Nomura Financial Advisory and Securities (India) Private Limited

### Registrar –

MUFG Intime India Private Limited

Business Overview –

Ather Energy Limited is a pioneer in the Indian electric two-wheeler (E2W) market, recognized for developing a fully integrated EV ecosystem. Ather designs, manufactures, and sells premium electric scooters along with an array of related products including in-house developed software (Atherstack), smart accessories, and India’s largest two-wheeler fast-charging network (Ather Grid).

Manufacturing Facility:

Ather assembles its E2Ws and manufactures its battery packs at its Hosur Factory in Tamil Nadu. As of Dec 31, 2024, it had an annual installed capacity of 4,20,000 E2Ws and 379,800 battery packs, which is being expanded to 5,31,120 units per annum for batteries. Additionally, Ather is building "Factory 3.0" in Chhatrapati Sambhajinagar, Maharashtra, with a phased plan to expand total installed capacity to 1.42 million E2Ws per year.

Business Model: The business model consists of

- (i) **Vertically Integrated Approach:** Designs key hardware (battery packs, BMS, electronics, chassis) and software (Atherstack) in-house, ensuring quality control and faster innovation.
- (ii) **Software-Defined Ecosystem:** Atherstack software integrates scooters, mobile apps, and charging, enabling over-the-air (OTA) updates, navigation, analytics, and ride-assist features. Advanced features are monetized through the Pro Pack subscription.
- (iii) **Premium Positioning:** Focuses on high-quality, performance-driven scooters at premium price points.
- (iv) **Capital-Efficient Operations:** Asset-light retail network with third-party operated experience and service centres; localized supply chain; and outsourcing of non-IP sensitive manufacturing processes.

Product Portfolio:

E2Ws:

- **Ather 450 Series:** Premium performance scooters including Ather 450X (2.9kWh and 3.7kWh variants), Ather 450S (entry-level model), and Ather 450 Apex (flagship performance model). These models offer features such as multi-mode traction control, Magic Twist (electronic braking via throttle), Warp mode, Bluetooth-based features, and higher driving ranges.
- **Ather Rizta Series:** Launched in April 2024, targeting the convenience/family segment with features like large seating, WhatsApp dashboard integration, Alexa Skills, traction control, flat floorboard, and up to 56L storage.



The sales volume as of Dec 31, 2024 remained at 1,07,983 units.

Atherstack Software:

The Atherstack is software that is developed in-house which powers EVs, charging infrastructure, accessories and mobile applications, such as the Ather app and the Ather Grid app. Customers are able to purchase the Atherstack software through the Pro Pack bundle for a fixed fee ranging from ₹13,000 to ₹20,000 at the time of purchasing the E2W, as of Dec 31, 2024.

Accessories:

It includes Smart helmet, Multipurpose Charger, Backrest, Boot Storage Organizer, Frunk, Seat covers, Throttle grip cover, Bodyguard, TPMS, Sidestep, Inflator and Duo Charger.

### **Batteries:**

The company currently manufacture two sizes of battery packs, 2.9 kWh and 3.7 kWh batteries.

### **Powertrains:**

The powertrain comprises the ADC, permanent magnet synchronous motor (“PMSM”) and a two-stage synchronous belt transmission system. The Ather 450 platform’s powertrain caters to products with a peak power range of 4.3 kW to 7 kW and a peak torque range of 170N-m to 210N-m.

### **Electronics:**

The electronic modules include the VCU, DC-DC converter, touch screen dashboard, charging systems, harnesses and smart helmet platform.

### **Chassis:**

The 450 chassis, used in current E2W line-up of Ather 450 models and the Rizta model, is a hybrid aluminium and steel chassis.

## **Competition -**

- 1. Market Competition:** The industry is highly competitive and the key factors of competition are financial expertise, technical, manufacturing, marketing and other resources.
- 2. Geographic Competition:** The company faces competition from domestic and multinational automobile manufacturers in India and outside India.
- 3. Barriers to entry:** Moderate barriers to entry.
- 4. Threat of Substitutes:** High threat of substitutes.
- 5. Bargaining Power of Buyers:** The bargaining power is high with the customers.
- 6. Bargaining Power of Suppliers:** The bargaining power is low with the suppliers.

## **Business Strategies -**

1. The company is currently developing two new E2W platforms: a new scooter platform (the EL platform) and a motorcycle platform (the Zenith platform).
2. The company is in the process of designing a new battery platform using the lithium-iron phosphate (“LFP”) cathode chemistry to augment existing battery platform.
3. The company plans to continue to increase market penetration by opening more experience and service centres in regions.
4. The company intends to commence the first phase of construction of the Factory 3.0 in May 2025 and plan to commence production starting in July 2026.
5. The company has increased number of key components designed in-house to improve cost structures.
6. The company’s outsourcing approach allows for additional flexibility with respect to the incorporation of new technologies.
7. The company has built 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.

## **Risk Factors -**

1. The company has incurred loss since inception and there is no assurance that the company will achieve profitability in the future.
2. The company has incurred negative cash flow from operations since incorporation.
3. The future growth of the company is dependent on the demand for and adoption of electric two-wheelers.
4. The company has 36 cases against it for criminal and tax matters amounting to Rs. 116.20 Cr.
5. The promoters have 85 cases against them for criminal, tax and statutory matters amounting to Rs. 10,143.86 Cr.
6. The company has geographic concentration in the southern region of India constituting to 65%, 66%, 68% and 61% in FY22, FY23, FY24 and Dec-24.
7. The contingent liabilities as of Dec 31, 2024 is amounting to Rs. 60.8 Cr.
8. The company is highly dependent on top 10 suppliers in FY2024 constituting to 73% for their raw materials.

**INDUSTRY OVERVIEW -****Two-Wheeler Industry in India:**

India is the **largest motorized two-wheeler (2W) market in the world** by volume, with domestic sales reaching **18.4 million units in Fiscal 2024**. The two-wheeler segment dominates India's auto market, contributing **~73%** of total automobile volumes. Over the years, the industry has evolved significantly, driven by factors such as affordability, evolving customer preferences, premiumization trends, and a growing shift toward electrification.

**Market Size and Growth**

- **Historical Growth:**
  - From **Fiscal 2009 to Fiscal 2024**, the domestic two-wheeler industry grew at a **CAGR of 6.2%**.
  - Within that, the decade from **Fiscal 2009 to 2019** witnessed a faster **CAGR of 11.1%**, reaching a historic peak of **21.2 million units**.
- **Recent Trends:**
  - Between **Fiscal 2019 and Fiscal 2024**, ICE two-wheelers saw a **CAGR contraction of 3.7%**, while EV two-wheelers (E2Ws) registered an explosive **CAGR of 101.7%** from a low base.
  - In the **Apr-Dec 2025 period**, EV penetration stood at **5.5%** of total 2W sales, with **0.84 million EV units** sold.
- **Future Outlook (Fiscal 2025–2031):**
  - Total two-wheeler sales are projected to grow at a **CAGR of ~7%**, reaching **29–30 million units by Fiscal 2031**.
  - **EV two-wheelers** are expected to clock a **CAGR of ~41%**, while **ICE two-wheelers** are expected to grow at **~2%**.
  - **EV penetration** is forecast to reach **~35%** of total two-wheeler sales by Fiscal 2031 under the base case, and up to **~40%** in an optimistic scenario.

**Electrification Trends**

- **Evolution:**
  - Initial EVs were low-speed models (<25 km/h), but post-2018, high-speed EVs with better range, connectivity, and performance features led to real growth.
- **Battery and Technology Improvements:**
  - Range improvements from **60–75 km** per charge in 2018 to **100–150 km** in 2025.
  - Advancements like touchscreens, OTA updates, traction control, and smart helmets enhanced customer appeal.
- **Key Players:**
  - Non-traditional players like **Ola, Ather, Okinawa**, and **Ampere** have driven much of the EV momentum.

**Government Initiatives Supporting Growth**

- **FAME II Scheme:** Provided initial ₹10,000/kWh subsidy, later increased to ₹15,000/kWh for E2Ws to boost affordability.
- **PM E-drive Subsidy:** Aims to continue incentivizing EV adoption post FAME-II expiration.
- **GST Reductions:** Lowered GST rates for EVs (5%) compared to ICE vehicles.
- **State-level Subsidies:** Several states including Delhi, Maharashtra, and Gujarat offer additional EV purchase incentives and tax exemptions.
- **Standardization Efforts:** Launch of LECCS (Light Electric Combined Charging System) as a **national standard** enables interoperability of chargers across brands, further supporting EV adoption.

**Key Management -**

<b>Key Management Persons Name -</b>	<b>Tarun Sanjay Mehta</b>
<b>Age</b>	35
<b>Designation and No. of experience</b>	Promoter, Executive Director and CEO, 10 years of experience in electric vehicles sector
<b>Qualification</b>	Bachelor's and Masters' degree in technology in engineering design
<b>Other Directorships</b>	-

<b>Key Management Persons Name -</b>	<b>Swapnil Babanlal Jain</b>
<b>Age</b>	35
<b>Designation and No. of experience</b>	Promoter, Executive Director and Chief Technical Officer, 10 years of experience in electric vehicles sector
<b>Qualification</b>	Bachelor's and Masters' degree in technology in engineering design
<b>Other Directorships</b>	-

<b>Key Management Persons Name -</b>	<b>Neelam Dhawan</b>
<b>Age</b>	65
<b>Designation and No. of experience</b>	Chairperson and Independent Director, 18+ years of experience in IT sector
<b>Qualification</b>	Bachelor's degree in arts (economics) and MBA degree
<b>Other Directorships</b>	Hindustan Unilever Limited, Fractal Analytics Limited, ICICI Bank Limited etc.

- The overall management of the company is satisfactory.
- The management and promoters have good experience.
- Niranjana Kumar Gupta, Nilesh Shrivastava, Pankaj Sood and Ram Kuppaswamy are Non-Executive Directors (Nominee) of the company. They also have relevant experience and education in their respective fields.
- Kaushik Dutta, Neelam Dhawan, and Sanjay Nayak are Independent Directors of the Company. They also have vast experience and education in their respective fields.
- **Sohil Dilipkumar Parekh (CFO)**, has passed the examination for bachelor's degree in commerce and a bachelor's degree in law and is a member of ICAI.
- **Puja Aggarwal (CS)**, is a member of ICAI and holds bachelor's degree in business management.
- The senior management consists of Chief Procurement Officer, Chief Operating Officer, Chief Business Officer, Chief Human Resource Officer and Head – Product Management.



## FINANCIAL SNAPSHOT

## Statement of Profit and Loss

Amt in Crores

Particulars	FY 22	FY 23	FY 24	Dec-24
Revenue from Operations	408.90	1,780.90	1,753.80	1,578.90
Other Income	4.90	20.90	35.30	38.50
<b>Total Income</b>	<b>413.80</b>	<b>1,801.80</b>	<b>1,789.10</b>	<b>1,617.40</b>
<b>Expenses</b>				
Cost of Material Consumed	348.20	1,537.00	1,579.20	1,306.90
Purchases of stock-in-trade	20.10	92.30	27.90	61.20
Change in Inventories of Stock-In-Trade	15.50	-33.90	24.70	-55.20
Employee Benefit Expenses	113.90	334.80	369.20	303.30
Finance Cost	40.70	65.00	89.00	82.10
Depreciation and Amortization Expense	48.40	112.80	146.70	125.80
Operating expenses	171.10	558.30	437.50	371.20
<b>Total Expenses</b>	<b>757.90</b>	<b>2,666.30</b>	<b>2,674.20</b>	<b>2,195.30</b>
<b>EBITDA</b>	<b>-259.90</b>	<b>-707.60</b>	<b>-859.30</b>	<b>-408.50</b>
<b>EBITDA Margin</b>	<b>-0.64</b>	<b>-0.40</b>	<b>-0.49</b>	<b>-0.26</b>
<b>Profit/(Loss) before exceptional items and tax</b>	<b>-344.10</b>	<b>-864.50</b>	<b>-885.10</b>	<b>-577.90</b>
Exceptional Items	-	-	174.60	-
<b>Profit/(Loss) before tax</b>	<b>-344.10</b>	<b>-864.50</b>	<b>-1,059.70</b>	<b>-577.90</b>
<b>Tax Expense</b>				
Current tax	-	-	-	-
Deferred Tax	-	-	-	-
<b>Total Tax Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit/(Loss) for the year</b>	<b>-344.10</b>	<b>-864.50</b>	<b>-1,059.70</b>	<b>-577.90</b>
<b>Net Profit Margin</b>	<b>-84.15%</b>	<b>-48.54%</b>	<b>-60.42%</b>	<b>-36.60%</b>

## Statement of Assets and Liabilities

Amt in Crores

Particulars	FY 22	FY 23	FY 24	Dec-24
<b>EQUITY AND LIABILITIES</b>				
<b>1. Shareholders' funds</b>				
Equity Share Capital	-	-	-	3.10
Instruments entirely equity in nature	0.70	0.60	0.80	0.80
Other Equity	224.20	613.10	545.10	104.10
<b>Total Equity</b>	<b>224.90</b>	<b>613.70</b>	<b>545.90</b>	<b>108.00</b>
<b>NON-CURRENT LIABILITIES</b>				
Financial Liabilities				
(i) Borrowings	108.70	120.50	30.90	160.20
(ii) Lease Liabilities	59.70	168.60	141.90	139.30
(iii) Other financial liabilities	1.90	5.90	10.30	11.50
Provisions	29.00	48.60	70.20	71.40
Other non-current liabilities	-	-	37.90	68.10
<b>Total Non-current liabilities</b>	<b>199.30</b>	<b>343.60</b>	<b>291.20</b>	<b>450.50</b>
<b>3. Current liabilities</b>				
Financial Liabilities				
(i) Borrowings	189.70	364.70	284.00	961.40
(ii) Lease Liabilities	6.80	17.80	20.90	23.70
(iii) Trade Payables				
(a) Total outstanding dues of MSME	10.00	23.80	18.50	26.70
(b) Total outstanding dues of creditors other than MSME	110.90	359.90	384.20	385.40
(iv) Other financial liabilities	53.30	138.30	134.80	42.20
Other Current Liabilities	13.20	56.30	153.30	61.30
Provisions	10.50	58.70	80.70	112.80
<b>Total Current liabilities</b>	<b>394.40</b>	<b>1,019.50</b>	<b>1,076.40</b>	<b>1,613.50</b>
<b>Total Liabilities</b>	<b>593.70</b>	<b>1,363.10</b>	<b>1,367.60</b>	<b>2,064.00</b>
<b>Total Equity and Liabilities</b>	<b>818.60</b>	<b>1,976.80</b>	<b>1,913.50</b>	<b>2,172.00</b>
<b>ASSETS</b>				

Particulars	FY 22	FY 23	FY 24	Dec-24
<b>1. Non-current assets</b>				
Property, Plant and Equipment	93.50	181.80	187.10	244.50
Intangible Assets	176.60	178.30	122.90	124.20
Capital Work in Progress	0.40	0.90	-	3.40
Intangible assets under development	92.30	36.50	70.60	83.50
Right-to-use assets	64.60	184.40	148.90	239.10
Financial Assets				
(i) Other financial assets	13.20	17.70	15.30	36.50
Other Non- current Assets	85.50	68.90	139.30	173.80
<b>Total Non-Current assets</b>	<b>526.10</b>	<b>668.50</b>	<b>684.10</b>	<b>905.00</b>
<b>2. Current assets</b>				
Inventories	60.70	257.40	116.70	222.70
Financial Assets				
(i) Investments	37.30	285.90	292.20	238.40
(ii) Trade Receivables	1.00	1.20	1.60	10.30
(iii) Cash & Cash equivalents	57.40	82.60	227.90	46.90
(iv) Bank balances other than cash	31.30	93.60	219.90	300.30
(v) Loans	-	-	0.20	0.10
(vi) Other financials assets	35.50	372.10	117.00	147.30
Current tax assets (net)	0.90	2.30	2.40	3.60
Other Current Assets	68.40	213.20	251.50	297.40
<b>Total Current assets</b>	<b>292.50</b>	<b>1,308.30</b>	<b>1,229.40</b>	<b>1,267.00</b>
<b>Total Assets</b>	<b>818.60</b>	<b>1,976.80</b>	<b>1,913.50</b>	<b>2,172.00</b>

Cash Flow Statement				Amt in Crores
Particulars	FY 22	FY 23	FY 24	Dec-24
Net Cash Flow from Operating Activities	-228.4	-871.3	-267.6	-717.1
Net Cash Flow from Investing Activities	-6.6	-135	-228.1	-310.2
Net Cash Flow from Financing Activities	230.7	1317.4	633.2	805.9

**Key Ratios**

Per Share Data	FY 22	FY 23	FY 24	FY 25*	Valuation Ratios (x)	FY 22	FY 23	FY 24	FY 25*
Diluted EPS	-27.00	-48.00	-47.00	-20.65	EV/EBITDA	-1.67	-1.30	-0.48	-23.23
BV per share	20,292.34	55,273.35	49,166.45	68.25	Market Cap / Sales	0.01	0.002	0.002	5.69
<b>Operating Ratios</b>					P/E	-	-	-	-
EBITDA Margins	-63.56%	-39.73%	-49.00%	-25.87%	Price to Book Value	0.02	0.01	0.01	4.70
PAT Margins	-84.15%	-48.54%	-60.42%	-36.60%	<b>Solvency Ratios</b>				
Inventory days	54.33	52.90	24.35	42.59	Debt / Equity	1.33	0.79	0.58	0.44
Debtor days	0.90	0.25	0.33	0.82	Current Ratio	0.74	1.28	1.14	1.14
Creditor days	114.13	78.36	98.64	92.74	Quick Ratio	0.59	1.03	1.03	1.03
<b>Return Ratios</b>					Asset Turnover	0.50	0.90	0.92	1.10
RoCE	-72.68%	-85.70%	-120.18%	-26.32%	Interest Coverage Ratio	-7.57	-12.62	-11.30	-6.51
RoE	-153.00%	-140.87%	-194.12%	-30.26%					

\*Annualized

**FINANCIAL ANALYSIS –**

- The top line has remained slightly inconsistent over the years. For FY2023 it increased by 335.53% which was due to increase in revenue per E2W through the launch and delivery of the Ather 450X (Gen 3). Further the availability of the FAME subsidy, which effectively lowered the retail price of E2Ws, which led to an increase in sales volume. This increase can also be attributed to the scale-up of supply chain and growth in distribution network. There was a slight decrease in FY24 by 1.52% which was mainly due to reduction in the FAME subsidies which led to increase in retail price of E2Ws.
- The company had incurred loss since inception.
- The PAT and EBITDA margin have remained negative over the years.
- The RoCE and RoE have also remained negative over the years.
- The company had negative cash flow from operations since inception.

**PEER ANALYSIS**

Particulars	Ather Energy Limited			Hero MotoCorp Limited			Bajaj Auto Limited		
	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24
NP Margin	-84.15%	-48.54%	-60.42%	7.70%	8.09%	9.69%	17.21%	15.88%	16.55%
EBITDA Margin	-63.56%	-39.73%	-49.00%	12.62%	13.43%	15.33%	22.14%	21.40%	22.47%
RoCE	-72.68%	-85.70%	-120.18%	18.34%	22.16%	27.04%	25.18%	26.39%	33.39%
ROE	-153.00%	-140.87%	-194.12%	14.62%	16.87%	21.16%	20.65%	20.64%	26.61%
EPS (INR)	-27.00	-48.00	-47.00	115.97	140.63	187.35	213.08	211.78	274.25
P/E	-	-	-	19.32	16.69	25.21	17.55	18.34	33.36

Particulars	Ola Electric Mobility Limited			TVS Motors Limited			Eicher Motors Limited		
	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24
NP Margin	-171.9%	-52.9%	-30.2%	3.10%	4.14%	4.30%	15.53%	18.98%	22.15%
EBITDA Margin	-157.3%	-43.0%	-19.8%	11.27%	12.96%	14.28%	24.75%	28.36%	32.40%
RoCE	-18.1%	-42.3%	-37.5%	15.42%	20.90%	22.11%	16.77%	23.98%	26.91%
ROE	-21.4%	-62.5%	78.5%	17.20%	24.14%	24.86%	13.30%	19.44%	22.17%
EPS (INR)	-4.02	-7.53	-8.10	15.93	27.97	35.50	61.33	106.56	146.21
P/E	-	-	-	39.47	38.51	60.62	40.46	27.67	27.49



**LEAD MANAGER TRACK RECORD -**

The lead manager to the issue is Axis Capital Limited, HSBC Securities and Capital Markets (India) Private Limited, JM Financial Limited and Nomura Financial Advisory and Securities (India) Private Limited. A table has been set below highlighting the details of the IPO of the last companies handled by the Lead Manager in recent times –

**Axis Capital Limited –**

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Ventive Hospitality Limited	1,600.00	643.00	Dec 30, 2024	757.65
2.	Transrail Lighting Limited	838.91	432.00	Dec 27, 2024	500.50
3.	International Gemmological Institute (India) Limited	4,225.00	417.00	Dec 20, 2024	363.65
4.	Zinka Logistics Solution Limited	1,114.72	273.00	Nov 22, 2024	428.00
5.	Niva Bupa Health Insurance Company Limited	2,200.00	74.00	Nov 14, 2024	88.14

The company has handled 38 mandates in the past three years (including the current year).

**HSBC Securities & Capital Markets (India) Private Limited –**

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Hexaware Technologies Limited	8,750.00	708.00	Feb 12, 2025	686.40
2.	Ventive Hospitality Limited	1,600.00	643.00	Dec 30, 2024	757.65
3.	Hyundai Motor India Limited	27,870.16	1,960.00	Oct 22, 2024	1,718.90
4.	JSW Infrastructure Limited	2,800.00	119.00	Oct 03, 2023	301.15
5.	R R Kabel Limited	1,964.01	1,035.00	Sep 20, 2023	981.30

The company has handled 5 mandates in the past three years (including the current year).

**JM Financial Limited –**

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Ajax Engineering Limited	1,269.35	629.00	Feb 10, 2025	705.15
2.	Ventive Hospitality Limited	1,600.00	643.00	Dec 30, 2024	757.65
3.	Inventus Knowledge Solutions Limited	2,497.92	1,329.00	Dec 19, 2024	1,472.05
4.	Zinka Logistics Solution Limited	1,114.72	273.00	Nov 22, 2024	428.00
5.	ACME Solar Holdings Limited	2,900.00	289.00	Nov 13, 2024	223.35

The company has handled 37 mandates in the past three years (including the current year).

**Nuvama Wealth Management Limited –**

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Inventurus Knowledge Solutions Limited	2,497.92	1,329.00	Dec 12, 2024	1,472.05
2.	Afcons Infrastructure Limited	5,430.00	463.00	Nov 04, 2024	434.20
3.	Waaree Energies Limited	4,321.44	1,503.00	Oct 28, 2024	2,840.45
4.	Aadhar Housing Finance Limited	3,000.00	315.00	May 08, 2024	468.80
5.	Indegene Limited	1,841.76	452.00	May 06, 2023	572.35

The company has handled 7 mandates in the past three years (including the current year).

\*CMP for the above-mentioned companies is taken as of 25<sup>th</sup> Apr 2025.

As per the offer document, the above-mentioned mandates Ajax Engineering, Hyundai Motors, Zinka Logistics Solution and ACME Solar Holdings have opened at a discount and remaining all have opened at a premium on the listing day.

## Recommendation -

Ather Energy Limited has been in the industry since 2013 and launched its first product in 2018. It has limited experience in the industry.

The management overview of the company is satisfactory.

The P/E on a post-IPO annualized basis is negative.

The top line slightly remained inconsistent over the years. The company has incurred loss since inception and the CFO has also remained negative. The profitability margins have also remained negative over the years. The DE ratio as of Dec 31, 2024 is very high which raises concern. These conditions may persist in the future because of the which the overall financials of the company look unsustainable.

The company is a leading manufacturer of E2Ws in India, ranked 3<sup>rd</sup> and 4<sup>th</sup> by sales volume in FY24 and 9M FY25. The company is also expanding its manufacturing capacity with upcoming factory 3.0 in Maharashtra. The company's recent launches, like the Ather Rizta, have helped expand its customer base.

The company is well-positioned for growth only if the EV sector is accepted in India. The industry-wide E2W sales in India is expected to grow at around 41–44% CAGR until FY31. Although, the reduction of government subsidies has remained a challenge.

Thus, we have a **NEUTRAL** opinion on this IPO as it appears to be a long-term game, and therefore investors may look for further company updates and make a decision.

#### Disclaimer

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The analysis and recommendations are based on the current market and company-specific scenario, along with the data available in the prospectus. Market and company-specific conditions may change after the company's listing, potentially impacting its performance and outlook. We will not be providing any follow-up reports or updates on this analysis post-listing.

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