

BUY**TP: Rs 1,680 | ▲ 19%****ATHER ENERGY**

Automobiles

08 October 2026

Green wings spread prudently; business math to follow soon

- Established South-led franchise transitioning to pan India challenger; Rizta broke regional barriers, Konarc to drive next phase of growth
- Rising capacity, lower cost architecture and battery led BOM savings to aid gross margins; scale driven operating leverage to better EBITDAM
- We value Ather at 16x Sep 2028 M-cap/Gross Block ratio, 20% below average valuation of TVS and BJAUT, arriving at TP of Rs1,680, BUY

Milind Raginwar
 Research Analyst
Ayush Dugar
 Research Associate
 research@bobcaps.in

Portfolio shift from performance bike to mass market: Ather is venturing into the ~Rs1–1.25 lakh segment with Konarc/EL launch to tap the broad mass market segment (Pan-India spread) from a premium South-led franchise (23.1% market share). An established premium technology-driven regional brand it successfully shifted to the convenience segment in Middle India region (17.3 % MS). This will help Ather to spread its wings in the mass market segment (ROI 12.1% MS FY26).

Capacity, technology and sourcing geared up to meet demand: Capacity is expected to increase from 0.42 mn units to 0.92 mn units in FY27. Ather targets 1.42 mn units by FY29. The capacities are aligned with its strategy to expand with 450 manufacturing in Hosur for performance-led South India, AURIC (Maharashtra) for the convenience-led Middle India and Konarc for the lower-priced Rest-of-India.

Scalability to drive profitability: Ather's gross margin has improved from 6.1% in FY22 to 21.1% in FY26, excluding incentives gross margin has moved from -24% to 18.8% marking visible improvement in underlying unit economics. GM (adjusted) is likely to sustain at ~20-21% level and improve to ~23%-24% by FY29 supported by BOM reduction, LFP migration, procurement efficiencies and operating leverage.

Improving EV infrastructure readiness: Improving infrastructure is supporting Electric mobility to gain momentum. EV penetration has jumped from 0.5% in 2018 to 8.25% in FY26 with ~2.5mn EVs registered, up ~25% YoY per NITI Aayog's IEMI 2025. CEA projects India to be 3% electricity surplus by FY27 from deficit of 0.3% in FY26. This strengthening electrification ecosystem aides faster EV adoption.

Initiate with a BUY, valuing at 16x M-cap to gross block: We value Ather at 16x Sep 2028 M-cap/Gross Block, 20% below the average valuation of TVS and BJAUT two key companies (leaders in EV segment) in the 2-W segment. We arrive at a target price of Rs1,680/sh and assign Ather a BUY rating. The depreciation to sales ratio is improving too for Ather to sub-4 levels in FY29 from a high of 12% in FY22. The return on assets profile also enters the positive territory for Ather moving to 7% in FY29 from a negative 12% in FY27. (Please refer Valuation details on page 24).

Ticker/Price	ATHERENE IN/Rs 1,406
Market cap	US\$ 4.5bn
Free float	44%
3M ADV	US\$ 73.6mn
52wk high/low	Rs 1,744/Rs 582
Promoter/FPI/DII	56%/23%/16%

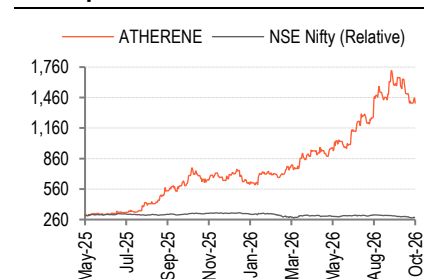
Source: NSE | Price as of 8 Oct 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	36,718	50,127	75,649
EBITDA (Rs mn)	(4,084)	(2,046)	2,248
Adj. net profit (Rs mn)	(5,121)	(3,461)	(179)
Adj. EPS (Rs)	(13.6)	(9.0)	(0.5)
Consensus EPS (Rs)	(13.6)	(9.0)	2.5
Adj. ROAE (%)	(19.9)	(12.9)	(0.5)
Adj. P/E (x)	(103.0)	(156.1)	(3,072.5)
EV/EBITDA (x)	(105.4)	(208.1)	188.9
Adj. EPS growth (%)			

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Expansion from Premium South led player to Pan India challenger

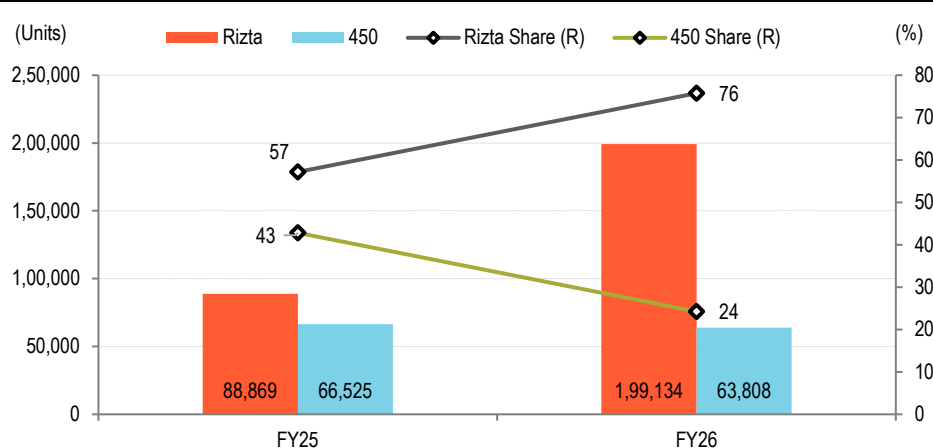
Ather's portfolio trajectory has followed a clear progression 450 → Rizta → EL/Konarc with each platform targeting a specific customer segment and geography. The 450 established Ather as a premium, technology-led EV brand, while Rizta expanded the proposition towards family and convenience, driving a sharp increase in volumes and penetration in Middle India (Maharashtra + Gujarat + MP + Chhattisgarh + Odisha). With EL/Konarc, Ather is venturing in the Rs1–1.25 lakh segment, this represents a substantially larger addressable market and provides the company with an opportunity to deepen penetration in Rest of India (other than South India and Middle India). This portfolio broadening, supported by capacity expansion, should sustain Ather's market-share gains beyond its traditional premium and Southern markets.

450 established Ather's premium positioning and technology credentials

The 450 platform was the base of Ather's brand proposition, targeting urban, technology-oriented and performance-conscious early adopters. Its premium architecture including a hybrid aluminium frame, belt-drive transmission, connected dashboard, OTA capabilities and NMC battery technology helped establish a differentiated technology-led EV brand.

The platform primarily addressed the premium (>Rs1.5 lakh) and mass-premium (Rs1.25–1.5 lakh) segments, where Ather has built a strong competitive position. However, the same positioning limited the addressable customer pool. The 450's sporty form factor, higher BOM and premium pricing were less suited to family-oriented and price-sensitive consumers, particularly outside Ather's stronger Southern markets. This created the first major portfolio whitespace for Ather moving from a performance-led proposition towards a broader family scooter proposition.

Fig 1 – Strong shift from performance to convenience segment shift



Source: Company, BOBCAPS Research

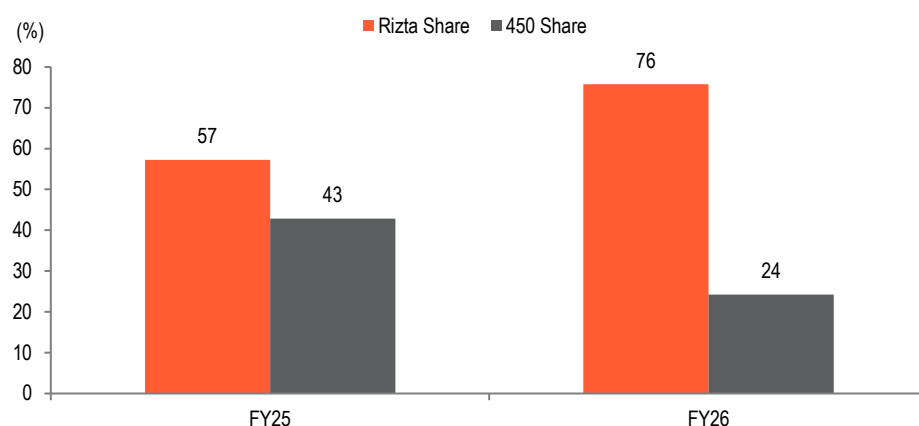
Rizta widened the use case, triggering volume inflection

The launch of Rizta in April 2024 marked a structural expansion of Ather's addressable market. Ather leveraged the existing technology viz. battery, BMS, AtherStack and powertrain of the 450 platform while modifying the chassis, body and ergonomics for a family-oriented proposition. The larger seat, 56-litre storage, flat floorboard and

additional safety features shifted the product proposition from performance towards utility, comfort and convenience.

The strategy translated into a significant volume inflection. Rizta volumes spiked to ~199.1k units in FY26 (+124%) from ~88.9k units in FY25, taking its contribution to Ather's total vehicle volumes from 57.2% to 75.7%. Consequently, Ather's overall volumes jumped to ~263k units in FY26, (+69% YoY), despite the relatively stable contribution from its original 450 brand. The 450 volumes normalised from ~66.5k (43%) to ~63.8k units (24%) from FY25 to FY26.

Fig 2 – Rizta proven to be a double advantage, volume spike and regional gains



Source: Company, BOBCAPS Research

Expanding TAM as India's e2W market enters the next phase of adoption

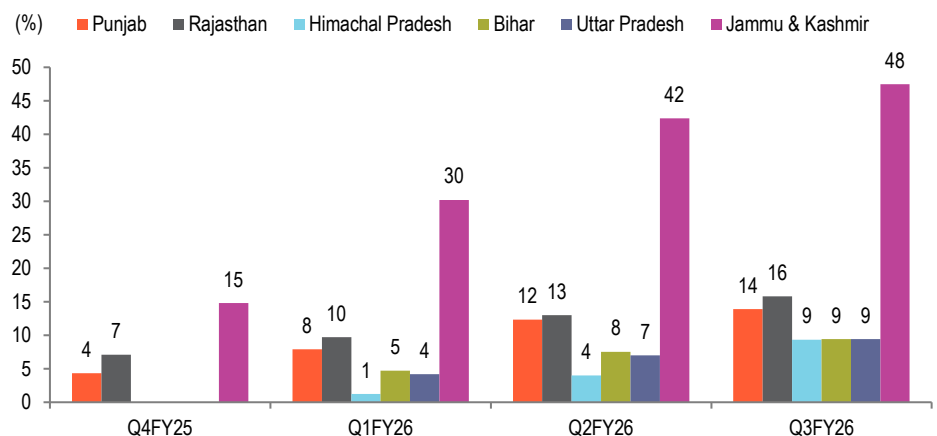
Rizta also materially changed Ather's geographic opportunity. The family-oriented form factor helped the company expand beyond its traditional Southern stronghold. Middle India, with Gujarat, Maharashtra, Madhya Pradesh, Odisha and Chhattisgarh have emerged as important growth markets. Management indicated that Middle India retail grew 141% YoY in Q1FY27, compared with 76% in South and 118% in Rest of India.

The regional market-share profile highlights both the progress made and the remaining whitespace. Ather's market share in FY26 was at 23.1% in South, 15.4% in Middle India and 10.6% in Rest of India. Effectively, Rizta demonstrated that a broader use-case proposition can extend Ather's franchise beyond its historical Southern customer base. Rest of India remains a relatively underpenetrated market providing significant headroom in the near/medium term.

Fig 3 – Market share beyond South India gaining steady traction


Source: Company, BOBCAPS Research

The state-level market-share trajectory provides further depth of this geographic expansion. Ather's market share rose from 4.3% in Q4FY25 to 13.9% in Q3FY26 in Punjab, doubled from 7.1% to 15.8% in Rajasthan and spiked from 4.2% to 9.8% in Uttar Pradesh. Himachal Pradesh saw share grow in multiples from 1.2% in Q4FY25 to 15.3% in Q3FY26, while Jammu & Kashmir spiked from 14.8% to 47.5%. Absolute market-share levels across states can be distorted by a low EV base in some markets, the trend underpins that Ather is increasingly gaining traction outside its initial stronghold.

Fig 4 – Ather brands gain visible presence in North India; helps regional spread


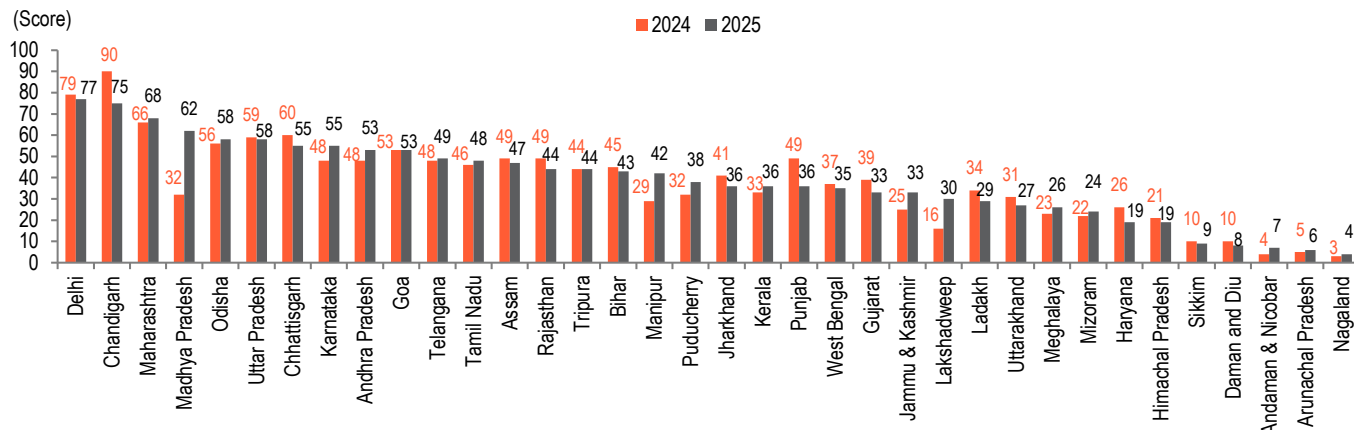
Source: Company, BOBCAPS Research

Improving ecosystem readiness should support further penetration

The expansion coincides with gradual improvement in EV ecosystem readiness across states. NITI Aayog's India Electric Mobility Index indicates a sharp improvement in charging-infrastructure readiness between 2024 and 2025 across markets such as Bihar (7 to 41), Madhya Pradesh (20 to 48), Uttar Pradesh (21 to 36), Jammu & Kashmir (16 to 32) and Rajasthan (45 to 64). Maharashtra, another important Middle India market, improved from 55 to 91.

Transport-electrification readiness has also improved or steady at relatively high levels across several states, including Madhya Pradesh at 62, Uttar Pradesh at 58, Odisha at 58, Chhattisgarh at 55 and Maharashtra at 68 in 2025.

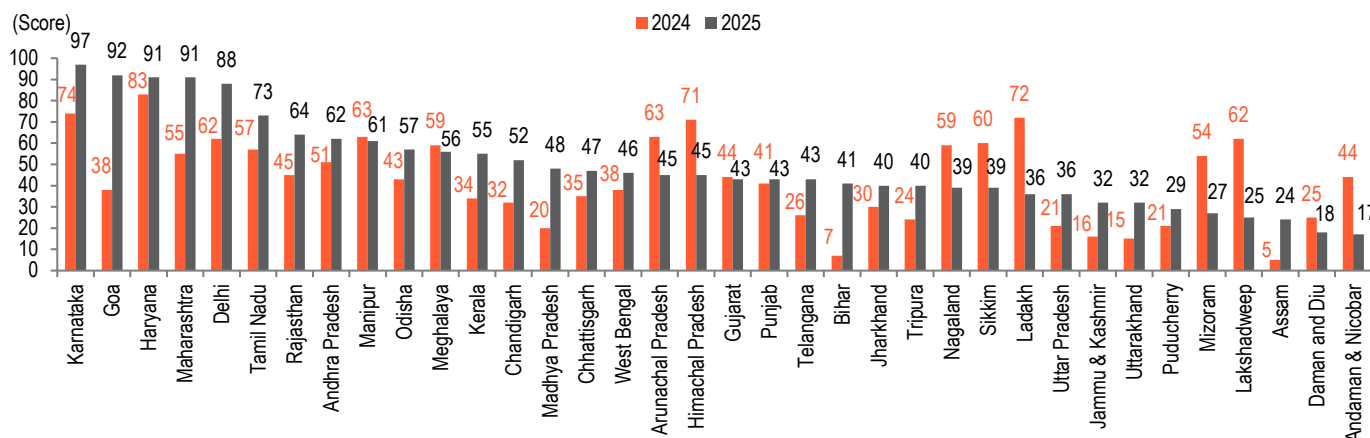
Fig 5 – Transport Electrification shows improvement across states from Gujarat to Mizoram and J&K to Kerala



Source: NITI Aayog IEMI, BOBCAPS Research

The data does not establish a direct causal relationship between infrastructure readiness and Ather's market-share gains. However, the simultaneous improvement in Ather's state-level market share and the broader EV ecosystem suggests that the company is entering markets where the supporting infrastructure for EV adoption is becoming progressively more conducive.

Fig 6 – Charging Infrastructure Readiness score improves in 23 out 36 states in CY25 over CY24, others catching up fast



Source: NITI Aayog IEMI, BOBCAPS Research

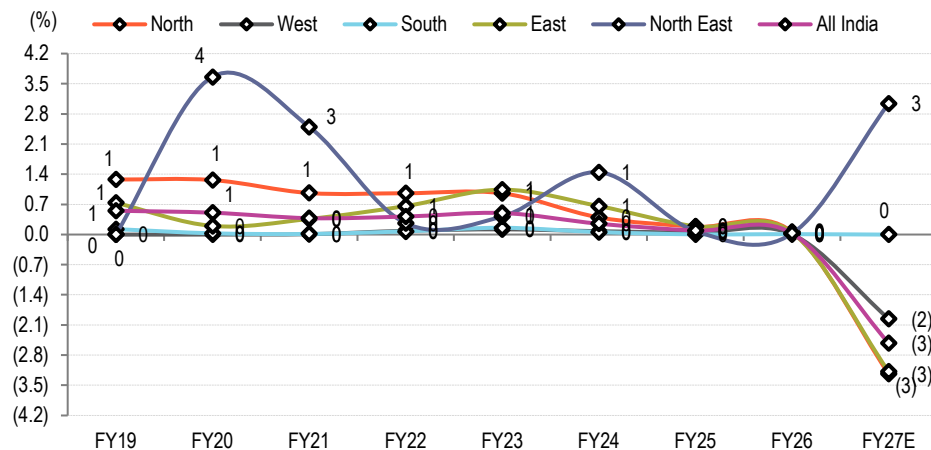
Improving electricity capacity provide substantial opportunity

The underlying regional opportunity is also sizeable. Central Electricity Authority (CEA) data shows electricity supply in North India increased from ~378k MU in FY19 to ~512k MU in FY26, while West increased from ~390k MU to ~536k MU. South, increased from ~339k MU to ~431k MU over the same period.

While electricity consumption is not a direct proxy for two-wheeler demand, it provides necessary indicator of energy sufficiency and capacity growing with the growing

demand. Importantly, India has gradually progressed from energy deficiency to sufficiency and potentially energy surplus in FY27 as per the Load Generation and Balance Report (2026-27).

Fig 7 – Power surplus/neutral state except single zone key for EV segment growth



Source: Central Electric Authority, BOBCAPS Research

This makes the timing of EL/Konarc strategically relevant. Rizta has already demonstrated that Ather can penetrate beyond South through a broader family-oriented proposition. Improving EV ecosystem readiness and the sharp state-level share gains provide evidence of early traction in newer geographies. EL can now take this expansion further by addressing a significantly lower price point and a larger customer pool.

EL/Konarc takes the portfolio into the mass-market opportunity

EL/Konarc represents the next step in this portfolio expansion, moving Ather into the Rs1–1.25 lakh price band. The platform has been re-engineered around a lower-cost architecture, including a steel chassis instead of the premium aluminium architecture, an enclosed gearbox replacing the two-stage belt transmission, the integrated Ather Charge-Drive Controller (AC/DC), AEBS and compatibility with both LFP and NMC chemistry.

Ather indicates that the new architecture will provide an 8–10% cost advantage over the previous architecture. This creates scope for Ather to compete at a materially lower price point while retaining its technology-led differentiation.

Konarc's initial pricing reinforces the change in positioning: the S100 is priced at Rs99,999 ex-showroom Bengaluru, while the S125 is priced at Rs1,21,999. There are indications that some initial margin trade-offs are acceptable to establish the product competitively in the mass market.

Fig 8 – Ather has spread its product portfolio to cater every EV-2W space

Price segment	Industry opportunity	Ather's positioning
Premium >Rs1.5 lakh	Established	450 family
Mass premium Rs1.25–1.5 lakh	Large	Rizta / Konarc
Mass Rs1–1.25 lakh	Large	Konarc
Entry <Rs1 lakh	Emerging	Konarc S100

Source: Company, BOBCAPS Research, Industry news report

The significance of EL is therefore not limited to incremental volumes from a new model. It changes the size of the customer pool that Ather can address. The company's proposition can now span the premium, mass-premium and mass segments, allowing it to participate in the broader electrification of the scooter market rather than remaining concentrated in the premium EV niche.

Fig 9 – Each segment tactically priced with well spread variant menu on cards

Category	Price	No. of variants
Premium	>1.5 lakh	10
Mass Premium	1.25-1.5 lakh	10
Mass	1-1.25 lakh	11
Entry	<1 lakh	6

Source: Company, BOBCAPS Research, Industry news report

This is particularly relevant given the structure of India's EV market, where scooters have emerged as the primary vehicle category for electrification.

Fig 10 – Ather is amongst the few brands available across the value chain

OEM	Entry	Mass	Mass Premium	Premium	Total
Ather	1	1	2	7	11
BJAUT	1	2	2		5
Ola	2	2	3	1	8
TVSL	1	3	2	2	8
Vida (HMCL)	1	3	1		5
Total	6	11	10	10	37

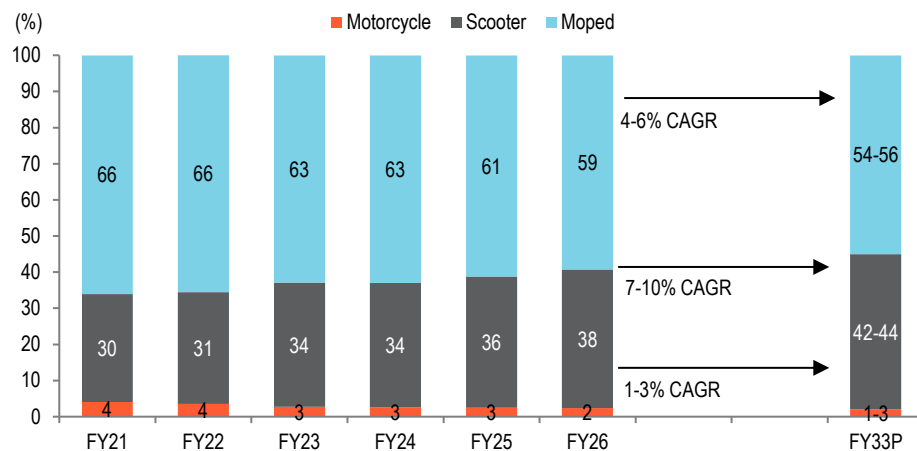
Source: Company, BOBCAPS Research, Industry news report

Ather's portfolio widening has already translated into meaningful scale-up. Ather's Vahan volumes jumped meaningfully from 142k in FY25 to 254k in FY26 (+79%), with EV market share rising from 11.7% to 17.3%. The success of various brands catering to distinctly different segments from 450 (premium) to Rizta (mass premium) and moving forward to Konarc (mass market) points towards opportunity is not only industry-led but the brands have an ability to capture incremental demand in the price points (segments) it expands into.

Scooterisation provides Ather with a structurally favourable EV opportunity

India's overall 2W market is itself expected to remain structurally relevant, with domestic volumes estimated to increase from ~22.1mn units in FY26 to ~34.5mn by FY33E, implying a 6–8% CAGR. The breadth of the growth is to be driven by EV growing at 35–37% CAGR. Within this market, scooters have been gaining share, increasing from ~29.8% of domestic 2W volumes in FY21 to ~38.3% in FY26.

Fig 11 – Ather’s key product segment, Scooters are likely to deliver maximum gains in the next phase of growth (FY26-FY33E)



Source: SIAM, SMEV, VAHAN, Crisil Intelligence, Company

This mix shift is particularly important for Ather because EV adoption is significantly more advanced in scooters than motorcycles. EV penetration in scooters is currently at ~16-17% in FY26, compared with only ~0-0.5% in motorcycles. By FY33E, industry scooter EV penetration is expected to reach ~70-75%, compared with ~4-9% for motorcycles.

Fig 12 – Higher scooter EV penetration augurs well for Ather

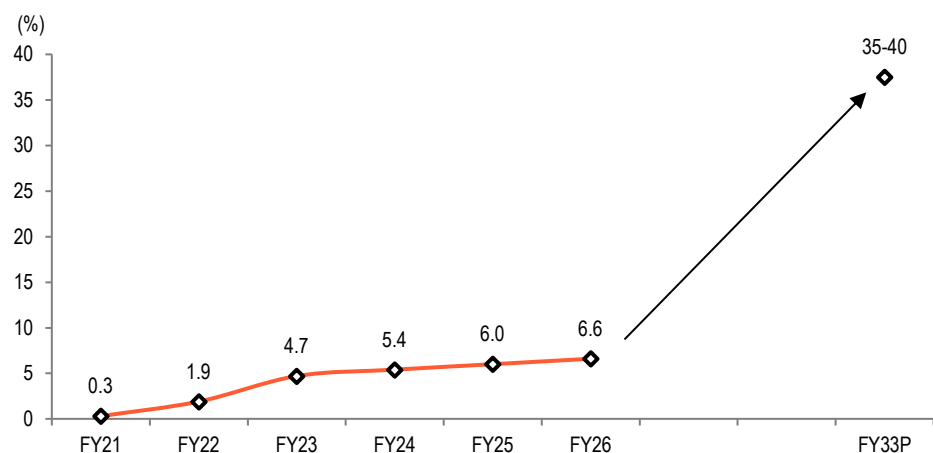
(%)	FY26	FY33E
Scooter EV penetration	~16-17	~70-75
Motorcycle EV penetration	~0-0.5	~4-9

Source: SIAM, SMEV, VAHAN, Crisil Intelligence, Company

The addressable e2W market could increase sharply through FY33E

The current level of EV penetration understates the scale of the long-term opportunity. e2Ws accounted for only ~6.6% of India’s domestic 2W volumes in FY26, with ~1.5mn EV units sold against a total 2W market of ~22.1mn units. However, the EV penetration is estimated at ~35-40% by FY33E a sharp increase from the current levels backed by strong EV volume growth.

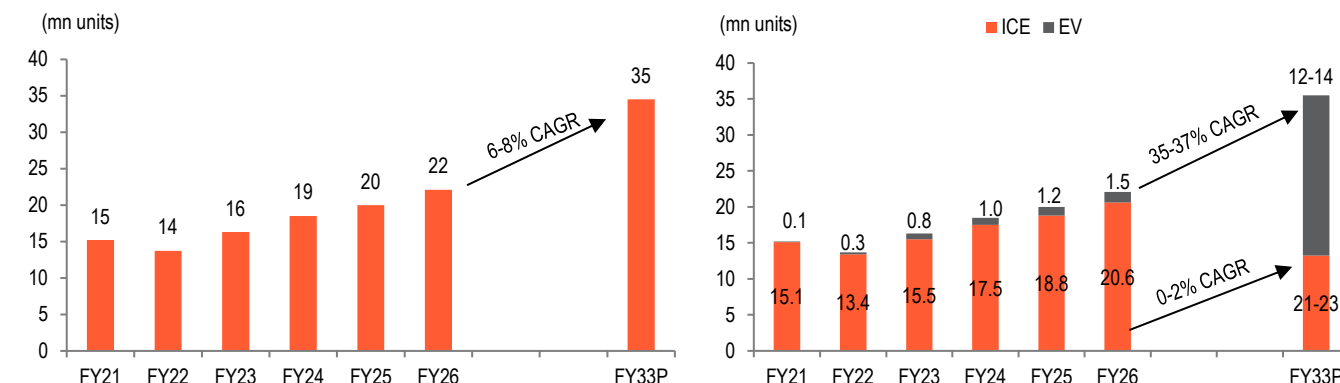
Fig 13 – Current growth trajectory to gain strong pace in the next 5-7 years



Source: SIAM, SMEV, VAHAN, Crisil Intelligence, Company

The EV volumes are expected to increase to ~12-14mn units by FY33E (industry estimates), implying a 35–37% CAGR, while the overall 2W market grows at 6–8% CAGR.

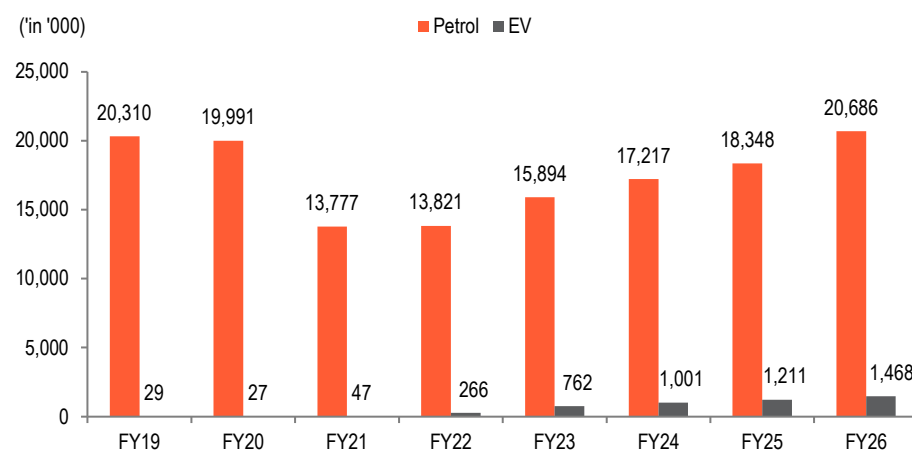
Fig 14 – 2W segment pace to grow in higher single digits far lower than EV space albeit on a lower base



Source: SIAM, SMEV, VAHAN, Crisil Intelligence, Company

India's 2W electrification however, still remains at an early stage. e2W registrations increased from just 29k in FY19 to 1.47mn in FY26, implying a ~75% CAGR. More significantly, EV registrations grew 21.2% YoY in FY26 to 1.47mn, despite a healthy base, while FY27 YTD penetration has already reached 10%. With Ather's increasing Tier-2/3 markets penetration and Konarc addressing the mass/mass-premium price points, it has a wider scope to participate in the next leg of industry electrification. This strategy of spreading across segments is likely to help much faster penetration and market share gains over relying solely on premium EV adoption for growth.

Fig 15 – Faster pace of EV penetration over other fuel categories, boost to Ather



Source: VAHAN, Company, BOBCAPS Research

This creates a favorable industry support for Ather. The company's growth is not dependent on the overall 2W industry growing at a high rate; rather by the mix shift from ICE to EV within a structurally growing 2W market.

The economics also supports this transition for widespread adoption. Based on industry analysis, an e2W offers approximately 43% lower seven-year TCO than a petrol 2W at 8,000km annual running in FY26, with the advantage potentially reaching ~50% by FY33E. The calculation excludes battery replacement.

Fig 16 – Widening gap in the ownership cost structurally beneficial for EV gains

Year/Annual Running	3000km	6000km	8000km	10000km	12000km
FY26	14% lower cost than petrol	34% lower cost than petrol	43% lower cost than petrol	49% lower cost than petrol	53% lower cost than petrol
FY33	29% lower cost than petrol	44% lower cost than petrol	50% lower cost than petrol	55% lower cost than petrol	59% lower cost than petrol

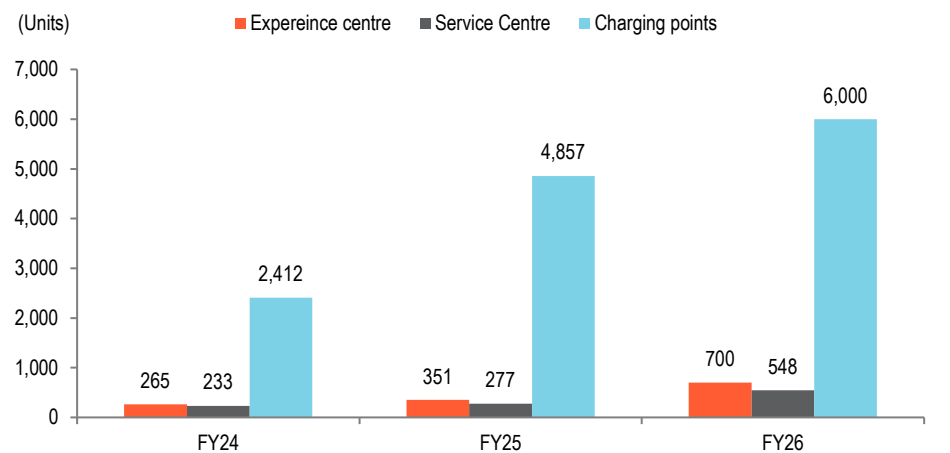
Source: Crisil, Company

Therefore, as the market moves beyond early adopters, lower running costs, improving product quality and a wider range of price points can increasingly support EV adoption without relying solely on incentives.

Ather is scaling presence for next leg

The improving market dynamics creates a reinforcing network effect. A larger addressable market supports higher volumes; higher volumes improve dealer economics and enable network expansion; greater network density improves customer access and brand visibility; and this, in turn, supports further penetration into newer markets.

Ather's FY26 performance demonstrated volumes increasing by ~69% YoY to ~263k units, market share reached ~18.6% by March 2026 and the Experience Centre network expanded to ~700 stores.

Fig 17 – Spread expansion with better infrastructure and after sales services


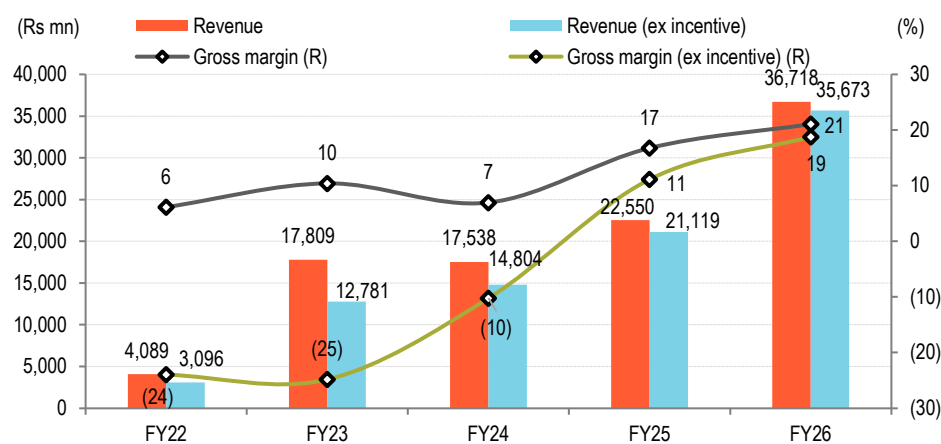
Source: Company, BOBCAPS Research

EL's structural cost advantage, localisation and scale can drive a sharp margin inflection

Ather's effort to improve margins will enter advance phase as EL combines a lower-cost architecture with significant capacity expansion and increasing localisation.

Ather's gross margin has improved materially, from 6.1% in FY22 to 21.1% in FY26, while gross margin excluding incentives improved from -24% to 18.8% over the same period. The next leg of improvement is driven by a combination of EL's lower BOM architecture, battery-cost optimisation, higher localisation, manufacturing integration and operating leverage. The EL platform will have an 8–10% better cost architecture than the previous platform helping gross margin expansion and EBITDA margins turning positive. As government incentives are increasingly lowering our FY27E, FY28E and FY29E gross margins and EBITDA margins are adjusted net of incentives.

Fig 18 – Adjusted margin trajectory gaining strength, points sustainability



Source: Company, BOBCAPS Research

EL represents a structural reset in vehicle economics

The most important change is that EL has been designed around cost rather than adapting the existing premium architecture to a lower price point.

Fig 19 – Multiple levers available to rationalise margins

Cost optimisation lever	Economic benefit
Steel chassis	Lower material cost and reduced aluminium commodity exposure
Enclosed gearbox	Simpler transmission architecture, fewer components and lower assembly complexity
Ather AC/DC	Integrates motor controller + onboard charger, reducing electronics/wiring complexity
AEBS	Provides advanced braking functionality at lower BOM than conventional ABS architecture
LFP compatibility	Allows lower-cost battery chemistry for appropriate variants
Modular platform	Common architecture across multiple variants reduces incremental engineering/CapEx
AURIC in-house assembly	Electronics, transmission, painting/CED and battery-pack assembly increasingly brought in-house

Source: Company, BOBCAPS Research

This is important because the existing 450X BOM (Bill of materials) remains meaningfully exposed to all three major cost buckets: mechanical components ~28–37%, battery pack ~29–40% and electronics ~33–37%.

Fig 20 – Ather 450X (2.9kWh) mechanicals declining

Component	As on Dec 24	FY24	FY22
Mechanical	37	35	34
Battery Pack	29	31	29
Electronics	34	34	37
Total	100	100	100

Source: Company, BOBCAPS Research

Fig 21 – Ather 450X (3.7kWh), electronics portion steady

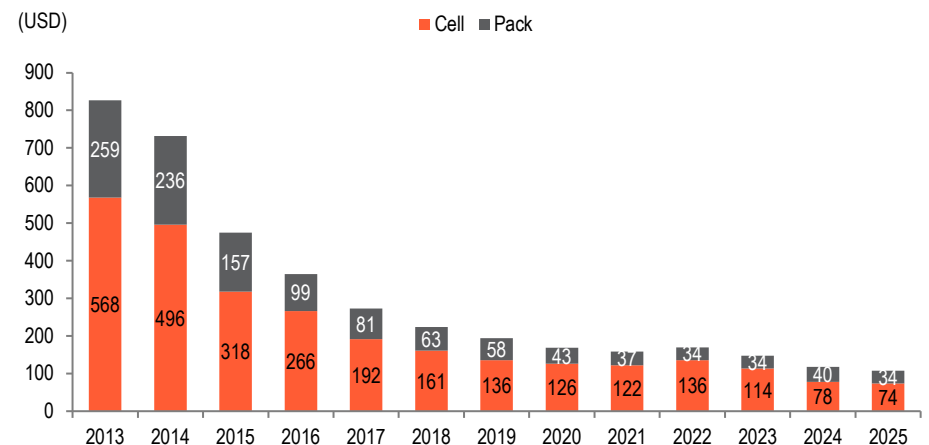
Component	As on Dec 24	FY24	FY23
Mechanical	35	32	28
Battery Pack	32	33	40
Electronics	33	35	32
Total	100	100	100

Source: Company, BOBCAPS Research

Therefore, EL's cost-down opportunity is not dependent on one component; it is being achieved across mechanical, battery and electronic architecture simultaneously.

Battery costs are structurally declining, creating a long-term margin opportunity

Battery remains the single most important cost component of an electric scooter, with the battery pack accounting for roughly 29–40% of the 450X BOM. Consequently, the long-term decline in battery costs has significant implications for EV OEM economics. According to BNEF, global lithium-ion battery pack prices have declined from USD827/kWh in 2013 to USD108/kWh in 2025, a ~87% reduction. Cell costs declined from USD568/kWh to USD74/kWh, while pack costs fell from USD259/kWh to USD34/kWh. According to the IEA's Global EV Outlook over the past decade, battery pack prices have fallen by ~75%, while average battery energy density has increased by ~60%.

Fig 22 – Cell cost softening is beneficial, smooth supply of components is a key


Source: BNEF, Company, BOBCAPS Research

The decline in battery costs is significant for Ather as it moves towards mass markets sensitive to lower price points (higher scalability). A lower battery cost can either be passed through to consumers to improve affordability and expand the addressable market or retained to support gross margins. Based on the strategy of using the EL platform to enter the ~Rs 1–1.25 lakh price segment, the latter becomes increasingly important: affordability is necessary to enter the mass market without structurally compromising margins.

The sensitivity is meaningful. Assuming the battery pack represents 29–40% of vehicle BOM, a 10% decline in battery-pack cost could lower overall vehicle BOM by ~2.9–4%, while a 20% decline could reduce BOM by ~5.8–8% with other costs assumed to be unchanged. The benefit would not necessarily flow one-for-one into gross margin, as OEMs may use part of the saving to improve affordability, increase product content or absorb commodity inflation; however, sustained battery cost deflation creates a significant structural buffer for EV profitability.

Fig 23 – LFP cost advantage clearly visible

Parameter	Value	Notes
Gross Margin (Base)	22.0%	Implied
COGS % of Revenue	78.0%	100% - 22%
Battery % of BOM	34.0%	Mid-point of 29-40%
Battery % of Revenue	26.5%	
LFP Cost Advantage	16.0%	Mid-point of 15-17%
Current LFP Mix	50%	

Source: Company, BOBCAPS Research

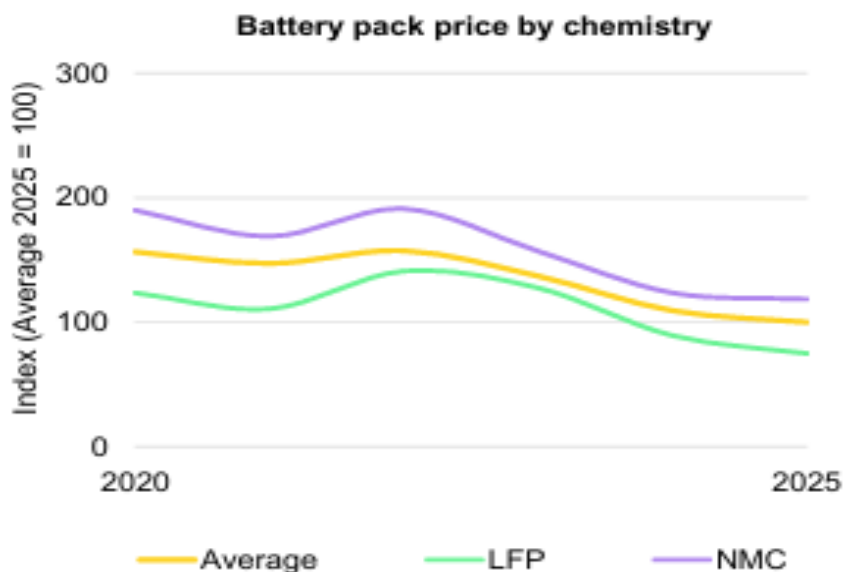
Fig 24 – We remain near the base case in our margin assumptions

Scenario	Price Decline	New LFP Mix	Cost Reduction	GM Impact (bps)	New Gross Margin
Base	0%	50%	0.0%	0	22.0%
Mild	10%	50%	10.0%	265	24.7%
LFP Mix Only	0%	70%	3.2%	85	22.8%
Combined	10%	70%	13.2%	350	25.5%
Aggressive	15%	75%	19.0%	504	27.0%

Source: Company, BOBCAPS Research

LFP (Lithium iron phosphate battery), adoption can further lower battery cost while broadening chemistry flexibility

The second structural driver is the increasing adoption of LFP chemistry. Ather is moving in following the global trends of shifting from NMC (Nickel, Manganese, Cobalt) to LFP adoption. Currently ~50–55% of Ather's portfolio is LFP, with the mix expected to increase further. Lower-range and price-sensitive variants are better suited to LFP, while higher-performance/high-range variants are expected to continue using NMC where energy density remains more important.

Fig 25 – LFP pricing clear advantage over NMC packs

Source: IEA Analysis

The shift to LFP from NMC adds further cost advantage for Ather's portfolio expansion. The fungible capabilities to use both NMC and LFP allows it to match chemistry to the intended price/performance positioning rather than relying on a single battery technology.

Thus, battery technology is becoming a source of both cost reduction and product flexibility. As EL/Konarc scales in lower-priced segments, a higher LFP mix should help Ather protect unit economics even as ASPs decline.

Falling battery costs should support margin expansion, but the benefit will not be linear

We analyse the relationship between battery-cost deflation and Ather's gross margin. Battery costs represent a substantial portion of BOM, but a fall in cell prices does not automatically translate into an equivalent increase in gross margin. Ather can choose to deploy the saving across three areas:

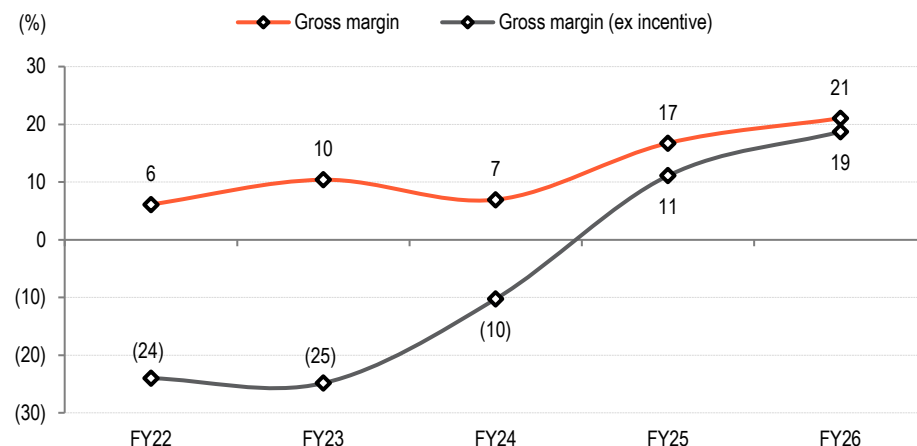
Lower consumer pricing → expands affordability and market penetration

Higher product content → strengthens value proposition

BOM savings retained → improves gross margin

In particular, the EL/Konarc platform is designed to use cost efficiencies to access a substantially larger addressable market, indicating some portion of future battery cost savings is likely to be reinvested into pricing rather than fully retained as margin.

However, the underlying cost curve provides a structural margin tailwind. This becomes increasingly important as Ather moves from a premium, lower-volume portfolio towards a broader mass-market portfolio where absolute cost per vehicle matters equally/or more significant than ASP.

Fig 26 – Gross margin to steady in the 22%-24% range in FY27E-FY29E period


Source: Company, BOBCAPS Research

Ather's gross-margin trajectory already demonstrates the impact of scale and cost reduction, with reported GM improving from 6.1% in FY22 to 21.1% in FY26, while GM excluding incentives improved from -24.0% to 18.8% over the same period. The adjusted gross margin trajectory of ~20-21% is likely to be a sustainable base, with further upside dependent on continued cost reduction, commodity movements and operating leverage.

Battery cost deflation alone is unlikely to deliver this entire expansion; rather, it should work alongside platform-level BOM reduction, manufacturing scale, sourcing efficiencies and fixed-cost absorption.

Supplier diversification and chemistry flexibility reduce the risk of a single-source shock

Management indicated that current cell procurement is entirely from China through two suppliers, although the company is actively engaging with Korean suppliers and Indian manufacturers such as Exide and Amara Raja, with testing already underway.

Ather is also maintaining the ability to deploy both LFP and NMC. This is particularly important because battery procurement risk has two dimensions:

Fig 27 – All throng strategy to mitigate cost to offset limited backward integration

Risk	Potential impact on Ather	Mitigation
Cell price inflation	Gross-margin pressure	Procurement scale, quarterly pricing, chemistry mix
Physical cell shortage	Production disruption / lost volumes	Blocked supplier capacity, additional suppliers
China concentration	Geopolitical/trade risk	Korea/India sourcing
NMC dependence	Higher battery cost	Increasing LFP mix
Technology obsolescence	Product competitiveness	Multi-chemistry platform and in-house battery/BMS capabilities

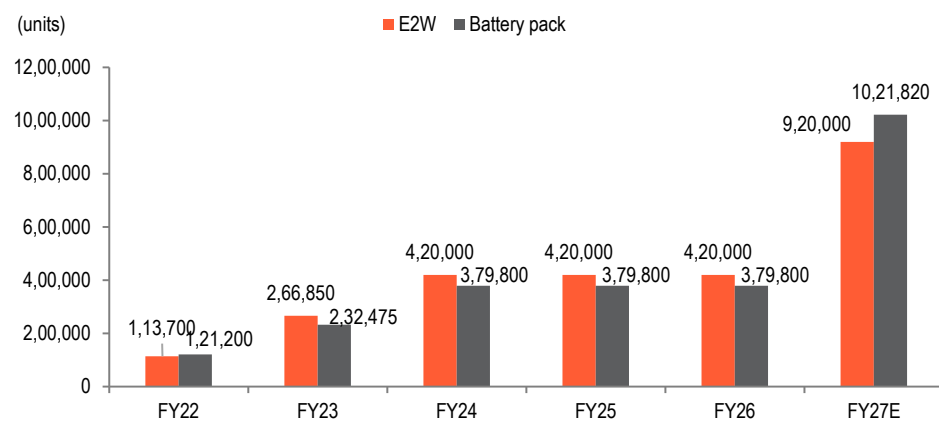
Source: BOBCAPS Research

The company's approach is therefore not to backward-integrate into cell manufacturing, but to remain asset-light while increasing sourcing flexibility. Management does not currently see a compelling case for owning cell manufacturing, citing the capital intensity and the continued dependence of several domestic cell initiatives on Chinese inputs.

Manufacturing scale should convert product-level cost savings into operating leverage

Battery and platform-level cost reduction are complemented by manufacturing scale-up. Ather's capacity is expected to increase from ~0.42mn units in FY26 to ~0.92mn units in FY27E, with management targeting approximately 1.4mn units by FY29. Phase 1 of the new manufacturing facility is already being commissioned, while further capacity can be added as demand develops.

Fig 28 – Gearing up for scalability to meet higher demand, add market share



Source: Company, BOBCAPS Research

The manufacturing footprint is increasingly aligned with Ather's portfolio and geography: Hosur remains focused on the 450/performance portfolio (fungibility available), AURIC caters to the middle/convenience segment, while Konarc is intended to address lower-priced demand in North and Rest of India. (Auric with focus on Rizta and Konarc)

At the same time, the new facilities bring several activities in-house, including electronics assembly, transmission assembly, painting/CED coating and battery-pack assembly, potentially improving manufacturing efficiency and reducing logistics complexity as volumes scale.

Pricing power provides another layer of margin protection

Despite multiple external shocks (FAME-II reduction, EMPS transition, commodity inflation), Ather has been able to implement price increases in a competitive and evolving market:

Fig 29 – Price hikes well absorbed as indicated by no dent in volume gains

Date	Model	Price Hike	Reason
Jan-22	Ather 450X / 450 Plus	upto ~5.5k effective increase (charging cost revision)	Ather started charging separately for the Ather Dot charger instead of offering it at a token Rs 1.
Jun-23	Ather 450X	upto ~30k increase	Reduction in FAME-II subsidy by Government of India. Delhi ex-showroom price increased from Rs 1.16 lakh to Rs 1.47 lakh.
Apr-24	Ather 450X (3.7 kWh), Ather 450S	upto ~16k increase	FAME-II ended and EMPS replaced it. Price moved from Rs 1.45 lakh to Rs 1.55 lakh.
Jan-26	Entire lineup (450 series & Rizta)	upto ~3k	Raw material, forex and electronics component cost inflation.

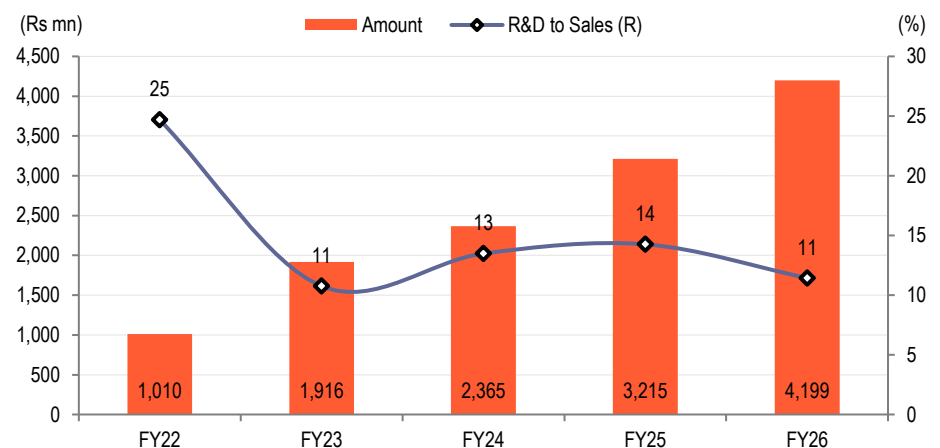
Source: Company, Industry news report, BOBCAPS Research

Furthermore, Ather's premium positioning has allowed it to maintain pricing while improving the underlying cost base. This has translated into margin gains and more importantly not denting market share gains and improving visibility.

Continuous Value Engineering and R&D becoming a scalable asset

Ather's R&D investment increased from Rs1.01bn in FY22 to Rs4.20bn in FY26, a ~4.2x increase. But revenue increased from Rs 4.09bn to RS 36.72bn, ~9x. Ather's intellectual property speaks volume with: 322 registered trademarks, 270 registered designs and 52 registered patents (FY26-end), with 283 patent filings in FY26 alone.

Fig 30 – Moderating R&D/Sales ratio despite higher development spend indicates maturing product portfolio



Source: Company, BOBCAPS Research

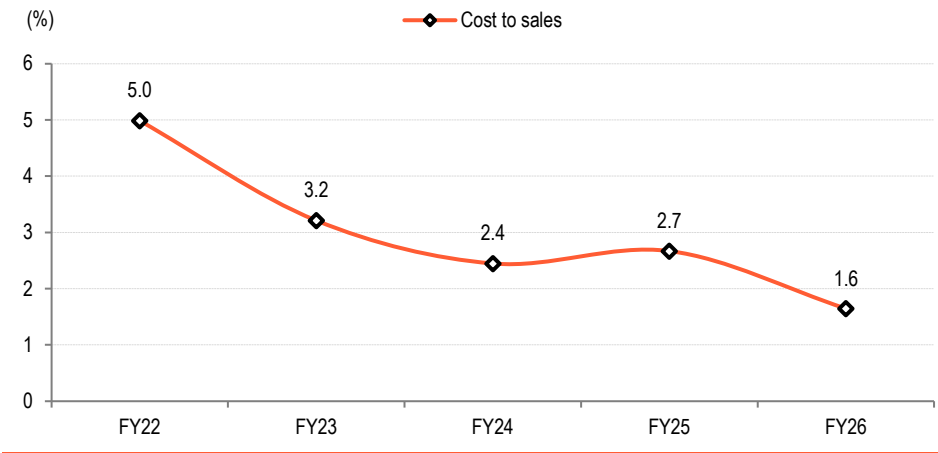
Fig 31 – Focus on patenting is sharp and helps exclusivity

Platform	Percentage of patents
Software	29
Electronics	17
Chassis	17
Battery	14
Powertrain	6
Others	17

Source: Company, BOBCAPS Research

Warranty cost as a percentage of sales has declined steadily from 5% in FY22 to 1.6% in FY26 (The momentary increase from FY24 to FY25 was driven by Rizta scale up). This consistent decline in cost signifies vehicle becoming significantly more reliable.

Fig 32 – Gradual moderation indicates products gaining structural reliability



Source: Company, BOBCAPS Research

Expanding ecosystem and asset-light network can unlock higher lifetime value per vehicle

Ather is increasingly building an ecosystem around the vehicle rather than relying solely on vehicle revenue. Non-vehicle revenue has increased from ~10% of revenue in FY24 to ~14% in FY26/Q1FY27, led by software, services and accessories. Furthermore, scope for monetisation exists as Ather's installed base expands and matures, particularly through the currently under-penetrated service and spares opportunity. Additionally, Ather's partner-led Experience Centre model allows it to expand customer touchpoints with relatively limited capital intensity. This enables faster geographic penetration and providing a larger base for cross-selling software, accessories, charging and services.

Non-vehicle revenue has become a meaningful contributor

Non-vehicle revenue has remained resilient at 13–14% of revenue in FY26 and Q1FY27, despite Ather's rapid increase in vehicle volumes. The underlying trend since FY24 has been upward, with the mix increasing from 10% in FY24 to 12% in FY25 and 13–14% in FY26. The non-vehicle revenue contribution which is typically seen among ICE 2W OEMs is expected to generate contribution hovering ~ 12-14%, despite Ather having a relatively young installed base.

Fig 33 – Other operating income to gain size gradually steadying margins further

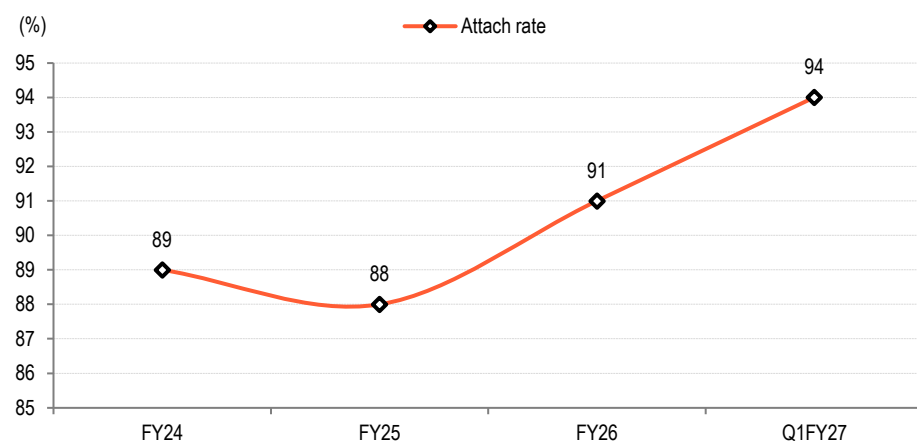
% of operating revenue	FY22	FY23	FY24	FY25	FY26
Non-vehicle revenue	9	20	10	12	13–14
Software revenue (Rs mn)	264	1,321	1,073.5	1,142.5	2,070.8
Software attach rate			89	88	91

Source: Company, BOBCAPS Research

Software demonstrates Ather's ability to monetise its technology platform

Software is currently the most established component of Ather's ecosystem monetisation. Software revenue spiked from Rs2.6bn in FY22 to Rs20.7bn in FY26, while the Pro Pack attach rate improved from 88% in FY25 to 94% in Q1FY27. The sustained increase in attach rates despite significant volume expansion underscores that Ather has been able to retain customers' willingness to pay for software-enabled functionality across a wide and varied customer base.

Software also offers an attractive incremental economics profile, with management disclosures indicating ~53–56% EBITDA margins. The Pro Pack therefore provides a relatively high-margin revenue stream at the point of vehicle sale, while the subsequent subscription renewal provides an opportunity for recurring revenue.

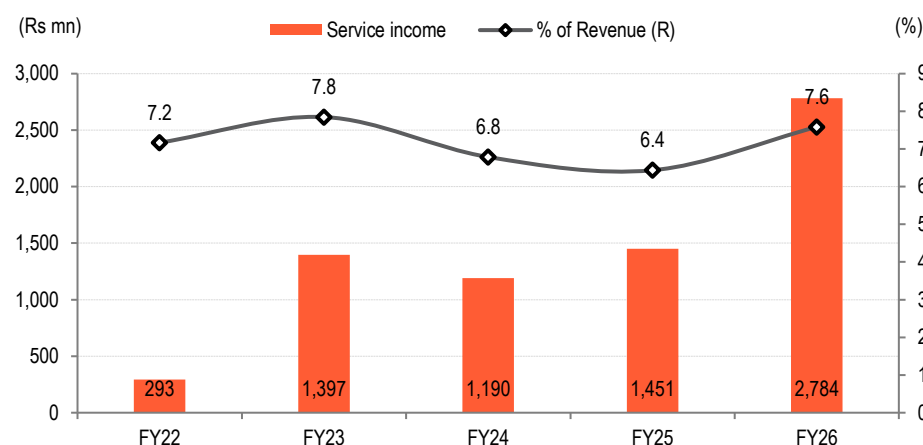
Fig 34 – Software monetization improves breadth and is handy to add margins


Source: Company, BOBCAPS Research

Services provide the largest long-term monetisation opportunity

Furthermore, as the vehicle base matures another significant opportunity lies in service over and above software. Sale of services increased from Rs1.2bn in FY24 to Rs1.5bn in FY25, however leapt with a 92% YoY jump to Rs2.8bn in FY26 as scalability gained momentum. Services consistently account for only ~6-8% of revenue, providing sustainable revenue stream and growth opportunity as Ather's customer base expands and matures.

Unlike software, where monetisation is concentrated around the initial vehicle purchase, service and spares revenue should increase with the age and size of the fleet. Ather's expanding fleet therefore creates a gradually larger annuity-like opportunity through periodic servicing, spares, roadside assistance, maintenance plans and extended warranties.

Fig 35 – Service income adds more sustained contribution with steady margins


Source: Company, BOBCAPS Research

Asset-light retail expansion can accelerate this monetisation flywheel

A key differentiator is Ather's partner-led Experience Centre model. Unlike an OEM-owned dealership model, Ather can leverage dealer partners to expand physical touchpoints without having to fund the entire retail infrastructure itself.

This is key enabler as Ather moves into the mass-premium and mass segments through EL/Konarc. A larger retail footprint improves vehicle availability and geographic penetration while simultaneously expanding the addressable customer base for ecosystem products.

This is important because the economics of a new Experience Centre improves as it matures. This is indicated from the software attach rates that initially increased from ~40–50% to >75% during the first six months, followed by higher vehicle ASP as dealers become more effective at selling higher-spec variants. Accessory penetration subsequently increases, with mature markets such as Gujarat reaching ~60–75% accessory attach rates.

Fig 36 – Other operating income well-spread between near and long term

Store maturity	Primary monetisation driver	Management indication
0–6 months	Software	Attach rate rises from ~40–50% to >75%
6–12 months	Vehicle mix / ASP	Dealer trust builds; higher-spec variants gain traction
12–18 months+	Accessories	Mature markets can achieve ~60–75% attach
Long term	Services & spares	Monetisation increases as existing fleet ages

Source: Company, BOBCAPS Research

Fig 37 – Revenue pool available throughout the product cycle

Stage	Point of vehicle sales	Over vehicle lifetime
At purchase	Vehicle revenue	Pro Pack/software
Early ownership	-	Accessories, charging
Mid-life	-	Service plans, RSA, warranties
Mature fleet	-	Service + spares + charging + renewals

Source: Company, BOBCAPS Research

Accessories and charging add further layers of customer monetisation

Accessories provide another relatively attractive incremental revenue pool. Ather's portfolio includes Halo smart helmets, tyre pressure monitoring system, Frunk, bodyguards, sidesteps, seat covers and portable tyre inflators, among others. Accessories are indicated to generate ~25–30% gross margins.

Ather Grid provides a further ecosystem layer, with 6,000+ public fast and neighbourhood chargers across 360+ cities. The transition from a primarily ecosystem-support function toward monetised charging sessions creates an additional revenue stream, while the growing charging network can simultaneously support vehicle adoption and customer retention.

Non vehicle revenue to increase though not symmetric with fleet size

The key distinction is that not all non-vehicle revenue scales at the same rate as vehicle volumes.

Software is monetised almost immediately and has a high attach rate. Accessories increase as customers become familiar with the vehicle. Charging usage increases with the existing fleet. Services and spares become increasingly important as vehicles age.

Hence, the current 13–14% non-vehicle revenue contribution should not necessarily be considered a steady-state ceiling. The more relevant metric for us is non-vehicle revenue per vehicle and its progression as the installed base matures.

Zenith provides long-term optionality to enter the motorcycle segment

While Ather remains focused on scooters in the near term, its product roadmap provides long-term optionality to enter the motorcycle segment through the Zenith platform. Management targets its first motorcycle around FY29–FY30, with the focus on 125-300cc segment.

Fig 38 – Ather's Product roadmap

Platform	Target segment	Strategic role	Timeline
450 platform	Premium scooters	Existing core	Current
EL / Konarc	Mass-premium / mass scooters	Expand scooter TAM	Current / near term
Zenith	Motorcycles	Enter larger 2W form factor	FY29–30 target

Source: Company, BOBCAPS Research

This could materially expand Ather's addressable market, given that motorcycles account for a larger share of India's 2W market (~60%) than scooters.

Details of Key Managerial Personnel

Fig 39 – Founders’ graduates from esteem institutes, others are with sound professional background and experience

Name	Designation	Qualification and background
Tarun Sanjay Mehta	Executive Director, CEO and Founder	Dual degree (B.Tech & M.Tech) in Engineering Design from IIT Madras. 10+ years of EV industry experience
Swapnil Babanlal Jain	Executive Director, CTO and Founder	Dual degree (B.Tech & M.Tech) in Engineering Design from IIT Madras. 10+ years of EV experience leading R&D and technology roadmaps
Sohil Dilipkumar Parekh	Chief Financial Officer	Oversees corporate financial strategy, accounting, treasury, and financial reporting prior to joining Ather has been associated with Claris Limited, as well as had past work experience across various other sectors, including waste-to-energy, pharmaceuticals, market research, business process outsourcing, IT and ITES
Puja Aggarwal	Company Secretary & Compliance Officer	Experience in Secretarial, statutory compliance, and legal disclosures governance prior to joining Ather she was associated with Aster DM Healthcare Limited, Steles Biopharma Limited and Narayana Hualalai Limited
Mr. Ravneet Singh Pholela	Chief Business Officer	Associated with Ather since Oct 2015. B. Tech & M. Tech in Electrical Engineering from IIT Bombay. Prior experience with Eaton Technologies
Mr. Sanjeev Kumar Singh	Chief Operating Officer	B. Tech from IIT Kharagpur. Prior leadership roles at Tata Motors, Bosch, GENPACT, and ACME Tele Power
Mr. Harendra Saksena	Chief Procurement Officer	Extensive automotive supply chain and procurement leadership background

Source: Company, BOBCAPS Research

Valuation methodology

Ather is in a transitional phase from a company adopting new edge technology that is nascent to gaining momentum while attaining maturity over a period of time. Effectively, conventional valuation methodology like earnings ratio including P/E or EV/EBITDA is unlikely to portray clarity on the business potential with valuations being far stretched.

We are using Market cap to Gross Block ratio to value Ather. We evaluate the fundamental capital efficiency of its long-term asset base as conventional ratios may distort the book value. Ather's M-cap/GB ratio is improving consistently from 31.0% in FY27e to 13.5% in FY29e. FY29 marks the phase II expansion of Ather indicating much more potential for Ather to efficiently manage its long-term asset base.

Further, we use Gross block over net block as Gross Block represents the cumulative original historical cost of all productive fixed assets (plant, machinery, land) currently owned and importantly eliminates the discrepancy arising out of depreciation schedules largely left to individual accounting choices of management.

Additionally, the gross block puts the asset productivity test as is depicts the exact amount of hard capital required to build the physical manufacturing asset. As Ather turns around from loss making to profitable entity, Market Cap to Gross Block points towards the company's capability to generate strong operational velocity relative to what it cost to build the infrastructure. With strong operational capability and demand supply mechanics (supply being the major constraint to meet strong demand) the lacunae of capacity utilization determination are taken care off.

We also highlight the depreciation to sales ratio that is improving for Ather and moving at sub-4 levels in FY29 in a short span from a double-digit high in FY22. It is reiterated that the phase II expansion in Auric will facilitate further head-room window for the faster improvement of measuring the depreciation expense generated per unit of revenue. This is after Ather had added capacity from 0.42 mn units to 0.92 mn units in FY27. Ather targets 1.42 mn units by FY29.

The return on assets profile also is entering the positive territory for Ather with strong pace compared to its peers. The peer set (BJAUT, EIM, TVS, HMCL) is likely to deliver ~23-25% by FY29e from a range of 16-18% in FY22 (seven years) compared to Ather moving to 7% in FY29 from negative 12% in FY27.

We value Ather at 16x Sep 2028 M-cap/Gross Block ratio, 20% below the average valuation of TVS and BJAUT two key companies (leaders in EV manufacturing) in the 2-W segment. We exclude EIM being focused in the 350cc motor bike segment and HMCL due to its focus on lower-end motor cycle and also strategic investor in Ather. We arrive at target price of Rs1,680/sh (20% upside) and assign a BUY rating on the stock.

Fig 40 – M-cap To Gross Block Ratio improving for Ather over the short span

(x)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
ATHERENE	375.4	228.4	197.4	139.0	109.1	31.2	18.8	13.5
BJAUT	60.6	50.0	44.2	39.6	37.5	33.4	30.1	27.4
EIM	40.7	35.8	33.0	27.9	25.4	23.1	21.1	19.2
TVSL	25.6	22.7	20.3	18.3	15.2	12.6	11.1	11.1
HMCL	6.9	6.7	6.4	6.1	5.8	5.5	5.2	5.0

Source: Company, BOBCAPS Research

Fig 41 – Sales to Depreciation follows the same path...

(x)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
ATHERENE	11.8	6.3	8.4	7.6	4.7	4.5	4.4	3.9
BJAUT	0.8	0.8	0.8	0.8	0.8	0.6	0.6	0.6
EIM	4.4	3.6	3.5	3.7	3.5	3.2	3.0	2.7
TVSL	2.9	2.4	2.2	2.1	1.9	1.8	1.7	1.6
HMCL	2.2	1.9	1.9	1.9	1.7	1.5	1.5	1.4

Source: Company, BOBCAPS Research

Fig 42 – ROA Trend to turn stronger beyond FY29e

(x)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
ATHERENE						(11.8)	-0.5	6.6
BJAUT	18.2	21.6	29.7	29.3	29.3	28.9	27.3	25.8
EIM	15.4	22.1	26.1	24.9	26.9	23.7	24.1	24.1
TVSL	16.7	16.7	16.7	16.7	16.7	16.7	16.7	16.7
HMCL	16.0	18.0	23.7	24.5	26.0	25.3	25.3	25.0

Source: Company, BOBCAPS Research

Fig 43 – Key assumptions

Parameter	FY25	FY26	FY27E	FY28E	FY29E
2W Volumes	155,394	262,942	341,825	527,281	782,737
Adjusted ASP (Rs)	126,288	124,731	128,161	126,879	126,245
Adj Revenue (Rs mn)	19,624	32,797	43,808	66,901	98,816
Adj Gross Profit (Rs mn)	3,782	7,742	10,827	17,667	26,135
Adj Gross Margin (%)	16.77	21.08	21.60	23.35	23.82
Adj EBITDA (Rs mn)	(5,809)	(4,084)	(2,046)	2,248	6,231
Adj EBITDA Margin (%)	(25.8)	(11.1)	(4.1)	3.0	5.7
Adj. PAT (Rs mn)	(8,123)	(5,222)	(3,361)	121	2,935
EPS (Rs)	(27.9)	(13.6)	(8.8)	0.3	7.7

Source: Company, BOBCAPS Research

Fig 44 – Valuation summary

Business	Sep 2029 Gross Block (Rs mn)
Gross Block (Rs mn)	42,207
M-cap	554.5
Target Multiple	16.0
Target M-cap	659.0
Target Price (Rs)	1,680

Source: BOBCAPS Research

Key risks

Key downside risks to our estimates are:

- Slower than expected progress in EV penetration slighting lack of government policy on issues like scrappage and the likes.
- Vulnerable to limited set of suppliers typically in key cell procurement and other critical components can lead sharp and abrupt disruption impacting business
- Evolution to more easier and available sources of alternate energy and heavy competition from existing fuel sources can impact business visibility
- Exposed directly to government policies which can change with short notices and will remain a key business risk.

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Total revenue	22,550	36,718	50,127	75,649	109,729
EBITDA	(5,809)	(4,084)	(2,046)	2,248	6,231
Depreciation	1,710	1,729	2,341	3,631	5,431
EBIT	(7,017)	(4,299)	(2,648)	618	3,101
Net interest inc./(exp.)	(1,106)	(822)	(814)	(798)	(766)
Other inc./(exp.)	502	1,513	1,740	2,001	2,301
Exceptional items	0	(50)	0	0	0
EBT	(8,123)	(5,172)	(3,461)	(179)	2,335
Income taxes	0	0	0	0	0
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	(8,123)	(5,172)	(3,461)	(179)	2,335
Adjustments	0	50	0	0	0
Adjusted net profit	(8,123)	(5,121)	(3,461)	(179)	2,335

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Accounts payables	5,951	8,810	11,640	17,506	25,208
Other current liabilities	4,592	3,893	3,862	4,626	5,971
Provisions	1,981	2,204	2,424	2,666	2,933
Debt funds	1,288	3,744	2,674	1,674	674
Other liabilities	2,264	2,839	2,839	2,839	2,839
Equity capital	291	383	384	392	392
Reserves & surplus	4,639	25,343	26,382	33,702	36,038
Shareholders' fund	4,930	25,726	26,766	34,095	36,430
Total liab. and equities	21,005	47,215	50,205	63,406	74,055
Cash and cash eq.	3,704	8,232	2,572	10,507	2,958
Accounts receivables	118	83	195	304	503
Inventories	2,446	2,816	3,241	4,582	6,362
Other current assets	4,889	17,099	5,098	5,889	6,870
Investments	410	5,520	6,120	6,720	7,320
Net fixed assets	2,674	3,073	13,732	22,101	28,670
CWIP	57	1,026	10,000	4,000	12,000
Intangible assets	2,206	3,393	3,056	2,870	2,675
Deferred tax assets, net	0	0	0	0	0
Other assets	4,501	5,974	6,192	6,433	6,697
Total assets	21,005	47,215	50,205	63,406	74,055

Cash Flows

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Cash flow from operations	(9,616)	(17,041)	10,810	5,283	11,053
Capital expenditures	(3,794)	(4,026)	(21,855)	(6,055)	(20,069)
Change in investments	2,512	(5,110)	(600)	(600)	(600)
Other investing cash flows	502	1,513	1,740	2,001	2,301
Cash flow from investing	(780)	(7,623)	(20,715)	(4,654)	(18,368)
Equities issued/Others	7,047	26,642	2	8	0
Debt raised/repaid	876	2,456	(1,069)	(1,000)	(1,000)
Interest expenses	(1,106)	(822)	(814)	(798)	(766)
Dividends paid	0	0	0	0	0
Other financing cash flows	0	0	0	0	0
Cash flow from financing	6,817	28,275	(1,881)	(1,790)	(1,766)
Chg in cash & cash eq.	(3,579)	3,612	(11,786)	(1,160)	(9,081)
Closing cash & cash eq.	3,704	8,232	2,572	10,507	2,958

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26A	FY27E	FY28E	FY29E
Reported EPS	(27.9)	(13.6)	(9.0)	(0.5)	6.0
Adjusted EPS	(27.9)	(13.6)	(9.0)	(0.5)	6.0
Dividend per share	0.0	0.0	0.0	0.0	0.0
Book value per share	17.0	67.2	69.6	86.9	92.9

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26A	FY27E	FY28E	FY29E
EV/Sales	19.0	11.7	8.5	5.6	3.9
EV/EBITDA	(73.7)	(105.4)	(208.1)	188.9	68.4
Adjusted P/E	(50.3)	(103.0)	(156.1)	(3,072.5)	236.1
P/BV	82.9	20.9	20.2	16.2	15.1

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26A	FY27E	FY28E	FY29E
Tax burden (Net profit/PBT)	100.0	101.0	100.0	100.0	100.0
Interest burden (PBT/EBIT)	115.8	120.3	130.7	(29.0)	75.3
EBIT margin (EBIT/Revenue)	(31.1)	(11.7)	(5.3)	0.8	2.8
Asset turnover (Rev./Avg TA)	279.2	180.0	155.2	213.4	279.4
Leverage (Avg TA/Avg Equity)	1.6	1.3	1.2	1.2	1.1
Adjusted ROAE	(156.4)	(34.1)	(13.2)	(0.6)	6.6

Ratio Analysis

Y/E 31 Mar	FY25A	FY26A	FY27E	FY28E	FY29E
YoY growth (%)					
Revenue	28.6	62.8	36.5	50.9	45.1
EBITDA					177.2
Adjusted EPS					

Profitability & Return ratios (%)

EBITDA margin	(25.8)	(11.1)	(4.1)	3.0	5.7
EBIT margin	(31.1)	(11.7)	(5.3)	0.8	2.8
Adjusted profit margin	(36.0)	(13.9)	(6.9)	(0.2)	2.1
Adjusted ROAE	(164.8)	(19.9)	(12.9)	(0.5)	6.4
ROCE	(86.9)	(21.1)	(8.2)	1.7	7.9

Working capital days (days)

Receivables	1	1	1	1	1
Inventory	29	26	22	19	18
Payables	105	93	95	92	93

Ratios (x)

Gross asset turnover	0.2	0.1	0.4	0.4	0.4
Current ratio	0.9	1.9	0.6	0.9	0.5
Net interest coverage ratio	6.3	5.2	3.3	(0.8)	(4.1)
Adjusted debt/equity	0.3	0.1	0.1	0.0	0.0

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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Name of the Research Entity: **BOB Capital Markets Limited**
Registered office Address: **1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051**
SEBI Research Analyst Registration No: **INH000000040 (Perpetual)**
SEBI Stock Broker Registration No: **INZ000159332**
SEBI Depository Participant Registration No: **IN-DP-728-2022**
SEBI Merchant Banker Registration No: **INM000009926**
Phone: +91-22-61389300
Name of the Compliance Officer: Mr. Sameer Khobrekar
Email ID: Compliance@bobcaps.in; Phone no.: +91-22-61389358
For any queries or grievances, you may contact the Grievance Officer.
Name of the Grievance Officer: Mr. Nilesh Mehta
Email ID: head-customer@bobcaps.in; Phone no: 92288 60945

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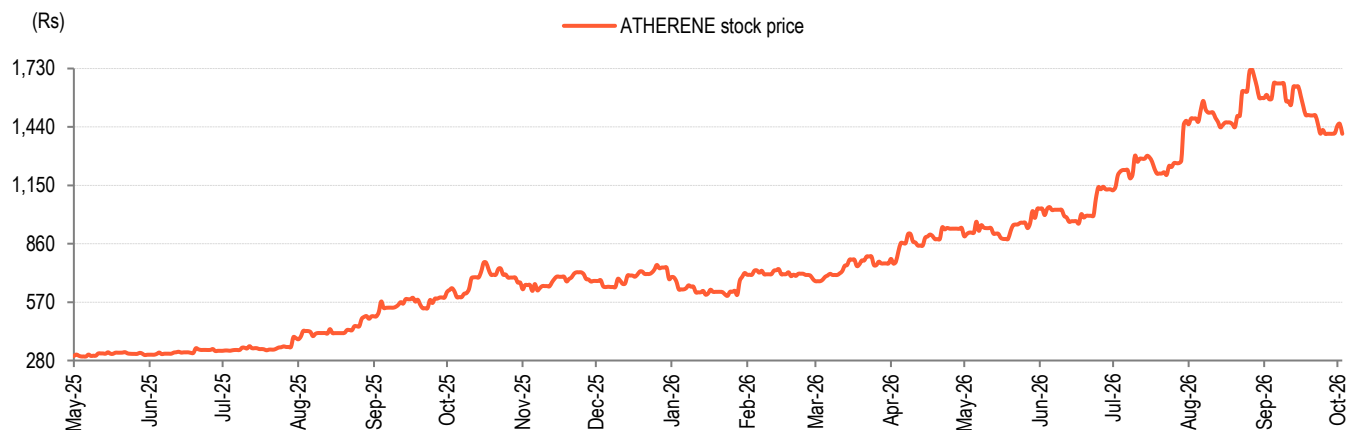
Recommendation scale: Recommendations and Absolute returns (%) over 12 months

BUY – Expected return >+15%
HOLD – Expected return from -6% to +15%
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Note: Recommendation structure changed with effect from 21 June 2021

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Ratings and Target Price (3-year history): ATHER ENERGY (ATHERENE IN EQUITY)



B – Buy, H – Hold, S – Sell, A – Add, R – Reduce

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