

October 26, 2026

To National Stock Exchange of India Ltd Exchange Plaza, 5th Floor, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai 400051 NSE Symbol: ATHERENERG	To BSE Limited 1 st Floor, Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400001 Scrip Code: 544397
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Sub: Monitoring Agency Report for the quarter ended September 30, 2026

Dear Sir/ Madam,

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), read with Regulation 41 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we hereby submit the Monitoring Agency Report issued by CARE Ratings Limited, for the quarter ended September 30, 2026, in respect of the utilization of gross proceeds of the IPO, Qualified Institutions Placement (QIP), and Preferential Issue of the Company.

Kindly take the above said information on record.

Thank you

For Ather Energy Limited

PUJA
AGGARWAL

Digitally signed by
PUJA AGGARWAL
Date: 2026.10.26
22:59:04 +05'30'

Puja Aggarwal
Company Secretary & Compliance Officer
Membership No: A49310

No. CARE/BRO/GEN/2026-27/1031

The Board of Directors

Ather Energy Limited

13th Floor, Tower D, IBC Knowledge Park,
4/1 Bannerghatta Main Road,
Bengaluru, Karnataka, India- 560029

October 26, 2026

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended September 30, 2026 - in relation to the IPO of Ather Energy Limited ("the Company")

We write in our capacity of Monitoring Agency for the IPO for the amount aggregating to Rs. 2626.00 crore of the Company and refer to our duties cast under regulation 41 of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended September 30, 2026 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated March 17, 2025.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,



Karthik Raj

Director

karthik.raj@careedge.in

Report of the Monitoring Agency

Name of the issuer: Ather Energy Limited

For quarter ended: September 30, 2026

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: None

(b) Range of Deviation: NA

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

A handwritten signature in black ink that reads "K. Karthik Raj".

Signature:

Name and designation of the Authorized Signatory: Karthik Raj

Designation of Authorized person/Signing Authority: Director

Issuer Details:

Name of the issuer : Ather Energy Ltd
 Name of the promoter : Tarun Sanjay Mehta, Swapnil Babanlal Jain, Hero Motocorp Limited
 Industry/sector to which it belongs : Automobiles and Auto Components- Automobiles

1) Issue Details

Issue Period : April 28, 2025 to April 30, 2025
 Type of issue (public/rights) : Public
 Type of specified securities : Equity
 IPO Grading, if any : Not applicable
 Issue size (in crore) : Rs. 2626.00 crore

2) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Final Prospectus, Management Certificate, Discussion with management	As per the prospectus, the Company had to spend Rs. 705.50 crore for Factory 3.0 in FY26, which could not be utilized as the Company received Environment clearance approval in September 2025 which was originally not required as per prospectus dated April 30, 2025. This had shifted the expected date for commencement of first phase of production in Factory 3.0 to October 2026 as against original envisaged timeline of July 2026. However, the Company faced operational challenges of labor and fuel shortage both on-site and at suppliers' end caused by the Middle-East crisis, due to which the expected date of commencement of production is now shifted to December 2026. The Company has spent 47% (including land cost) of the total project cost and has already raised purchase orders worth 87% of the total project cost as on September 30, 2026. As per	No comments

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
			management, the initial completion timelines for entire project of March 2027 remain intact	
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Final Prospectus, Management Certificate	No deviations from expenditures observed from the objects mentioned in Offer Document	No comments
Whether the means of finance for the disclosed objects of the issue have changed?	No	Final Prospectus, Management Certificate	No change in means of finance for the disclosed objects	No comments
Is there any major deviation observed over the earlier monitoring agency reports?	No	Monitoring agency report dated August 03, 2026.	No deviation observed from previous monitoring agency reports.	
Whether all Government/statutory approvals related to the object(s) have been obtained?	Ongoing	Final Prospectus, Management Certificate, Discussion with management	With respect to capital expenditure to be incurred for E2W factory in Maharashtra, the Company has obtained certain pre-construction government approvals such as Consent to Establish, Town and Country Planning Approvals, GST Registration, ESI Registration. The Company has received Environmental Clearance as well during Q2FY26. Other routine approvals viz. Consent to Operate, Factory license etc. are expected to be obtained in due course of time.	No comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes	Final Prospectus, Management Certificate, Discussion with management	As per management, all technical requirements are sourced in-house and no agreements with third parties exist for the same.	No comments
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Management Certificate, Discussion with management	Management expects Factory 3.0 production to commence in December 2026 instead of October 2026, with no cost overrun anticipated due to adequate contingency provisions.	No comments
Is there any other relevant information that may materially affect the decision making of the investors?	No	Management Certificate, Discussion with management	None	No comments

#Where material deviation may be defined to mean:

- Deviation in the objects or purposes for which the funds have been raised
- Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

3) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
1	Capital expenditure to be incurred by Company for establishment of an E2W factory in Maharashtra, India	CA Certificate*, Management Certificate, Final Prospectus	927.20	None	No revision	No Revision	Not Applicable	Not Applicable
2	Repayment/ pre-payment, in full or part, of certain borrowings	CA Certificate*, Management Certificate, Final Prospectus	40.00	None	No revision	No Revision	Not Applicable	Not Applicable
3	Investment in research and development	CA Certificate*, Management Certificate, Final Prospectus	750.00	None	No revision	No Revision	Not Applicable	Not Applicable
4	Expenditure towards marketing initiatives	CA Certificate*, Management Certificate, Final Prospectus	300.00	None	No revision	No Revision	Not Applicable	Not Applicable
5	General corporate purposes	CA Certificate*, Management Certificate, Final Prospectus	492.20	498.80	The Company has revised its issue expenses in Q4FY26 on account of revised estimation of issue expenses being lower than estimated issue expenses as per the Offer Document. The difference has been allocated to GCP in line with resolution passed by Board of Directors.	No Comments	Not Applicable	Not Applicable
6	Issue Expenses	CA Certificate*, Management Certificate, Final Prospectus	116.60	110.00	The Company has revised its issue expenses in Q4FY26 on account of revised estimation of issue expenses being lower than estimated issue expenses as per the Offer Document.	No Comments	Not Applicable	Not Applicable
Total			2626.00	2626.00				

* CA certificate from peer reviewed audit firm Sreedar Mohan and Associates dated October 15, 2026 bearing UDIN number 26226545RMMVWI6797.

(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Revised cost as per Board Resolution dated February 02, 2026	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Capital expenditure to be incurred by Company for establishment of an E2W factory in Maharashtra, India	CA Certificate*, Management Certificate, Final Prospectus	927.20	927.20	292.36	135.56	427.92	499.28	Payments during the quarter have been made for civil work and materials pertaining to it, gearbox assembly lines, IT infrastructure, etc.	No Comments	No Comments
2	Repayment/ pre-payment, in full or part, of certain borrowings	CA Certificate*, Management Certificate, Final Prospectus	40.00	40.00	40.00	0.00	40.00	0.00	Amount has already been utilized.	No Comments	No Comments
3	Investment in research and development	CA Certificate*, Management Certificate, Final Prospectus	750.00	750.00	285.24	9.56	294.80	455.20	Out of total amount utilised during the quarter, Rs. 7.33 crore were spent on manpower costs in R&D department and Rs. 2.23 crore was spent on non-manpower costs.	No Comments	No Comments
4	Expenditure towards	CA Certificate*, Management Certificate,	300.00	300.00	126.24	8.85	135.09	164.91	Payments have been made to the marketing agency with whom the Company	No Comments	No Comments

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Revised cost as per Board Resolution dated February 02, 2026	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
	marketing initiatives	Final Prospectus							has entered into service agreement as mentioned in the prospectus.		
5	General corporate purposes	CA Certificate*, Management Certificate, Final Prospectus	492.20	498.80	358.50	0.00	358.50	140.30	Paid Rs. 11,825/- during the quarter.	No Comments	No Comments
6	Issue Expenses	CA Certificate*, Management Certificate, Final Prospectus	116.60	110.00	107.94	0.00	107.94	2.06	No utilisation during the quarter.	No Comments	No Comments
Total			2626.00	2626.00	1210.28	153.97	1364.25	1261.75			

*CA certificate from peer reviewed audit firm Sreedar Mohan and Associates dated October 15, 2026 bearing UDIN number 26226545RMMVWI6797.

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. in Crs)	Maturity date	Earning (Rs. in Crs) *	Return on Investment (%)	Market Value as at the end of quarter (Rs. in Crs)**
1	Fixed Deposit - CSB	25.00	24-03-2027	0.68	7.35%	25.68
2	Fixed Deposit - CSB	25.00	24-03-2027	0.68	7.35%	25.68
3	Fixed Deposit - CSB	25.00	24-03-2027	0.68	7.35%	25.68
4	Fixed Deposit - CSB	25.00	24-03-2027	0.68	7.35%	25.68
5	Fixed Deposit - CSB	25.00	24-03-2027	0.68	7.35%	25.68
6	Fixed Deposit - CSB	25.00	24-03-2027	0.68	7.35%	25.68

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. in Crs)	Maturity date	Earning (Rs. in Crs) *	Return on Investment (%)	Market Value as at the end of quarter (Rs. in Crs)**
7	Fixed Deposit - CSB	200.00	25-02-2027	5.78	7.75%	205.78
8	Fixed Deposit - CSB	10.00	11-10-2026	0.23	7.40%	10.23
9	Fixed Deposit - CSB	10.00	11-10-2026	0.23	7.40%	10.23
10	Fixed Deposit - CSB	10.00	11-10-2026	0.23	7.40%	10.23
11	Fixed Deposit - CSB	10.00	11-10-2026	0.23	7.40%	10.23
12	Fixed Deposit - CSB	50.00	28-11-2026	0.64	7.15%	50.64
13	Fixed Deposit - CSB	35.00	04-11-2026	0.33	6.80%	35.33
14	Fixed Deposit - CSB	15.00	23-12-2026	0.12	6.92%	15.12
15	Fixed Deposit - IDFC	60.00	04-11-2026	1.70	6.95%	61.70
16	Fixed Deposit - Axis	100.00	15-10-2026	2.57	6.90%	102.57
17	Fixed Deposit - Axis	300.00	13-01-2027	7.99	7.15%	307.99
18	Fixed Deposit - Axis	200.00	11-03-2027	5.37	7.20%	205.37
19	Fixed Deposit - Axis	100.00	09-11-2026	0.85	6.35%	100.85
20	HSBC Monitoring Account (Bank Balance)#	9.69	NA	NA	NA	9.69
21	Axis Public Offer (Bank Balance)##	2.06	NA	NA	NA	2.06
	Total	1261.75		30.35		1292.10

* Earning includes interest received and interest accrued.

** Market Value includes interest accrued and Amount invested

Actual closing balance in HSBC Bank Monitoring Account as on September 30, 2026, was Rs. 10.77 crore. Differential amount of Rs 1.08 crore pertains to interest received on fixed deposit.

Actual closing balance in Axis Bank Public Offer Account as on September 30, 2026 was Rs 2.34 crore. Differential amount of Rs 0.28 crore pertains to issue expenses of Offer for sale.

(iv) Delay in implementation of the object(s) –

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
Capital expenditure to be incurred by our Company for establishment of an E2W factory in Maharashtra, India	FY26- Rs. 705.50 crore FY27-Rs. 221.70 crore	FY26- Rs. 139.63 crore FY27- Ongoing	Delay (Number of days are unascertainable)	Factory 3.0 construction was successfully begun in September 2025 after all pre-requisite approvals from the government including environmental clearance approval. Environmental Clearance approvals were however not originally	

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
				required at the time of Prospectus filing, thus shifted the construction start from May 2025 to September 2025. Progress was further affected by operational challenges, including labor shortages and fuel supply constraints both on-site and at suppliers' facilities, arising from the ongoing situation in the Middle East. The Company was able to mitigate the same to the best extent possible and hence commencement of production at Factory 3.0 is now expected in December 2026. The overall estimated timeline for completion of Factory 3.0 Phase 1 by March, 2027 remains intact (as presented in prospectus).	
Repayment/ pre-payment, in full or part, of certain borrowings availed by our Company	FY26-Rs. 40 crore	Completed as on September 30, 2025	None	No comments	
Investment in research and development	FY26- Rs. 270.00 crore FY27-Rs. 265.00 crore FY28- Rs.215.00 crore	Ongoing	None	No comments	
Expenditure towards marketing initiatives	FY26- Rs. 150 crore FY27- Rs. 150 crore	FY 26- Rs. 90.44 Crs FY 27- Ongoing	Delay (Number of days are unascertainable)	Out of the total marketing expenditure earmarked for FY 2025-26, an amount of Rs. 59.56 crore has been deferred and will now be deployed in current FY 2026-27. This deferral has been undertaken based on a reassessment of the marketing spend calendar and prevailing business conditions, with the objective of optimizing the timing and impact of marketing initiatives. In addition to the above deferred amount, a sum of Rs. 150 crore towards marketing expenditure has already been planned and budgeted for FY 2026-27.	

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
General corporate purposes	FY26- Rs. 492.20 crore Revised to Rs. 498.80	FY26- Rs. 358.50 Crs FY27- Ongoing	Delay (Number of days are unascertainable)	On account of optimized cash management, the Company has deferred the deployment of general corporate purposes fund of Rs. 140.30 crore from FY 2025-26 to FY 2026-27.	
Issue Expenses	-	Ongoing	None	No comments	

4) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head^	Amount in Rs. Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	General Corporate Purpose	0.00	CA Certificate*, Management Certificate, Bank statements and Final Prospectus	Rs. 11,825 spent during the quarter towards bank charges	No comments
	Total	0.00			

*CA certificate from peer reviewed audit firm Sreedar Mohan and Associates dated October 15, 2026 bearing UDIN 26226545RMMVWI6797.

^ Section from the offer document related to GCP:

"The Net Proceeds will first be utilized for each of the other Objects as set out in this section. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds towards general corporate purposes, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with Regulation 7(2) of the SEBI ICDR Regulations. Such general corporate purposes may include, but are not restricted to strategic initiatives, funding growth opportunities, working capital requirements, maintenance of plants and machineries, support functions, meeting corporate exigencies and any other purpose in the ordinary course of business, as may be approved by our management, from time to time, subject to compliance with applicable law, including provisions of the Companies Act. The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements, the amount actually available under this head and other relevant considerations, from time to time."

Disclaimers to MA report:

- a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as "**Monitoring Agency/MA**"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.
- b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like peer reviewed CA firm appointed by the Issuer believed by it to be accurate and reliable.
- c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.
- d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from peer reviewed CA firms, lawyers, chartered engineers or other experts, and relies on in its reports.
- e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

No. CARE/BRO/GEN/2026-27/1032

The Board of Directors

Ather Energy Limited

13th Floor, Tower D, IBC Knowledge Park,
4/1 Bannerghatta Main Road,
Bengaluru, Karnataka, India- 560029

October 26, 2026

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended September 30, 2026 - in relation to the Qualified Institutional Placement ('QIP') of Ather Energy Limited ("the Company")

We write in our capacity of Monitoring Agency for the QIP for the amount aggregating to Rs. 1300.00 crore of the Company and refer to our duties cast under 173A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended September 30, 2026 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated July 15, 2026.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

K. Karthik raj

Karthik Raj

Director

karthik.raj@careedge.in

Report of the Monitoring Agency

Name of the issuer: Ather Energy Limited

For quarter ended: September 30, 2026

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: None

(b) Range of Deviation: NA

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

A handwritten signature in black ink that reads "K. Karthik Raj".

Signature:

Name and designation of the Authorized Signatory: Karthik Raj

Designation of Authorized person/Signing Authority: Director

Issuer Details:

Name of the issuer : Ather Energy Ltd
 Name of the promoter : Tarun Sanjay Mehta, Swapnil Babanlal Jain, Hero Motocorp Limited
 Industry/sector to which it belongs : Automobiles and Auto Components- Automobiles

1) Issue Details

Issue Period : July 15, 2026 to July 20, 2026
 Type of issue (public/rights) : Qualified Institutional Placement
 Type of specified securities : Equity
 IPO Grading, if any : Not applicable
 Issue size (in crore) : Rs. 1300.00 crore

2) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Placement Document, Management Certificate	Proceeds have been utilized for purposes as disclosed in the prospectus.	No comments
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Placement Document, Management Certificate	No deviations from expenditures observed from the objects mentioned in Offer Document	No comments
Whether the means of finance for the disclosed objects of the issue have changed?	No	Placement Document, Management Certificate	No change in means of finance for the disclosed objects	No comments
Is there any major deviation observed over the earlier monitoring agency reports?	Not Applicable	Not Applicable	This is the first monitoring agency report	No comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not Applicable	Placement Document, Management Certificate	No government/ statutory approvals are required related to the objects.	No comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not Applicable	Placement Document, Management Certificate	As per management, all technical requirements are sourced in-house and no agreements with third parties exist for the same.	No comments

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Placement Document, Management Certificate	None	No comments
Is there any other relevant information that may materially affect the decision making of the investors?	No	Placement Document, Management Certificate	No events have occurred to materially affect the decision making of investors.	No comments

#Where material deviation may be defined to mean:

- Deviation in the objects or purposes for which the funds have been raised
- Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

3) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
1	Repayment/ pre-payment, in full or part, of certain borrowings	CA Certificate*, Management Certificate, Placement document	125.00	None	No revision	No revision	Not applicable	Not applicable
2	Investment in research and development	CA Certificate*, Management Certificate, Placement document	750.00	None	No revision	No revision	Not applicable	Not applicable
3	Expenditure towards marketing initiatives	CA Certificate*, Management Certificate, Placement document	100.00	None	No revision	No revision	Not applicable	Not applicable
4	General corporate purposes	CA Certificate*, Management Certificate, Placement document	294.91	None	No revision	No revision	Not applicable	Not applicable
5	Issue Expenses	CA Certificate*, Management Certificate, Placement document	30.09	None	No revision	No revision	Not applicable	Not applicable
Total			1300.00					

* CA certificate from peer reviewed audit firm Sreedar Mohan and Associates dated October 15, 2026 bearing UDIN 26226545FNKOF8649.

(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Repayment/ pre-payment, in full or part, of certain borrowings	CA Certificate*, Management Certificate, Placement document	125.00	0.00	36.31	36.31	88.69	The Company has repaid term debt obligations in line with placement document. However, Rs. 8.81 crore was paid through the company's current account. Since the payments were routed through current accounts which included multiple other transactions, this has resulted in commingling of funds.	No comments	No comments
2	Investment in research and development	CA Certificate*, Management Certificate, Placement document	750.00	0.00	0.00	0.00	750.00	No utilisation during the quarter	No comments	No comments
3	Expenditure towards marketing initiatives	CA Certificate*, Management Certificate, Placement document	100.00	0.00	5.55	5.55	94.45	Amount spent towards artist fees for advertisements, lead generations fees etc.	No comments	No comments
4	General corporate purposes	CA Certificate*, Management Certificate, Placement document	294.91	0.00	0.00	0.00	294.91	No utilisation during the quarter.	No comments	No comments
5	Issue Expenses	CA Certificate*, Management Certificate, Placement document	30.09	0.00	25.39	25.39	4.70	Rs. 25.39 crore was transferred from monitoring account to current account as reimbursement of issue	No comments	No comments

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
								expenses already paid by the company through its own funds.		
Total			1300.00	0.00	67.25	67.25	1232.75			

*CA certificate from peer reviewed audit firm Sreedar Mohan and Associates dated October 15, 2026 bearing UDIN 26226545FNKOF8649.

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. in Crs)	Maturity date	Earning (Rs. in Crs) *	Return on Investment (%)	Market Value as at the end of quarter (Rs. in Crs)**
1	Fixed Deposit – CSB	200.00	21-10-2027	3.05	7.95%	203.05
2	Fixed Deposit – IDFC	150.10	26-08-2027	2.16	7.50%	152.26
3	Fixed Deposit – Axis	450.00	21-10-2027	6.30	7.30%	456.30
4	Fixed Deposit – Federal	150.00	23-07-2027	2.16	7.50%	152.16
5	Axis Money Market - Direct Plan	25.00	NA	0.33	7.19%	25.33
6	HDFC Low Duration - Direct Plan	25.00	NA	0.26	5.64%	25.26
7	HSBC Money Market - Direct Plan	60.00	NA	0.78	7.11%	60.78
8	Kotak Low Duration - Direct Plan	50.00	NA	0.49	5.30%	50.49
9	Nippon India Low Duration - Direct Plan	25.00	NA	0.28	6.16%	25.28
10	UTI Money Market - Direct Plan	30.00	NA	0.39	7.13%	30.39
11	DSP Liquidity - Direct Plan	25.00	NA	0.29	6.36%	25.29
12	Axis Liquid - Direct Plan	4.49	NA	0.05	6.48%	4.54
13	Invesco India Liquid - Direct Plan	30.00	NA	0.35	6.66%	30.35
14	HSBC Monitoring Account (Bank Balance)	8.16	NA	NA	NA	8.16
Total		1232.75		16.89		1249.64

* Earning includes interest received and interest accrued on fixed deposits / Mark to Market (MTM) impact of Mutual fund.

** Market Value includes amount invested and interest accrued on fixed deposits / MTM impact of Mutual fund.

(iv) Delay in implementation of the object(s) –

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
Repayment/ pre-payment, in full or part, of certain borrowings availed by our Company	FY27- Rs. 125 Crore	Ongoing	None	No comments	
Investment in research and development	FY27 – Rs. 50 Crore FY28 – Rs. 270 Crore FY29 – Rs. 430 Crore	Ongoing	None	No comments	
Expenditure towards marketing initiatives	FY28 – Rs. 50 Crore FY29 – Rs. 50 Crore	Ongoing	None	No comments	
General corporate purposes	FY27 – Rs. 44.91 Crore FY28 – Rs. 150 Crore FY29 – Rs. 100 Crore	Ongoing	None	No comments	
Issue Expenses	-	Ongoing	None	No comments	

4) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head^	Amount in Rs. Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	General Corporate Purpose	0.00	CA Certificate*, Management Certificate, Placement document	No utilization during the quarter.	No comments
	Total	0.00			

*CA certificate from peer reviewed audit firm Sreedar Mohan and Associates dated October 15, 2026 bearing UDIN 26226545FNKOF8649.

^ Section from the offer document related to GCP:

"The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements, the amount actually available under this head and other relevant considerations, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any, in accordance with applicable law."

Disclaimers to MA report:

- a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as "**Monitoring Agency/MA**"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.
- b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like peer reviewed CA firm appointed by the Issuer believed by it to be accurate and reliable.
- c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.
- d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from peer reviewed CA firms, lawyers, chartered engineers or other experts, and relies on in its reports.
- e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

No. CARE/BRO/GEN/2026-27/1035

The Board of Directors

Ather Energy Limited

13th Floor, Tower D, IBC Knowledge Park,
4/1 Bannerghatta Main Road,
Bengaluru, Karnataka, India- 560029

October 26, 2026

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended September 30, 2026 - in relation to the Preferential Issue (PI) of Ather Energy Limited ("the Company")

We write in our capacity of Monitoring Agency for the PI for the amount aggregating to Rs. 1200.00 crore of the Company and refer to our duties cast under 162A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended September 30, 2026 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated August 14, 2026.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

K. Karthik raj

Karthik Raj

Director

karthik.raj@careedge.in

Report of the Monitoring Agency

Name of the issuer: Ather Energy Limited

For quarter ended: September 30, 2026

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: None

(b) Range of Deviation: NA

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

K. Karthik raj

Signature:

Name and designation of the Authorized Signatory: Karthik Raj

Designation of Authorized person/Signing Authority: Director

Issuer Details:

Name of the issuer : Ather Energy Ltd
 Name of the promoter : Tarun Sanjay Mehta, Swapnil Babanlal Jain, Hero Motocorp Limited
 Industry/sector to which it belongs : Automobiles and Auto Components- Automobiles

1) Issue Details

Issue Period : August 25, 2026
 Type of issue (public/rights) : Preferential Issue
 Type of specified securities : Equity
 IPO Grading, if any : Not Applicable
 Issue size (in crore) : Rs. 1200.00 crores

2) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	EGM Notice along with corrigendum, Management Certificate, Discussion with management, Board Resolution dated October 26, 2026	Company has utilized funds from GCP for payment of issue expenses. Board has provided post facto approval for inclusion of Rs. 0.27 crores of issue expenses under General Corporate Purposes.	The Company has incurred issue-related expenses of ₹0.27 crore, which were intended to be met out of the amount earmarked towards General Corporate Purposes, in accordance with the Objects of the Issue. Board has

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
				approved the utilisation of proceeds towards GCP for payment of issue related expense of INR 0.27 crore.
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	EGM Notice along with corrigendum, Management Certificate	No deviations from expenditures observed from the objects mentioned in EGM notice along with corrigendum.	No comments
Whether the means of finance for the disclosed objects of the issue have changed?	No	EGM Notice along with corrigendum, Management Certificate	No change in means of finance for the disclosed objects	No comments
Is there any major deviation observed over the earlier monitoring agency reports?	Not applicable	EGM Notice along with corrigendum, Management Certificate	This is the first monitoring agency report	No comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	EGM Notice along with corrigendum, Management Certificate, Discussion with management	No government/statutory approvals required for the objects of the issue.	No comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	EGM Notice along with corrigendum, Management Certificate, Discussion with management	No technical assistance/collaboration required	No comments
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Management Certificate, Discussion with management	None	No comments
Is there any other relevant information that may materially affect the decision making of the investors?	No	Management Certificate, Discussion with management	None	No comments

#Where material deviation may be defined to mean:

- Deviation in the objects or purposes for which the funds have been raised
- Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

3) Details of objects to be monitored:

- Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
1	Repayment/ pre-payment, in full or part, of certain borrowings	CA Certificate, Management Certificate, EGM Notice along with corrigendum	625.00	None	No revision	No revision	Not applicable	Not applicable
2	Expenditure towards marketing initiatives	CA Certificate, Management Certificate, EGM Notice along with corrigendum	275.00	None	No revision	No revision	Not applicable	Not applicable
3	General corporate purposes	CA Certificate, Management Certificate, EGM Notice along with corrigendum	300.00	None	No revision	No revision	Not applicable	Not applicable
Total			1200.00					

* CA certificate from peer reviewed audit firm Sreedar Mohan and Associates dated October 15, 2026 bearing UDIN 26226545KJCXII7205.

(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount raised till September 30, 2026	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Repayment/ pre-payment, in full or part, of certain borrowings	CA Certificate*, Management Certificate, EGM Notice along with corrigendum	625.00	450.00	0	0	0	449.73	No utilization during the quarter	No comments	No comments
2	Expenditure towards	CA Certificate*, Management	275.00		0	0	0		No utilization during the quarter	No comments	No comments

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount raised till September 30, 2026	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
	marketing initiatives	Certificate, EGM Notice along with corrigendum									
3	General corporate purposes	CA Certificate*, Management Certificate, EGM Notice along with corrigendum, Board resolution dated October 26, 2026	300.00		0.00	0.27	0.27		The company utilised funds for payment of issue expenses. Board has provided post facto approval for inclusion of issue expenses under General Corporate Purposes.	No comments	No comments
Total			1200.00	450.00	0.00	0.27	0.27	449.73			

*CA certificate from peer reviewed audit firm Sreedar Mohan and Associates dated October 15, 2026 bearing UDIN 26226545KJCXII7205.

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. in Crs)	Maturity date	Earning (Rs. in Crs) *	Return on Investment (%)	Market Value as at the end of quarter (Rs. in Crs)**
1	Fixed Deposit – ICICI	150.00	28-08-2027	1.00	6.95%	151.00
2	Fixed Deposit – FEDERAL	100.00	27-08-2027	0.67	7.00%	100.67
3	Aditya Birla SL Money Market - Direct Plan	45.00	NA	0.27	6.55%	45.27
4	Axis Money Market Fund - Direct Plan	35.00	NA	0.21	6.54%	35.21
5	Bandhan Money Market Fund - Direct Plan	24.50	NA	0.15	6.68%	24.65
6	DSP Money Market Fund - Direct Plan	30.00	NA	0.17	6.34%	30.17
7	Nippon India Money Market Fund - Direct Plan	30.00	NA	0.17	6.42%	30.17

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. in Crs)	Maturity date	Earning (Rs. in Crs) *	Return on Investment (%)	Market Value as at the end of quarter (Rs. in Crs)**
8	UTI Money Market Fund - Direct Plan	35.00	NA	0.21	6.57%	35.21
9	HSBC Monitoring Account (Bank Balance)	0.23	NA	NA	NA	0.23
	Total	449.73		2.85		452.58

* Earning includes interest received and interest accrued on fixed deposits / Mark to Market (MTM) impact of Mutual fund.

** Market Value includes amount invested and interest accrued on fixed deposits / MTM impact of Mutual fund.

(iv) Delay in implementation of the object(s) –

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
Repayment/ pre-payment, in full or part, of certain borrowings availed by our Company	Before March 31, 2029	Ongoing	None	No comments	
Expenditure towards marketing initiatives	Before March 31, 2029	Ongoing	None	No comments	
General corporate purposes	Before March 31, 2029	Ongoing	None	No comments	

4) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head^	Amount in Rs. Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	General Corporate Purpose	0.27	CA Certificate*, Management Certificate, Bank statements and EGM Notice along with corrigendum	Paid towards issue expenses	No comments
	Total	0.27			

*CA certificate from peer reviewed audit firm Sreedar Mohan and Associates dated October 15, 2026 bearing UDIN 26226545KJCXII7205.

^ Section from the offer document related to GCP:

"Up to 25% (twenty-five percent) of the Issue Proceeds will be utilised for general corporate purposes in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by NSE and circular no. 20221213-47 dated December 13, 2022, issued by BSE, which may include, but are not restricted to strategic initiatives, funding growth opportunities, working capital requirements, any additional capital expenditure, maintenance of plants and machineries, support functions, meeting corporate exigencies and any other purpose in the ordinary course of business, as may be approved by the Board, from time to time, subject to compliance with applicable law."

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