ATHER

July 27, 2026

To	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**	**BSE Limited** 1st Floor, Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400001 **Scrip Code: 544397**

Dear Sir/ Madam,

Sub: Notice of 13th Annual General Meeting (AGM) and Annual report for FY 2025-26

Pursuant to Regulations 30 and Regulations 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Notice of the 13th AGM to be held on Wednesday, August 19, 2026 at 11:00 AM (IST) through Video Conferencing / Other Audio Visual Means along with the Annual Report for the Financial Year 2025-26 of Ather Energy Limited ('the Company'), which is sent through electronic mode to those members whose e-mail addresses are registered with the Company/ Registrar & Share Transfer Agent/ Depositories as on Friday, July 24, 2026.

The Notice of the AGM and Annual Report is also available on the website of the Company at https://www.atherenergy.com/investor-relations/governance#annual-general-meeting

Kindly take the above information on record.

Thank you

For Ather Energy Limited

PUJA AGGARWAL
Digitally signed by PUJA AGGARWAL
Date: 2026.07.27 20:20:32 +05'30'

Puja Aggarwal
Company Secretary and Compliance officer
Membership No: A49310

ATHER

Ather Energy Limited

(formerly known as Ather Energy Private Limited)
CIN: L40100KA2013PLC093769
Registered Address: 3rd Floor, Tower D, IBC Knowledge Park, #4/1
Bannerghatta Main Road, Bengaluru 560 029, Karnataka, India
Website: www.atherenergy.com Email: cs@atherenergy.com Tel: +91 80 6646 5750

Dear Members,

Sub: Invitation to attend the Thirteenth (13th) Annual General Meeting ("AGM") of Ather Energy Limited ("the Company") to be held on Wednesday, August 19, 2026.

You are cordially invited to attend the Thirteenth (13th) AGM of the Company scheduled to be held on **Wednesday, August 19, 2026, at 11.00 a.m (IST)** through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"). The notice convening the AGM is enclosed herewith.

For ease of participation, key details regarding the meeting are as follows:

S. No.	Particulars	Details
1.	Link for participation in AGM through VC	https://www.evoting.nsdl.com/ Members may attend the AGM through VC by accessing the above link and by using the remote e-voting credentials. Please refer the instructions of this Notice for further information.
2.	Link for remote e-voting	https://www.evoting.nsdl.com/
3.	Cut-off date for e-voting	**Wednesday, August 12, 2026**
4.	Time period for e-voting	Starts on **Sunday, August 16, 2026 at 9:00 a.m. (IST)** Ends on **Tuesday, August 18, 2026 at 5:00 p.m. (IST)**
5.	Last date for publishing results of the e-voting	On or before **Friday, August 21, 2026**
6.	Contact details of Registrar and Share Transfer Agent (RTA)	**MUFG Intime India Private Limited** *(Formerly known as Link Intime India Private Limited)* Surya 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641028 Tel: +91 422 - 2314792, 4958995, 2539835, 2539836 Email: investor.helpdesk@in.mpms.mufg.com coimbatore@in.mpms.mufg.com
7.	Helpline number e-voting	**National Securities Depository Limited (NSDL)** Tel No. 022 - 48867000 Email: evoting@nsdl.com
8.	Helpline number for VC participation	For any assistance or support before or during the AGM, members may contact the Company at: Email: cs@atherenergy.com Tel No.: +91 80 6646 5750
9.	Scrutiniser Details	CS Biswajit Ghosh (Membership No. F8750) or in his absence CS Pramod S M (Membership No. F7834) Partners of M/s. BMP & Co. LLP, Practicing Company Secretaries Email: info@bmpandco.com
10.	Company Contact details	Email: cs@atherenergy.com Tel No.: +91 80 6646 5750

Best Regards
For Ather Energy Limited

Sd/-
Puja Aggarwal
Company Secretary & Compliance Officer
Membership No. - A49310

Date: July 27, 2026
Place: Bengaluru

Enclosed:
1. Notice of the 13th Annual General Meeting
2. Instructions to vote electronically using NSDL e-voting system
3. Instructions for participation in AGM through VC

Notice

NOTICE is hereby given that the Thirteenth (13th) Annual General Meeting ("AGM") of the members of Ather Energy Limited ("the Company") will be held on **Wednesday, August 19, 2026**, at **11:00 a.m. (IST)** through Video Conference ("VC")/Other Audio-Visual Means ("OAVM") to transact the following businesses:

Ordinary Business

1. **To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditors thereon.**

2. **To appoint a director in place of Mr. Ram Kuppuswamy (DIN: 09817635), who retires by rotation and being eligible, offers himself for re-appointment.**

   To consider and, if thought fit, to pass the following resolution, as an Ordinary Resolution:

   RESOLVED THAT pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, if any (including any statutory modifications or re-enactment thereof) and the Articles of Association of the Company, Mr. Ram Kuppuswamy (DIN: 09817635) Non-executive Director, who retires by rotation and being eligible, be and is hereby re-appointed as a Director of the Company, whose office shall be liable to retire by rotation.

3. **Re-appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, as Statutory Auditors of the Company.**

   To consider and, if thought fit, to pass the following resolution, as an Ordinary Resolution:

   RESOLVED THAT, pursuant to the provisions of Sections 139, 141, 142 and any other applicable provision of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee M/s. Deloitte Haskins & Sells, Chartered Accountants, (Firm registration number: 008072S) be and are hereby re-appointed as Statutory Auditors of the Company, for a second term of five consecutive years to hold office from the conclusion of 13th Annual General Meeting till the conclusion of the 18th Annual General Meeting at such remuneration as may be recommended by the Audit Committee and determined by the Board of Directors in consultation with the Statutory Auditors.

   RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto.

Special Business

4. **Extension of the benefits of 'Amended and Restated Ather Energy ESOP Plan 2025' to the employees of subsidiary companies**

   To consider and, if thought fit, to pass the following resolution, as a Special Resolution:

   RESOLVED THAT pursuant to applicable provisions of Section 62(1)(b) of the Companies Act, 2013 ("the Act"), read with rules made thereunder and other applicable provisions, if any, of the Act, and pursuant to Regulation 6(3) of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB & SE) Regulations"), the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder ("FEMA Regulations") and such other laws, rules, regulations, notifications and circulars (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force) as may be applicable ("Applicable Laws"), the relevant provisions of the Memorandum of Association and Articles of Association of the Company and subject to any other approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies and subject to such conditions and modifications as may be prescribed or imposed by the relevant authorities, the extension of the Amended and Restated Ather Energy ESOP Plan 2025 ("Ather Energy ESOP 2025") as approved and recommended by the Board of Directors of the Company ("Board") to the eligible employees of existing and future subsidiary company(ies) in or outside India be and is hereby approved by the members together with the explanatory statement annexed hereto.

RESOLVED FURTHER THAT approval of the members be and is hereby accorded to the Board (including the Committee defined under the said Plan) to create, grant, offer, issue, in one or more tranches, stock options as well as re-issue stock options that may have got lapsed / cancelled / surrendered to and for the benefit of eligible employees of subsidiary companies in or outside India on such terms and conditions as provided in the Ather Energy ESOP 2025 and as may be fixed or determined by the Board in accordance with the Act and Applicable Laws.

RESOLVED FURTHER THAT the maximum number of stock options to be granted (net of lapsed / expired stock options) to eligible employees of both the Company and subsidiary companies in or outside India, under the Ather Energy ESOP 2025 shall not cumulatively exceed 26,656,428 stock options exercisable into 26,656,428 equity shares of face value of INR 1/- each fully paid up, ranking pari pass with the existing equity shares of the Company for all purposes and in all respects, including payment of dividend.

RESOLVED FURTHER THAT issuance of additional options or equity shares to the grantees, in order to make fair and reasonable adjustment to the options already granted, as a result of any corporate action(s) such as rights issues, bonus issues, amalgamation/ merger and sale of division or other re-organization, split or consolidation of shares, change in capital structure of the Company, as applicable from time to time, be in accordance with Ather Energy ESOP 2025.

RESOLVED FURTHER THAT consent be and is hereby accorded to the Board to issue and allot equity shares upon exercise of options from time to time in accordance with the Ather Energy ESOP 2025 and the equity shares so allotted shall rank pari passu in all respects with the existing fully paid-up equity shares of the Company.

RESOLVED FURTHER THAT consent be and is hereby accorded to the Board to modify, change, vary, alter, amend, suspend or terminate the Ather Energy ESOP 2025 at any time subject to compliance with Applicable laws and regulations and further subject to consent of the members if required under SEBI (SBEB & SE) Regulations and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/ or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Ather Energy ESOP 2025 and do all other things incidental and ancillary thereto in conformity with the provisions of the Act, SEBI (SBEB & SE) Regulations, the relevant provisions of the Memorandum and Articles of Association of the Company and any other Applicable Laws.

RESOLVED FURTHER THAT any Director or Company Secretary and Compliance officer of the Company, be and are hereby severally authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise in relation to the above and to settle all matters arising out of and incidental thereto and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company, including making application to the recognized stock exchanges to seek in-principle and final listing approval for listing and trading of equity shares allotted under Ather Energy ESOP 2025 and generally to do all such acts, deeds, matters and things and to give from time to time such directions as may be necessary, proper, expedient or incidental for the purpose of giving effect to these resolutions.

RESOLVED FURTHER THAT a copy of the above resolutions, certified by any Director or the Company Secretary and the Compliance Officer of the Company, be forwarded to the concerned authorities for necessary action.

By Order of the Board of Directors
For Ather Energy Limited

Sd/-
Puja Aggarwal
Company Secretary & Compliance Officer

Date: July 27, 2026
Place: Bengaluru

Notes:

1. The Ministry of Corporate Affairs vide General Circular Nos. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, and subsequent circulars issued in this regard, the latest being General Circular No. 03/2025 dated September 22, 2025 (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. Accordingly, in compliance with the Circulars, the AGM of the Company is being held through VC. The deemed venue for the AGM shall be Registered Office of the Company.

2. Pursuant to Section 102 of Companies Act, 2013 ("**the Act**") and the rules made thereunder and other applicable laws, an explanatory statement setting out material facts and reasons in respect of the business set out under item no. 3 & 4 forms part of this Notice. Further, additional information, pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**the SEBI Listing Regulations**") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Director seeking appointment/ reappointment at the AGM, also forms part of this Notice.

3. In line with the Circulars, Notice of the AGM along with Annual Report for the FY 2025-26 and instruction for e-voting is being sent only by electronic mode to the members of the Company whose email addresses are registered with the Company / Registrar and Share Transfer Agent ("**RTA**")/ Depositories and whose names appear on the Register of members / list of Beneficial owners, as received from National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**") as on Friday, July 24, 2026, the cut-off date. Any person who is not a member as on the cut-off date should treat this AGM Notice for information purposes only. The Company shall also send a letter providing weblink, including the exact path where complete details of the Annual Report (including the Notice of AGM) are available, to those member(s) who have not registered their email addresses with the Company/ RTA/Depositories.

4. Notice of the AGM along with Annual Report for the FY 2025-26 will also be placed on the website of the Company at https://www.atherenergy.com/investor-relations/governance#annual-general-meeting, websites of the stock exchanges where the equity shares of the Company are listed i.e. BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL at www.evoting.nsdl.com. The Company shall send the physical copy of the Notice of AGM and Annual Report for FY 2025-26 to those members who request for the same at cs@atherenergy.com or coimbatore@in.mpms.mufg.com.

5. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective Depository Participants to receive the Notice of AGM and Annual Report for FY 2025-26 in electronic mode.

6. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held through VC, the facility for the appointment of proxies by the members will not be available. Accordingly, the route map, proxy form and attendance slip are not being attached to this Notice.

7. Members attending the AGM through VC shall be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.

8. Corporate members intending to authorize their representatives to participate and vote at the AGM are requested to send a certified copy of the Board resolution / authorization letter to the Company by email to cs@atherenergy.com and the Scrutinizer at info@bmpandco.com with a copy marked to evoting@nsdl.com.

9. The register of Directors and Key Managerial Personnel (KMP) and their shareholding, maintained under Section 170 of the Act, and the register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee from the date of circulation of this Notice up to the date of AGM, i.e. August 19, 2026. Members seeking to inspect such documents can send an email to cs@atherenergy.com.

10. In compliance with Section 108 of the Act, read with the corresponding rules, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("**e-voting**") facility provided by the NSDL. Members who have cast their votes by remote

e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode and for members who have not registered their email addresses is provided in the 'Instructions to vote electronically using NSDL e-voting system' section which forms part of this Notice.

11. Members holding shares as on cut-off date, i.e **Wednesday, August 12, 2026**, may cast their votes electronically. The e-voting period commences on **Sunday, August 16, 2026 at 09:00 a.m. (IST)** and ends on **Tuesday, August 18, 2026 at 05:00 p.m. (IST)**. The e-voting module will be disabled by NSDL thereafter. Members will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. **August 12, 2026**. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

12. In case of joint holders, the member whose name appears as first holder in the order of names as per the Register of Members of the Company as on cut-off date i.e. August 12, 2026 will be entitled to vote at the AGM.

13. Facility of joining the AGM through VC shall open 15 minutes before the time scheduled for the AGM.

14. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

15. Members who would like to express their views or ask questions during the AGM may register themselves as speaker by sending their request from their registered email address mentioning their name, DP ID and client ID, No. of shares, PAN, mobile number at cs@atherenergy.com on or before August 17, 2026. Those members who have registered themselves as a speaker will be allowed to express their views, ask questions during the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.

16. Any person who acquires shares and becomes a member of the Company after the Notice is sent and holding shares as on the cut-off date, i.e. Wednesday, August 12, 2026, may obtain the login ID and password by sending a request to evoting@nsdl.com. However, if such person is already registered with NSDL for remote e-voting, then they can use their existing user ID and password for casting the vote.

17. The Board of Directors has appointed CS Biswajit Ghosh (Membership No. F8750) or in his absence CS Pramod S M, Practicing Company Secretary (Membership No. F7834), Partners of M/s. BMP & Co. LLP, as the scrutinizer ("Scrutinizer") for scrutinizing the e-voting process in a fair and transparent manner and in accordance with the provisions of the Act and the Rules made there under.

18. The Scrutinizer will submit his report on or before Friday, August 21, 2026, to the Chairperson of the Board (the "**Chairperson**") or to any other person authorized by the Chairperson after completion of the scrutiny of the e-voting (including remote e-voting and voting at AGM). The Scrutinizer's decision on the validity of votes cast will be final. The result declared along with the Scrutinizer's report shall be placed on the Company's website at https://www.atherenergy.com/investor-relations/governance#annual-general-meeting and on the website of NSDL at https://www.evoting.nsdl.com/. The Company shall simultaneously forward the results to NSE and BSE, where the shares of the Company are listed and shall also be displayed on the Notice Board at the Registered Office of the Company.

19. The resolutions will be deemed to be passed on the date of the AGM subject to receipt of the requisite number of votes in favour of the Resolutions.

20. Contact details of the person responsible to address the queries/grievances connected with facility for voting by electronic means is:

Puja Aggarwal
Company Secretary & Compliance Officer
13th Floor, Tower D, IBC Knowledge Park, #4/1
Bannerghatta Main Road, Bengaluru 560 029,
Karnataka, India
Email: cs@atherenergy.com
Phone: +91 80 6646 5750

EXPLANATORY STATEMENT

Explanatory Statement relating to the business mentioned in Item No. 3 & 4 in the accompanying Notice of the AGM, pursuant to Section 102 of the Act, is given below:

Item No. 3

Re-appointment of Deloitte Haskins & Sells, Chartered Accountants, as Statutory Auditors of the Company.

Deloitte Haskins & Sells, Chartered Accountants (ICAI Firm Registration Number 008072S), (hereinafter referred to as "Deloitte") were appointed as Statutory Auditors of the Company at the 8th Annual General Meeting ("AGM") held on July 15, 2021, to hold office from the conclusion of the said meeting till the conclusion of the 13th AGM to be held in the year 2026. In terms of the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint or reappoint an audit firm as Statutory Auditors for not more than two (2) terms of five (5) consecutive years. Deloitte is eligible for reappointment for a further period of five years and has provided their consent for reappointment.

The Board of Directors at its meeting held on May 04, 2026, based on the recommendation of the Audit Committee considering the experience, expertise, and quality of services provided by the Deloitte approved the reappointment of Deloitte as the statutory auditors of the Company to hold office for a second term of five consecutive years from the conclusion of the ensuing 13th AGM till the conclusion of the 18th AGM to be held in the year 2031 on payment of such remuneration as may be mutually agreed upon between the Board of Directors and the Statutory Auditors, from time to time. The proposed remuneration to be paid to the Auditors for FY 2026-27 is INR 75,00,000 (Rupees Seventy-Five Lakh only) excluding applicable taxes and out-of-pocket expenses. The reappointment is subject to approval of the shareholders of the Company.

Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the Audit Committee.

Deloitte Haskins & Sells ('DHS') was constituted in 1998 and is registered with the Institute of Chartered Accountants of India (ICAI) with Registration No. 008072S and is a part of Deloitte Haskins & Sells & Affiliates being the Network of Firms registered with the ICAI. The registered office of DHS is ASV Ramana Tower, 52 Venkatnarayana Road, T Nagar, Chennai – 600 017, Tamil Nadu, India.

None of the Directors or other Key Managerial Personnel of the Company and their relatives are concerned or interested (financially or otherwise) in this Resolution. The Board recommends an Ordinary Resolution as set out at Item No. 3 for the approval of members.

Item No.4

Extension of the benefits of 'Amended and Restated Ather Energy ESOP Plan 2025' to the employees of subsidiary companies

Ather Energy ESOP 2015 ("Plan") was adopted by the Board of Directors ("Board") at its meeting held on June 30, 2015, and approved by the members by passing the special resolution at its extraordinary general meeting held on July 01, 2015. The Plan had been formulated by the Board to provide incentive to attract, retain and reward employees performing services for the Company by motivating such persons to contribute to the growth and profitability of the Company.

The Plan was subsequently amended from time to time and finally to align with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB & SE) Regulations") the Amended and Restated Ather Energy ESOP Plan 2024 was approved at the Board meeting held on August 27, 2024, and subsequently by the members at Extra-ordinary general meeting held on September 05, 2024.

On May 06, 2025, the equity shares of your Company got listed on National Stock Exchange of India Limited and BSE Limited. Post the Initial Public Offering ("IPO"), as per requirement of Regulation 12(1) of the SEBI (SBEB & SE) Regulations the Plan was amended and ratified by the members of the Company vide Postal Ballot completed on August 17, 2025, and the results of the Postal Ballot were declared on August 18, 2025.

Pursuant to recommendation of Nomination and Remuneration Committee ("NRC"), the Board of Directors approved the proposal for extension of the benefits of the Ather Energy ESOP 2025 to the employees of subsidiary companies to attract, retain and motivate the desired talent and to reward the employees for their performance and recommended the same to the members for their consideration and approval.

In terms of Regulation 6 (3) of SEBI (SBEB & SE) Regulations, approval of the members by way of a separate resolution is required in case of grant of options to employees of holding company and/ or subsidiary companies of the Company, in India or outside India. Accordingly, approval of the members, by way of Special Resolution is required for extension of the benefits of the Ather Energy ESOP 2025 to the employees of subsidiary companies as set out at Item No.4, of the AGM Notice.

Ather Energy ESOP 2025 and other documents referred to in the aforesaid resolutions are available for inspection by the members at the registered office of the Company during office hours on all working days until the last date for receipt of votes by e-voting at the AGM.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any other officials of the Company as contemplated in the provisions of Section 102 of the Act are, in any way, financially or otherwise, concerned or interested in the proposed resolution, except to the extent of their shareholding in the Company or the extent of options that have been or to be granted to them in accordance with the applicable laws.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The salient features and other details of Ather Energy ESOP 2025, as required under Regulation 12(1) of the SEBI (SBEB & SE) Regulations are as under:

1. Brief description of the Ather Energy ESOP 2025

The objective of the Ather Energy ESOP 2025 is to attract, retain and reward Employees performing services for the Company and its subsidiaries by motivating such persons to contribute to the growth and profitability of the Company.

The Ather Energy ESOP 2025 shall be administered and implemented by the Nomination and Remuneration Committee (NRC or Committee) and all the questions of interpretation of Ather Energy ESOP 2025 shall be determined by NRC.

2. The total number of employee stock options to be offered and granted

The total number of Employee Stock Options, available for grant under the Ather Energy ESOP 2025 as well as any other employee stock option plan or scheme (which may be implemented prior to, or after, the date of coming into effect of this Option Plan), shall, in the aggregate, not exceed 26,656,428 Options which in aggregate are exercisable into 26,656,428 equity shares of face value of ₹1/- each. The Committee shall have the right to decide the number of Options to be granted and the maximum number of Options that can be granted to an Employee within this ceiling. Each Vested Option confers a right upon the Option Grantee to apply for one equity share of the Company.

Details of grants, exercise and lapsing of options as on date of this notice i.e July 27, 2026 on a cumulative basis are as follows:

S.No.	Particulars	Options
A	Total Pool Size	26,656,428
B	Options Granted*	21,231,988
C	Options Lapsed/Expired**	3,299,341
D	Options Exercised	10,850,334
E	Options Outstanding in the pool (A-B+C) (available to be granted)	8,723,781

** This includes the cancelled or lapsed options from the date of institution of the plan till the date of this notice i.e July 27, 2026 which have been re-granted to employees.*
***The options lapsed was available for re-grant and hence is added back to the pool.*

3. Identification of classes of employees entitled to participate and be beneficiaries in the Ather Energy ESOP 2025

a. an employee as designated by the Company, who is exclusively working in or outside India; or

b. a Director of the Company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or

c. An employee as defined in sub-clauses (a) or (b), of a subsidiary, in India or outside India, but does not include:

I. an employee who is a promoter or a person belonging to the promoter group; or
II. a director who, either himself or through his relative or through any body-corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the Company.

4. Requirements of vesting and period of vesting

The minimum Vesting Period of an Employee Stock Option shall be twelve (12) months from the Grant Date. Vesting shall be subject to the Employee's continued employment with the Company. Notwithstanding anything contained in this Option Plan, in case of death or permanent incapacity of an Employee while in service with the Company, the minimum Vesting Period of twelve (12) months shall not apply, and in such instances, the Options shall vest on the date of death or permanent incapacity, as the case may be.

The Vesting of Options granted to the Employees shall occur as per the applicable Table specified to the Option Grantee in the respective Grant Letter:

Table A

S. No.	Period ending from Grant Date	Vesting Percentage of Options granted
1	12 months	25%
2	24 months	25%
3	36 months	25%
4	48 months	25%

Table B

S. No.	Period ending from Grant Date	Vesting Percentage of Options granted
1	12 months	10%
2	24 months	20%
3	36 months	30%
4	48 months	40%

Table C

S. No.	Period ending from Grant Date	Vesting Percentage of Options granted
1	12 months	30%
2	24 months	30%
3	36 months	40%

Table D

S. No.	Period ending from Grant Date	Vesting Percentage of Options granted
1	12 months	50%
2	24 months	50%

Table E

S. No.	Period ending from Grant Date	Vesting Percentage of Options granted
1	12 months	100%

Table F

S. No.	Period ending from Grant Date	Vesting Percentage of Options granted
1	12 months	25%
2	24 months	35%
3	36 months	40%

Subject to the Applicable Law, the NRC after approval from the Board, shall be entitled to grant Options to any eligible Employee with a Vesting Schedule and conditions of Vesting linked to Company's/individual performance and/or otherwise (that may be provided in the letter of Grant) which may be different from the schedules provided above.

In the event, an Option Grantee is on 'leave without pay' (with Company approval), for a continuous period of more than six months, Vesting Period in respect of unvested Options shall stand extended by tenure of such 'leave without pay'.

5. Maximum period within which the Options shall be vested

The maximum vesting period of any Option granted to an optionee is 48 months.

6. The exercise price or the pricing formula for arriving at the same

Exercise Price at which the Vested Options held by the Option Grantee may be Exercised and shall be determined as follows:

a. for the Options Granted prior to coming into effect of Ather Energy ESOP 2025, Exercise Price shall be at face value of INR 1/- per Option.
b. for Option Granted post coming in to effect of Ather Energy ESOP 2025, Exercise Price shall be such as may be determined by the Nomination and Remuneration Committee between the face value and Fair Market Value of the Shares and shall be in compliance with applicable accounting standards specified under the SEBI Regulations including any guidance note on accounting for employee share-based payments issued in this regard from time to time.

7. Exercise period and process of exercise

Exercise Period shall be a period of five years from the date of Listing or from the date of Vesting whichever is later, within which the Vested Options may be Exercised by the Option Grantee.

Process of Exercise of Employee Stock Options:

a. Option Grantee is in employment/service of the Company

    I. In an event or at the discretion of the Board, an offer for exercise of any or all Vested Options with the Option Grantees may be made, within such period as may be notified by the Committee from time to time.

II. The Committee shall issue a notice to all such Option Grantees holding Vested Options at their last available address in the records of the Company informing them of opportunity for Exercise of Vested Options.

b. Option Grantee has ceased to be in employment/ service of the Company

I. In an event or at the discretion of the Board, an offer for exercise of any or all Vested Options with the Option Grantees may be made, within such period as may be notified by the Committee from time to time.

II. The Committee shall issue a notice to all such Option Grantees holding Vested Options at their last available address in the records of the Company informing them of opportunity for Exercise of Vested Options.

III. The events of separation along with respective conditions regarding Vested and Unvested Options shall be as follows:

S.No	Event of Separation	Vested Options	Unvested Options
1	Resignation/ Termination	Vested Options as on date of separation on account of resignation/ termination can be exercised by the Option Grantee at any of the Exercise Event.	Unvested Options as on date of separation on account of resignation/ termination shall stand cancelled with effect from that date.
2	Retirement/ Superannuation	All Vested Options as on date of retirement can be exercised by the Option Grantee at any of the Exercise Event.	Unvested Options on date of retirement/ superannuation shall vest as per applicable Vesting Schedule and may Vest beyond the cessation of employment in accordance with Company's policies and the Applicable Law and can be exercised at any of the Exercise Event.
3	Death	Vested Options as on date of death can be exercised by the Option Grantee's nominee or legal heir at any of the Exercise Event.	Unvested Options as on date of death shall be vested in nominee and can be exercised by the Option Grantee's nominee or legal heir at any of the Exercise Event.
4	Termination due to Permanent Incapacity	Vested Options up to the date of such termination can be exercised by the Option Grantee at any of the Exercise Event.	Unvested Options shall be vested upon termination due to receipt of medical certificate with respect to Permanent Incapacity by the Committee and can be exercised by the Option Grantee, or upon his demise, his nominee or legal heir at any of the Exercise Event.
5	Abandonment	Vested Options shall stand cancelled.	Unvested Options shall stand cancelled
6	Any other reason	Vested Options shall be exercisable at the discretion of the Board	Unvested Options shall be treated as may be determined by the Board.

Notes: For the purpose of this sub-clause:

I. Date of separation on account of resignation/termination shall be last day of employment with the Company.

II. Vested Options shall be liable to be cancelled/forfeited in case of resignation/termination of employment due to commission of Breach by Option Grantee.

c. In case any Option Grantee does not Exercise Vested Options during a specific Exercise Event, such Options will continue to be accounted as Vested Options with the Option Grantee and may be exercised upon any subsequent Exercise Event, within the Exercise Period. Pursuant to receipt of the Exercise notice from the relevant Option Grantee, within Exercise Period, the Committee or the Board shall cause the Company to issue Shares against Vested Option Exercised by Option Grantee.

8. The appraisal process for determining the eligibility of employees for the Ather Energy ESOP 2025

The appraisal process for determining eligibility shall be decided from time to time by the NRC. The broad criteria for appraisal and selection may include parameters like grade, criticality, skills, potential contribution, and such other criteria as may be determined by the NRC at its sole discretion, from time to time.

9. Maximum number of options, to be offered and issued per employee and in aggregate, if any

The Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to an Employee. However, if the number of Options that may be offered to any specific Employee, during any 1 (one) year, shall exceed 1% (one percent) or more of the issued capital (excluding warrants & conversion) of the Company at the time of Grant of Options, then the Company shall obtain prior approval from members of the Company in accordance with applicable law.

10. Maximum quantum of benefits to be provided per employee under Ather Energy ESOP 2025

The maximum quantum of benefits to be granted to an employee under the Ather Energy ESOP 2025, will be the difference between the stock price at the stock exchange as on the date of exercise and Exercise Price paid by the Employee, subject to the adjustments of applicable taxes.

Apart from the grant of Options as stated above, no other benefits are contemplated under the Ather Energy ESOP 2025.

11. Whether the Ather Energy ESOP 2025 is to be implemented and administered directly by the Company or through a trust

Ather Energy ESOP 2025 currently is implemented and administered directly by the Company and not through a trust.

12. Whether the Ather Energy ESOP 2025 involves new issue of shares by the Company or secondary acquisition by the trust or both

Since the ESOP shall be granted directly to the employees (without trust route), this route would involve new/ fresh issue of shares by the Company.

13. The amount of loan to be provided for implementation of Ather Energy ESOP 2025 by the Company to the trust, its tenure, utilization, repayment terms, etc.

Not applicable

14. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of Ather Energy ESOP 2025

Not applicable

15. A statement to the effect that the company shall conform to the accounting policies specified in Regulation 15 of the SEBI (SBEB & SE) Regulations

The Company shall follow the relevant accounting standards as may be prescribed in terms of Section 133 of the Companies Act, 2013 and/ or any relevant accounting standards/ guidance note as may be prescribed by the Institute of Chartered Accountants of India or any other competent authority, from time to time, including the disclosure requirements prescribed therein, in compliance with Regulation 15 of the SEBI (SBEB & SE) Regulations.

16. The method which the company shall use to value its options

The Company shall adopt 'fair value method' for valuation of Options as prescribed under IND AS 102 on Share-based payments or any accounting standard/ guidance note, as applicable, notified by competent authorities from time to time.

17. Declaration

In case the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of options, and the impact of this difference on profits and on earnings per share ("EPS") of the Company shall also be disclosed in the Directors' report.

18. Period of lock-in

The equity shares issued and allotted to an Option Grantee pursuant to Exercise of Options shall not be subject to any lock-in and shall be freely transferable subject to the provisions of the Articles and the restrictions under Applicable Law including the Company's Code of Conduct in relation to insider trading under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended.

19. Terms & conditions for buyback, if any, of specified securities covered under these regulations

The buy-back, if any, undertaken for the shares issued under the Ather Energy ESOP 2025 shall be in accordance with the SEBI Regulations and Companies Act, 2013.

20. Conditions under which option vested in employees may lapse e.g. in case of termination of employment for misconduct

Please refer point (g) above.

21. Specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee

Please refer point (g) above.

Details of Director seeking re-appointment at this AGM

(In pursuance of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings)

Name of the Director	Mr. Ram Kuppuswamy
Director Identification Number (DIN)	09817635
Designation and category	Non-executive Director
Date of Birth and Age	June 25, 1976 (50 years)
Brief Profile, Qualification and Experience	Mr. Ram holds a bachelor's degree in computer science and engineering from Madurai Kamaraj University and a post-graduate diploma in management from the Indian Institute of Management, Ahmedabad. He has previously held leadership positions with Kearney, Nokia, Bharti Airtel Limited and VMWare Singapore Pte. Ltd and worked in the US, Finland, China and Singapore. He is currently designated as the Chief Operations Officer-manufacturing of Hero MotoCorp Limited. He has over 27 years of experience in supply chain management, logistics and customer fulfilment.
Nature of expertise in specific functional areas	• Automotive Experience/Product Development • Strategy Planning & Management • Corporate Governance & Compliance • Accounting & Financial experience • People & talent Development • Research & Development/ Technology • Leadership • Risk Management & Supply Chain
Terms and conditions of appointment/ re-appointment	Re-appointment as a Non-executive Director, liable to retire by rotation.
Date of first appointment on the Board	January 27, 2023
No. of meetings of the Board and Committee attended during FY 2025-26	Mr. Ram Kuppuswamy attendance at the Board and Committee meeting of the Company during FY 2025-26 was:

Meeting type	No. of meetings entitled to attend	No. of meetings attended	Attendance %
Board meeting	14	13	92.86
Audit Committee	7	7	100.00
Risk Management Committee	2	2	100.00

Directorships held in other companies (excluding Foreign Companies)	Nil
Listed Entities from which he has resigned as Director in past 3 years	None
Memberships/Chairpersonships of Committees held (including this Company)	• Member of Audit Committee of Ather Energy Limited • Member of Risk Management Committee of Ather Energy Limited
Details of remuneration sought to be paid	The Company does not propose to pay any remuneration and sitting fees.
Number of equity shares held in the Company	Nil
Inter-se relationship with other Directors and KMP of the Company	None

The re-appointment of Mr. Ram Kuppuswamy, as a Non-executive Director has been approved and recommended by the Board.

Note

This is in continuation to the Postal Ballot Notice dated July 17, 2025 dispatched to the members of the Company. Members are requested to note the following clarification regarding the Explanatory Statement for Item No.2, Annxure-1, under the main heading "The salient features and other details of Ather Energy ESOP 2025", point no (b), "The total number of employee stock options to be offered and granted".

The below table with the details of grants, exercise, lapsed and outstanding options as on date of this postal ballot notice i.e July 17, 2025 to the shareholder:

S.No.	Particulars	Options
A	Total Pool Size	1,82,56,428
B	Options Granted*	1,92,43,821
C	Options Lapsed/Expired**	27,70,627
D	Options Exercised	-
E	Options Outstanding in the pool **(A-B+C)** (available to be granted)	17,83,234

** This includes the cancelled or lapsed options from the date of institution of the plan till the date of Prospectus which have been re-granted to employees.*
***The options lapsed was available for re-grant and hence is added back to the pool.*

INSTRUCTIONS TO VOTE ELECTRONICALLY USING NSDL E-VOTING SYSTEM

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) **Login method for e-Voting for Individual shareholders holding securities in demat mode**
In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/ mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Type of shareholders	Login Method
	3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL)	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

a) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

b) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number, your PAN, your name and your registered address etc.

c) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@atherenergy.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode**.

2. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

3. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

INSTRUCTIONS FOR PARTICIPATION IN AGM THROUGH VC

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1000 members on first come first served basis. This will not include

large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. Members are encouraged to join the Meeting through laptops for better experience.

4. Further Members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.

5. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

6. Members who would like to express their views or ask questions during the AGM may register themselves as speaker by sending their request from their registered email address mentioning their name, DP ID and client ID, No. of shares, PAN, mobile number at cs@atherenergy.com on or before August 17, 2026. Those members who have registered themselves as a speaker will be allowed to express their views, ask questions during the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.

7. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number, email id, mobile number at cs@atherenergy.com . The same will be replied by the Company suitably.

8. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.com / 022 - 4886 7000 or reach out to Company on cs@atherenergy.com.

ATHER

India's Trusted Upgrade

Annual Report
2025-26

Contents

Corporate Overview

Statutory Reports

Financial Statements

To view the online version of the Annual Report please scan the above QR code.

India's Trusted Upgrade

India's electric two wheeler market is entering a more mature phase. The early years were defined by proving that electric mobility could work at scale. The next phase will be defined by trust, in product performance, ownership experience, and the long term reliability of the companies leading this transition. That is the chapter Ather entered in FY26.

India's Trusted Upgrade reflects our evolution from a high growth startup into one of India's leading premium electric two wheeler companies. FY26 marks the year this shift became definitive, as we moved beyond being an industry innovator to becoming an institutional benchmark. This transition has been built on product superiority, operational reliability, and disciplined execution. From the beginning, we chose a long term approach: investing in deep engineering, building our technology stack in house, developing an integrated ecosystem around the product, and prioritising quality even when it required difficult trade offs. These choices were made to build something that would endure, not simply scale.

The year reflected this progression across the business. During FY26, we sold 2,62,942 vehicles, a 69% YoY increase, and expanded our market share to 17.1%. Alongside this, we saw expanding market presence, improving customer satisfaction, and continued progress towards profitability. Our Experience Centre network expanded significantly, driven largely by existing dealer partners, reflecting strengthening confidence in the brand and the business. We also emerged as the most searched EV brand in India, reflecting growing consumer consideration.

More than individual outcomes, the shift is visible in how the product is experienced, and increasingly, that experience is software led. Every over-the-air update, every improvement to AtherStack, every refinement in how the scooter learns and adapts, sits at the core of a more consistent ownership experience. Trust is not created in isolated moments; it accumulates across every customer experience.

Our focus remains on building quality products, creating experiences that feel magical, and investing in R&D, positioning India to lead the world in electric two wheelers.

Our First Year as a Listed Company

It was a year that reflected the strength of our approach. We expanded our national footprint, increased market share, and improved financial performance, building momentum quarter after quarter. As our retail and service network grew, we continued to strengthen our product, technology, and distribution capabilities.

Key Milestones Across FY26

Q1 Apr–Jun 2025

- Listed on NSE & BSE (May 6, 2025)
- Sold 46,078 units across India; national market share rose to 14.2%; retained South India leadership at 22.8%

Q2 Jul–Sep 2025

- Ather Rizta launched in Nepal
- EL Platform unveiled
- Sold 65,595 units across India; national market share rose to 17.2%
- Middle India became the fastest-growing region, market share up to 14.6%

Q3 Oct–Dec 2025

- Ather Rizta launched in Sri Lanka
- Sold 67,851 units across India; pan-India market share expanded to 18.4%
- 500,000th vehicles rolled out from Hosur factory
- Announced Ather's Entry into auto insurance space
- Hong Kong subsidiary announced

Q4 Jan–Mar 2026

- Sold 83,418 units sold across India; national market share of 18.0%
- Highest-ever monthly registrations of 36,366 units in March
- Highest ever quarterly revenue of 1,213.77 Cr. EBITA Margin improved to (2.5)%
- Co-founded the Light Electric Vehicle Acceleration Forum (LEAF) with Hero MotoCorp and IPEC India

Building Momentum, Year After Year

Key Performance Indicators for last 3 years

	FY24	FY25	FY26
Vehicles sold	109,577 ▲ 19% YoY	155,394 ▲ 42% YoY	**262,942** ▲ 69% YoY
Revenue from Operations (₹ in crores)	1,753.78 ▼ 2% YoY	2,255.01 ▲ 29% YoY	**3,671.76** ▲ 63% YoY
Adjusted Gross Margin (%)	9%	19%	**24%**
EBITDA (%)	(36%)	(23%)	**(7%)**
Sale Revenue Mix	90% / 10%	88% / 12%	87% / 13%
E2W market share	11.7%	11.7%	**17.1%**

■ Vehicles ■ Non-Vehicles

Operational Highlights

Product & Software

EL platform
Unveiled

Grid 3.0
Launched

200k+
Rizta sales

450 S
161 km

Rizta S
159 km

New variants launched

Ather Junior Helmets

ATHERSTACK 7
Launched

Market Expansion

23.1%
Share in South India

15.4%
Share in Middle India

10.6%
Share in Rest of India

National Presence

700
Experience centres
~2x from 351 in FY25

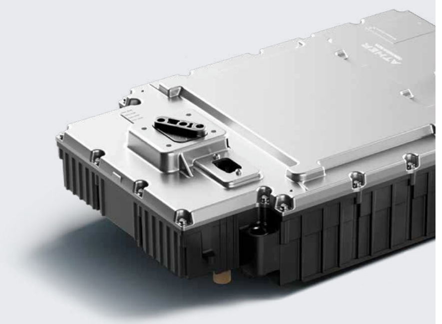
548
Service centres
~2x from 277 in FY25

6000+
Charging points*
+1,143 added in FY26

Manufacturing

Factory 3.0
Construction underway
In Chhatrapati Sambhajinagar

Allied Products



Battery as a Service

Extended Comprehensive warranty

Intellectual Property

643
Patents filed
+283 in FY26

320
Designs filed

458
Trademarks filed

Engineering Leadership

Ather Tech Review
Released

*Charging points include fast charging points (including Vida +other CPOs) and neighbourhood chargers

Message from our Founders

Dear Fellow Stakeholders,

FY26 has been a year where conviction met reality at scale. The electric two-wheeler market in India is no longer forming, it is consolidating. Customers are more informed, expectations are sharper, and competition is increasingly about how well a company builds, not how early it arrived. In that environment, execution matters more than ever, and long-term capability becomes the defining differentiator.

For us, this has been a year of being tested on exactly what we have always believed in: that this category will not be won through speed or positioning alone, but through deep engineering, product superiority, and discipline. FY26 did not change that belief. It strengthened it under pressure.

From the start, we built from first principles, engineering our own platform, software, and charging network rather than buying them off the shelf. We chose the long-term path, investing ahead of the curve. More than two in five of our people work in R&D, one of the largest engineering benches in the industry, and that depth is the engine behind everything that follows. We have always believed this category will be won not on price or features alone, but on products that endure.

In the first quarter of FY25, we held a 7.6% of a market that lived mostly in urban India. We close the final quarter of FY26 at 18.0%. The number matters less than how we earned it. It came through stronger products reaching more people, a deeper distribution network, and a business that has started to compound rather than reset each year. It also came as subsidies across the industry were rationalised further, which only reinforced a belief we have held from day one: that scale here must come from product strength and accessibility, not from incentives or dilution. Our selling prices held even as volumes climbed, the clearest proof of that.

The Ather Rizta sat at the centre of this. It is more than a hit product; it marks a shift in how we read the market. We stopped asking what an electric scooter should be and asked what a family actually needs. That single change reshaped everything downstream, and the market answered faster than this category usually does. The Rizta is now our fastest-selling product, its second hundred thousand units sold in seven months against eleven for the first, and it carried us past half a million vehicles on Indian roads.

India does not adopt as one market. It adopts as many, and each market has to be earned. We learned this in the South, our home, where we stayed long enough to get the fundamentals right: the product, the service, and the trust of our dealer partners. Only then did we move. Middle India followed the same arc, our share rising to 17.3% in Q4 FY26 across Gujarat, Madhya Pradesh, and the states around them, confirming that what works in Bengaluru and Chennai works just as well elsewhere.

Our dealer partners have grown with us through every cycle, and much of this year's expansion came from existing partners choosing to invest further, an alignment that is hard to replicate. We do not believe this transition will be won by a single national moment or a subsidy that flips the market overnight. It will be won market by market, through patient, consistent work. The rest of India is next, on the same terms.

Much of what separates an Ather is invisible from the kerb. At the centre of every vehicle is AtherStack, our software platform, built in-house and binding the scooter, the cloud, and the app into one system. Because we own the full stack, an Ather improves long after it leaves the showroom, delivered over the air, and this year we shipped AtherStack 7, our largest upgrade yet, to the entire existing fleet on the same day. Our riders increasingly rely on that software in everyday decisions, which is why it has become one of our most durable advantages. We are convinced the centre of gravity in this industry is moving, from how a vehicle is built to how it learns once it is on the road, and whoever owns that layer will shape the next decade. This layer will seamlessly transfer into our EL platform, our most consequential decision on how we scale: one architecture that widens our market without multiplying complexity. In most hardware businesses, scale and complexity rise together. EL is built to break that link.

The year also reinforced the importance of resilience. Industry-wide supply chain disruptions, particularly around rare-earth magnets, highlighted the value of long-term supplier partnerships, proactive sourcing, and deep in-house engineering capability. Over the years, we have deliberately built flexibility across our supply chain and battery roadmap, maintaining optionality across multiple battery chemistries and diversifying sourcing across geographies. Underneath all of it sits vertical integration, which lets us hold coherence across product, supply chain, and software while responding quickly when conditions change. In an increasingly uncertain world, resilience itself has become a competitive advantage.

We have built Ather in deliberate phases, with each stage laying the foundation for the next. That patience began to show in our financial performance this year. FY26 marked the first year in which scale and financial discipline started reinforcing each other. We generated positive operating cash flow for the first time in our history, a swing of more than ₹750 crores from the previous year, while continuing to invest in manufacturing, research and development, distribution, and future product platforms. Revenue grew 63% to ₹3,671.76 crores, losses narrowed meaningfully, and operating leverage continued to improve as scale took hold. We did not achieve this by slowing our ambitions, but by building a business where growth and efficiency increasingly move together.

Looking ahead, three priorities will shape our next phase of growth. The first is the EL Platform, which underpins our two-fold market strategy. It expands our addressable market by taking Ather into the ₹1 lakh to ₹1.25 lakh segment, the largest segment of India's scooter market, while simultaneously strengthening the economics of the premium segments where we have established leadership. Supported by Factory 3.0 and its additional 500,000 units of annual production capacity, EL gives us the platform to scale our next generation of products with greater speed and capital efficiency. The second is geography. Having built a strong foundation in South India and established meaningful scale across western and central India, we are now taking our proven operating model to the rest of the country. The third is software. As our installed base grows, AtherStack will continue to deepen the ownership experience, turning every new vehicle into part of a connected ecosystem that becomes more valuable over time.

FY26 was also our first year as a listed company. That transition reinforced something we have believed from the beginning: strong governance is not something you build after achieving scale, it is what enables sustainable scale in the first place. Transparency and accountability have always been integral to how we operate, and they will continue to guide us as we grow.

At its core, electric mobility remains a sustainability transition. As our fleet has grown to over half a million vehicles, our riders have collectively travelled more than 10 billion kilometres, saving nearly 220 million litres of fuel and avoiding over 260 million kilograms of CO_2 emissions. These are tangible outcomes of a transition that is steadily becoming mainstream. At the same time, we remain committed to reducing the environmental footprint of our own operations, including our goal of sourcing 80% of our operating electricity from renewable energy by 2030, while continuing to strengthen the broader EV ecosystem.

None of this would be possible without the trust of our customers, employees, dealer partners, suppliers, shareholders, and investors. We are grateful for their continued confidence and remain committed to earning it every day. As India enters the next phase of electric mobility, we remain focused on what has always defined Ather: deep engineering, disciplined execution, and products that continue to improve with time

India is still early in this transition. Our intent is simple: to help shape what it becomes.

Exciting times ahead.

Tarun Mehta & Swapnil Jain

Co-Founders, Ather Energy

Who We Are

Building India's Integrated EV Ecosystem

Ather Energy is India's leading premium electric two-wheeler company, building intelligent electric scooters through deep engineering, software, and manufacturing. Since inception, we have developed our vehicles, software, charging infrastructure, and core technologies in-house, creating an integrated technology ecosystem that delivers a differentiated ownership experience.

Over the past twelve years, we have built a portfolio of award-winning products, AtherStack - our proprietary software platform, Ather Grid - India's largest two-wheeler fast-charging network, and a growing manufacturing and retail footprint. Today, as a publicly listed company, we serve customers across India and international markets while continuing to advance the transition to electric mobility through technology and innovation.

Founded:	2013, IIT Madras, Bengaluru
Listed:	NSE & BSE, May 2025
Headquarters:	Bengaluru, Karnataka
Manufacturing:	Tamil Nadu (2 plants) + Maharashtra (upcoming)
International presence:	Continued vehicle sales in Nepal and Sri Lanka
Total Employees:	3,875 end FY26
R&D Team:	856 engineers; 42% of on-roll employees

What we Do

Smart Electric Scooters

The Ather 450 series and Ather Rizta - purpose-built for India, with best-in-class range, performance, and connected intelligence.

AtherStack

Our proprietary software platform powers every ride with over-the-air updates, connected features, navigation, ride analytics and a continuously improving ownership experience

Ather Grid

6000+ charging point* across India. DC fast charging, app-enabled, and designed for the real-world range needs of daily riders..

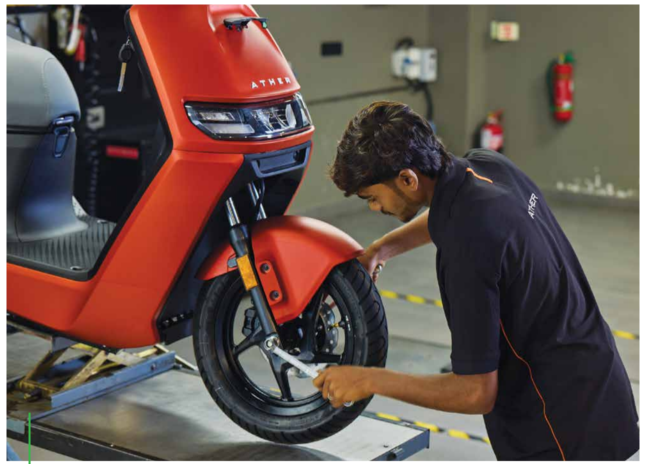
Smart Helmet

Ather Halo, our smart helmet designed to make every ride safer, smarter and more intuitive through seamless integration with the Ather ecosystem.

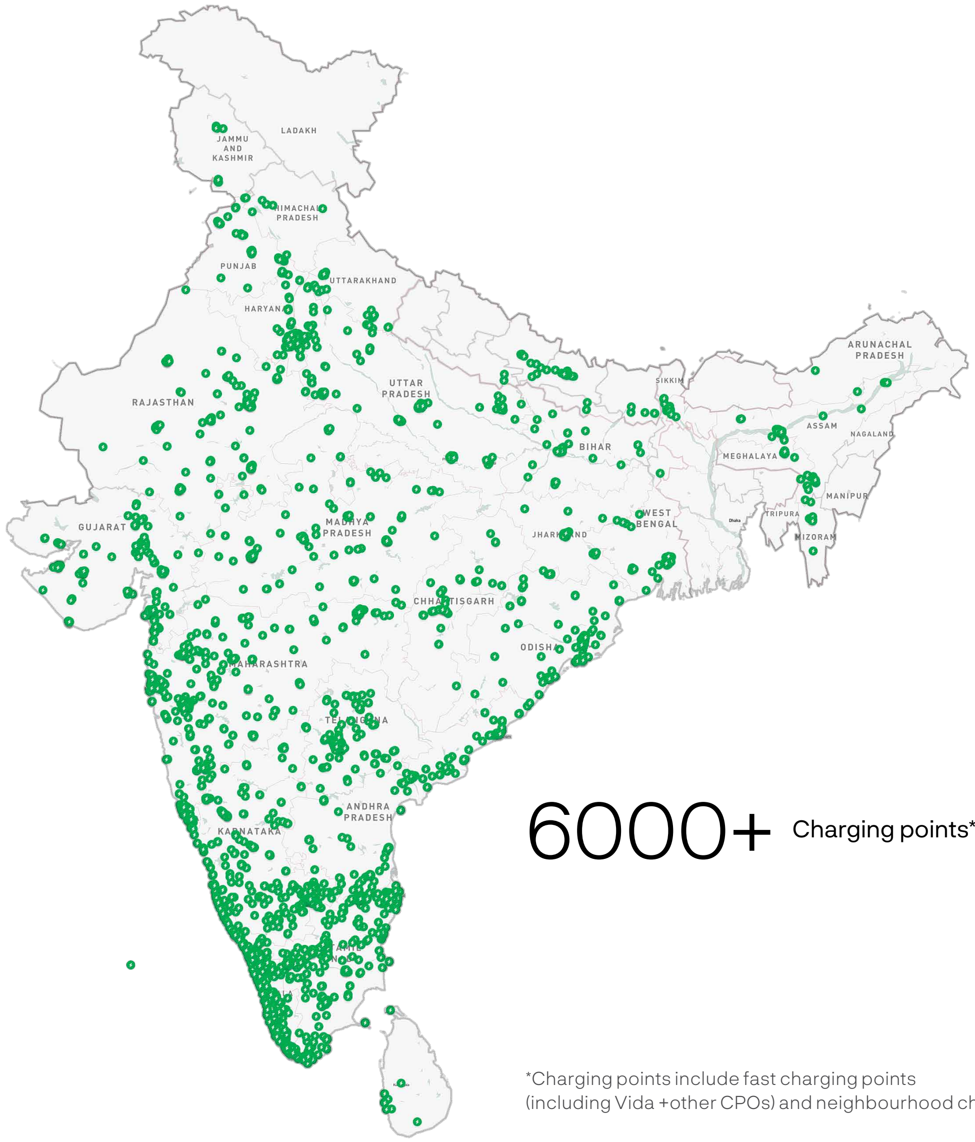
*Charging points include fast charging points (including Vida +other CPOs) and neighbourhood chargers

Where We Operate

700 Exprience Centres



548 Service Centres



6000+ Charging points*

*Charging points include fast charging points (including Vida +other CPOs) and neighbourhood chargers

Hosur, Tamil Nadu

Manufacturing facility

R&D Labs

IBC
Knowledge Park, Bengaluru
73,944 Sq. Ft. Area

Product Validation Lab, Begur, Bengaluru
38,692 Sq. Ft. Area

Proto Lab
NS Palya, Bengaluru
20,300 Sq. Ft. Area

External Warehouses
Regional distribution Centres: 3 (North- Farukhnagar/East - Cuttack/ West - Nashik)
Non-SC Warehouse: Bagalur, Karnataka

Factory 3.0

AURIC
Aurangabad Industrial City

Location

AURIC (Aurangabad Industrial City), Chhatrapati Sambhaji Nagar, Maharashtra strategically chosen for its strong supplier ecosystem

Scale

Total planned capacity: 10 lakh units per annum

Phase 1:

5 lakh units

Timeline

Phase 1 Completion expected in FY27

Tech-driven & Quality-led Business Model

Ather's business model is built on an integrated platform spanning vehicles, software, charging infrastructure and services. Together, these pillars create a connected ownership ecosystem that enables continuous innovation, deepens customer engagement and drives long-term value creation

Vertically Integrated Approach

- Quality, reliability and ownership experience
- Lower cost, faster innovation and time to market

Software-Defined Ecosystem

- Differentiated ownership experience
- Expansive and continuously evolving feature set

Premium Brand Positioning

- Customer satisfaction
- Supports premium pricing and higher average selling price

Capital Efficient Approach

- Minimising cash burn
- Flexibility and agility to scale efficiently

Product Ecosystem

Our approach to product extends well beyond the vehicle itself. Every Ather is designed as an integrated experience, bringing together the scooter, the software that powers it, the charging network that keeps it moving, and the ownership journey that supports it. We build the critical elements in-house because owning the technology stack is what allows us to deliver a consistently high standard of quality and experience. Our portfolio is built around distinct rider needs, not incremental variants, and today comprises two products: the Ather 450 series and the Ather Rizta series.

Our product leadership comes from owning three layers of quality

Magical Experiences
Features made possible only by owning the full technology stack
- Voice on Ather
- Crash alerts
- Pothole alerts

Performance & Engineering
Built to perform the same way, every ride
- Chassis dynamics
- Thermal management
- Range accuracy

Reliability & Longevity
Hardware quality and reliability
- Service network
- Spare availability
- Battery longevity

Ather 450 Series

Variants:

- 450S — 2.9 kWh **122 km**
- 450S (New) — 3.7 kWh **161 km**
- 450X* — 2.9 kWh **126 km**
- 450X* — 3.7 kWh **161 km**
- 450 Apex* — 3.7 kWh **157 km**

*Infinite Cruise, Crash Alerts, ParkSafeTM, LockSafeTM, and Voice on Ather available only on 450X and 450 Apex

Ather Rizta Series

Variants:

- Rizta S — 2.9 kWh **123 km**
- Rizta S (New) — 3.7 kWh **159 km**
- Rizta Z* — 2.9 kWh **123 km**
- Rizta Z* — 3.7 kWh **159 km**

FY26 UPDATE

Touchscreen activated on Rizta Z via OTA Update | Eco mode | New Terracotta Red colour

* SkidControlTM , Crash Alerts, TheftSafe Suite, and Voice on Ather available only on Rizta Z

Our AtherStack Software

AtherStack is the intelligence behind every Ather scooter. Built in-house, our proprietary software platform seamlessly connects the vehicle, cloud, mobile app and connected services into a unified ecosystem. It enables continuous improvement through over-the-air updates, enhancing the ownership experience and serving as the digital foundation of the Ather ecosystem.

91%*
AtherStack Pro attach rate in FY26

4,47,244
Monthly Active users

ATHERSTACK 7

Features:

Voice on Ather

Infinite Cruise™

Pothole+ Alerts

Crash Alerts

*Attach Rate is the percentage of total users that opt for AtherStack Pro

India's Largest Fast-Charging Network for Electric Two-Wheelers

Built for scale and interoperability to make charging convenient, reliable and accessible

A core part of our integrated ecosystem, Ather Grid is designed to reduce charging anxiety and accelerate EV adoption. Seamlessly integrated with AtherStack and the Ather App, it enables riders to locate chargers, check real-time availability and navigate to the nearest charging point with ease, making everyday electric mobility more convenient and dependable.

6,000+
Charging points*

3 markets
India · Nepal · Sri Lanka

New Launch

Next-Gen 6 kW Fast Charger

New

30 km of range in 10 minutes

LECCS

Engineered by Ather and Standardized by the Bureau of Indian Standards (BIS)

LEAF

LIGHT ELECTRIC-VEHICLE ACCELERATION FORUM

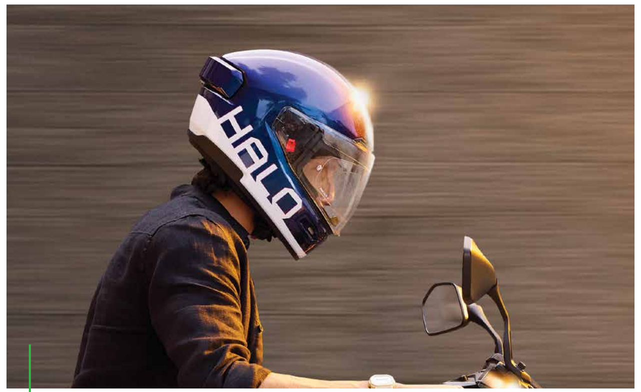
Light Electric Vehicle Acceleration Forum

Co-founded by Ather, Hero MotoCorp and IPEC India, aims to build a standardized charging infrastructure for all E2Ws in India

*Charging points include fast charging points (including Vida +other CPOs) and neighbourhood chargers

Our Accessories

Halo bit



Halo

Frunk

Tyre pressure monitioring system

Ather Junior

Ather Junior

Allied Products

Ather's portfolio of allied products complements the ownership experience with solutions that make EV ownership more accessible, predictable and worry-free, while creating additional long-term value for customers and the business.

Battery as a Service (BaaS)

- Up to 30% lower upfront cost through a battery subscription model
- Flexible plans starting from ₹1/km

Extended Component Warranty (ECW)

- Comprehensive protection for key electronic and mechanical components
- Coverage of up to 5 years or 60,000 km

Eight70 Battery Warranty (EBW)

- Battery warranty of 8 years or 80,000 km
- Free battery replacement if battery health falls below 70%

Assured Buyback

- Guaranteed future value for the scooter
- Predictable upgrade or resale path*

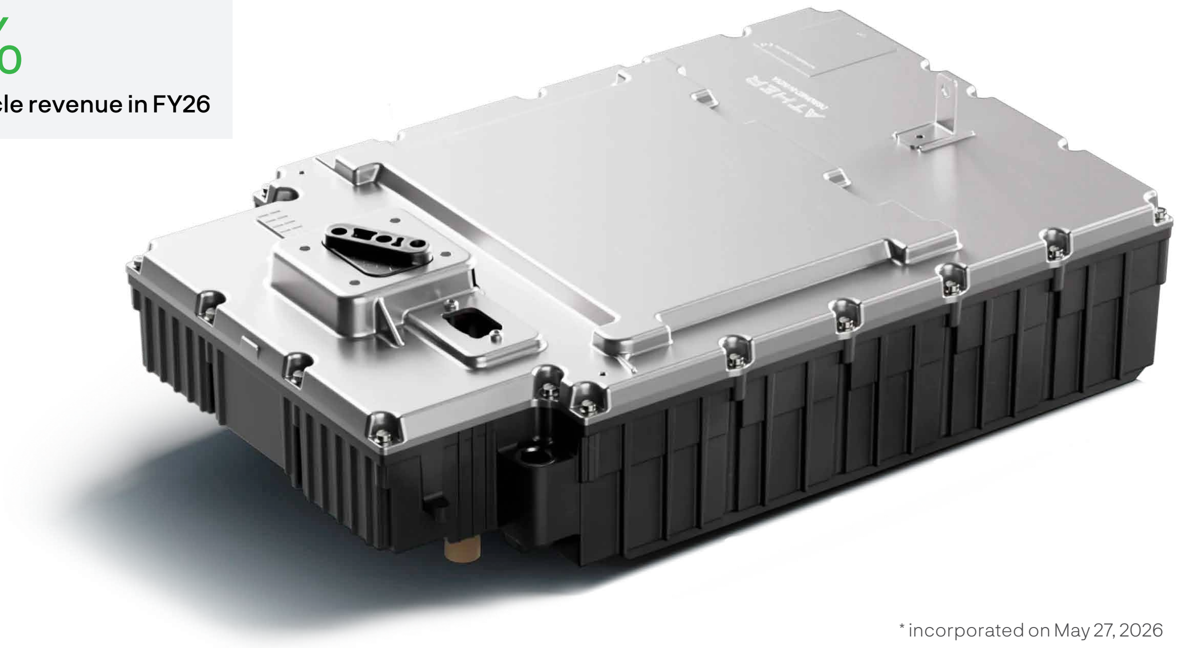
*Available in select cities.

Ather Insurance Limited*

- Wholly owned subsidiary in the capacity of corporate agent
- EV-focused insurance solutions with leading insurance partners
- Simplified policy purchase, servicing and renewals

13%

Non-vehicle revenue in FY26



* incorporated on May 27, 2026

Scaling Presence Through an Asset-Light Distribution Model

FY26 marked a significant expansion of our retail footprint, with our Experience Centre (EC) network in India doubled from 351 to 700 ECs. Built on an asset-light, partner-led model, our distribution network enables rapid, capital-efficient expansion while bringing the Ather ownership experience closer to more customers. We also expanded our after-sales network to 548 service centres, including 24 Gold Service Centres.

Presence of ECs and SCs: India, Nepal and Sri Lanka.

Three-Tier Retail Model

Our Ather Space network comprises three standardised retail formats designed to address diverse market opportunities while enabling efficient expansion:

Flagship (EC 1.0) : Full-format showroom with service and accessories

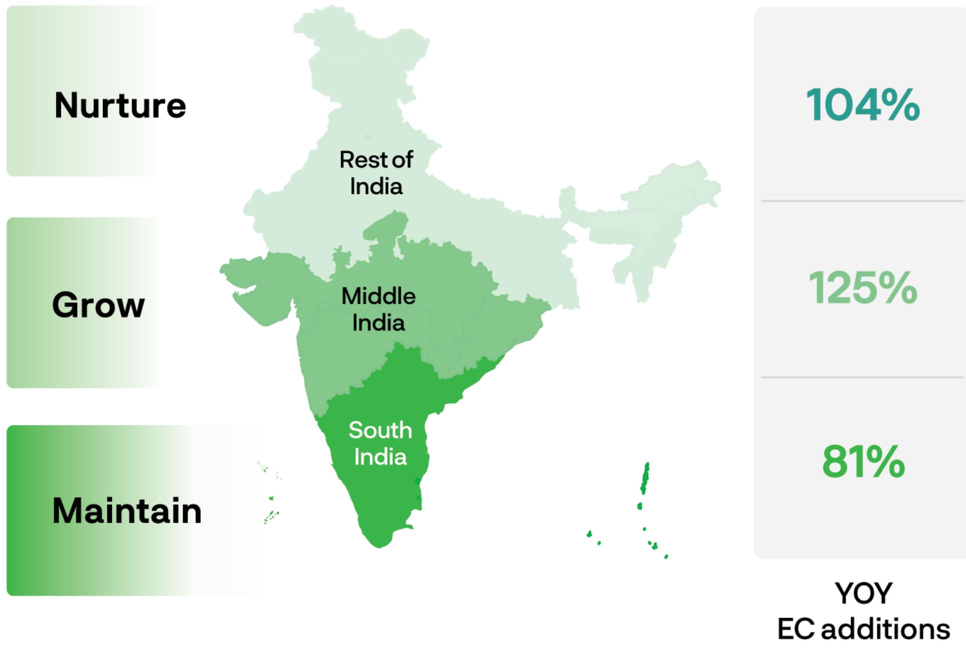
Midsize (EC 2.0) : Complete ownership experience in a compact footprint

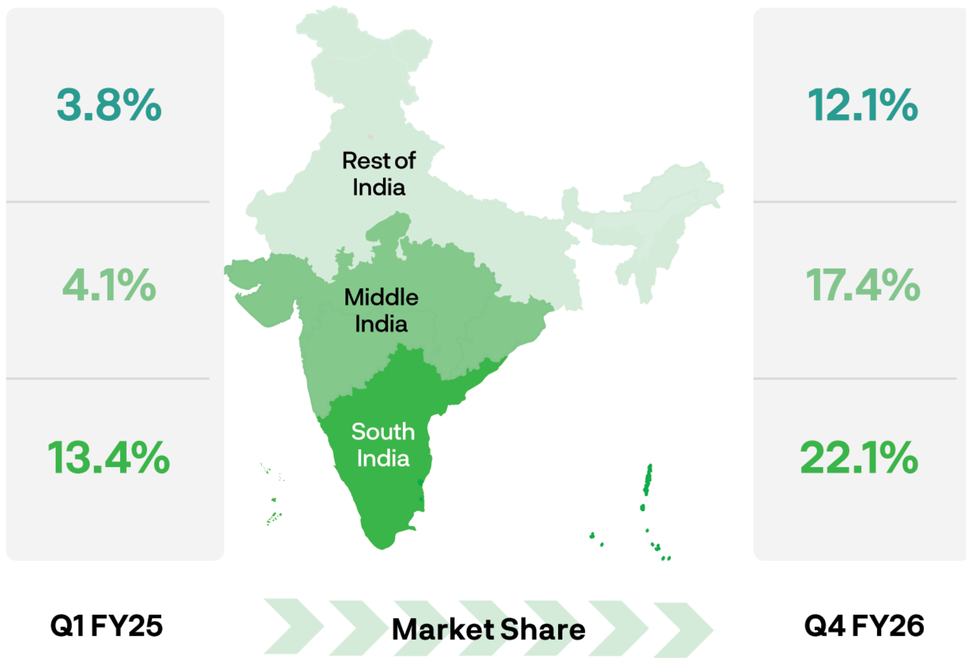
Compact (EC 3.0) : Product discovery and test rides for emerging markets

~75% of the Experience Centres added in FY26 were opened by existing retail partners, underscoring the strength of our partner ecosystem and confidence in the Ather retail model.

Our Three-Pronged Geography Strategy

We follow a structured, phased expansion strategy, allocating investments based on our market presence and growth opportunity across three geographic zones.



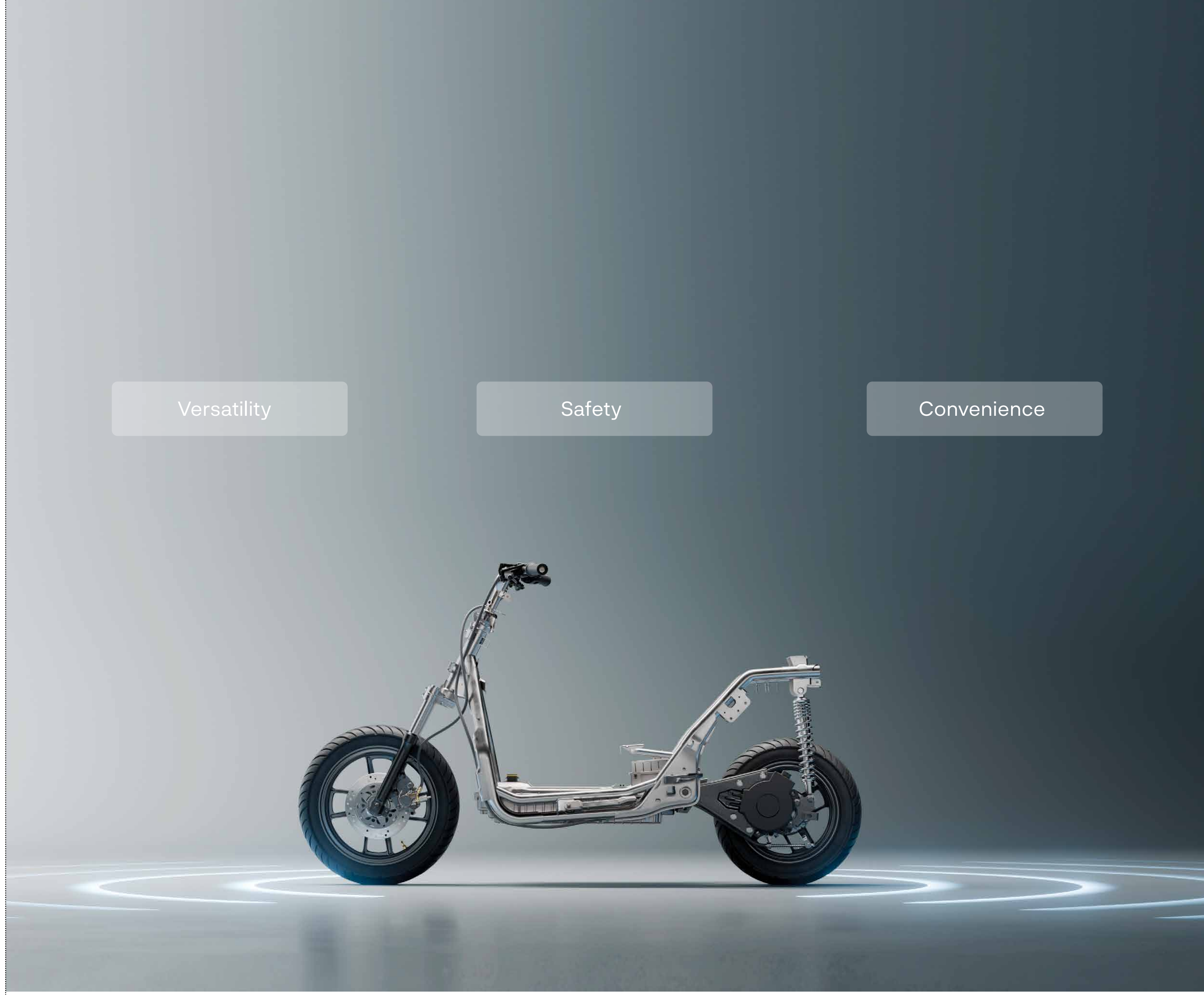


We plan to leverage the upcoming EL platform scooter to accelerate our national expansion by addressing new customer segments and price points.

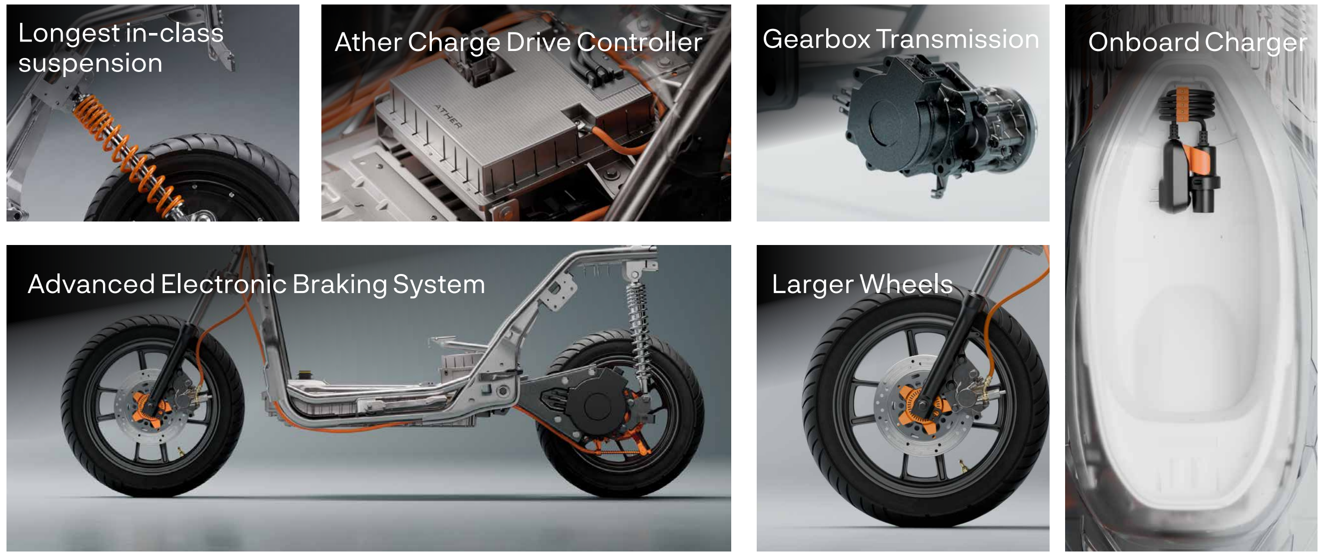
Powering the Next Phase of Growth: EL Platform

The EL Platform marks Ather's next big leap and its first new vehicle architecture since the 450. Unveiled at Ather Community Day 2025, it is designed for versatility, scalability, and cost optimization. Built on a common chassis, powertrain, and electronics architecture, it enables multiple products across customer segments, price points, and markets. Developed using insights from lakhs of kilometres of real-world riding data, the platform features a simpler architecture and reduced component count, improving manufacturing efficiency, serviceability, and development speed.

By enabling a broader product portfolio, EL expands Ather's addressable market and provides a scalable foundation to address the largest segments of India's electric two-wheeler market.



EL platform features



Strategy

A Market at Inflection

India's electric two-wheeler market crossed 1 million annual sales in FY26, marking the transition from early adoption to scaled growth. The conditions driving the next phase are product and technology differentiators and brand trust.

Structural Shifts

Product Led Growth

Industry growth is shifting from incentive-led adoption to product-led demand, with consumers increasingly prioritising quality, reliability, and long-term performance. This favours companies with strong engineering capabilities, manufacturing excellence, and control over critical technologies.

Premiumisation Across the 2W Market

Premiumisation is reshaping the scooter market and accelerating the transition from ICE to EVs. As consumers move up the value chain, electric scooters are emerging as the natural upgrade, combining technology, performance, features, and superior ownership experience.

Software as the New Differentiator

Electric two-wheelers are evolving into technology platforms. Connected features, OTA updates, ride modes, digital diagnostics, and data-driven services are redefining the ownership experience and becoming important drivers of purchase decisions.

Policy Catalyst

Favourable GST rates and road tax incentives continue to support industry growth. Emerging policy frameworks, such as Delhi's proposed EV mandate, could further accelerate adoption and influence the broader electrification trajectory.

Energy Security

Global energy uncertainty is strengthening the case for EV adoption beyond subsidy-led demand. Consumers are increasingly viewing EVs as a long-term solution to fuel price volatility and energy dependence.

India Positioned to Lead Global E2W Technology

India's engineering talent, manufacturing capabilities, and growing EV ecosystem position it to become a global hub for electric two-wheeler technology. As the ecosystem matures, improving standardisation, real-world data, and financing access will further accelerate adoption across domestic and international markets.

Sector Outlook

The market is transitioning from price-led adoption to value-led decision making. Long-term winners will be defined by technology depth, product reliability, and the ability to deliver a seamless ownership experience at scale.

India's E2W market is entering its next phase, driven by scale, product maturity, and rising consumer confidence. On the supply side, declining battery costs, increasing component localisation, and expanding domestic manufacturing capabilities are expected to drive greater cost competitiveness and bring EVs closer to petrol two-wheeler price parity, a key milestone for mass adoption. On the demand side, favourable total cost of ownership, rising fuel costs, urbanisation, and expanding charging infrastructure will continue to support adoption beyond urban markets.

CRISIL projects the market to reach 12-14 million units by FY33, with 35-40% penetration, representing a four to five times expansion from current levels. The structural drivers shaping this growth, including premiumisation, software differentiation, infrastructure expansion, and brand trust, align with Ather's product architecture, technology investments, and long-term strategy.

Ather Edge

Ather's right to win

Ather's core strengths are built on these pillars: pioneering technology, a software-defined ecosystem powered by AtherStack, and a premium multi-segment positioning rooted in superior quality and ownership. We scale this foundation through flexible, shared technology platforms and a capital-efficient model built to balance market expansion with financial discipline.
Our competitive advantage is not any single feature or product, but the way these strengths combine to create structural advantages that reinforce one another.

Structural Advantages powering the edge

1.Vertical Integration

Ather designs and develops most of its core technologies in-house, including the vehicle architecture, battery management system, power electronics, software, and vehicle operating system. This integrated approach enables faster product development, tighter system optimisation, and greater control over quality and performance.

The Magnet Crisis: Vertical Integration in Action

In Q2 FY26, China's restrictions on rare earth magnet exports disrupted global EV supply chains, affecting the availability of traction motors across the industry, including at Ather. The disruption resulted in a one time revenue impact of ₹24.52 crores and was resolved within the quarter.

The speed of recovery reflected a structural advantage. Because Ather owns the core electronics architecture, our engineering teams were able to rapidly requalify component specifications without relying on external suppliers. Control over the battery management system enabled us to recalibrate vehicle performance at the system level, preserving the customer experience while navigating supply constraints. This is where the value of vertical integration becomes most evident. It is not in stable conditions, but when the operating environment is under stress.

This was not the first time our integrated engineering model has been tested. From semiconductor shortages to evolving regulatory changes, each disruption has strengthened our products, processes, and supply chain architecture. Many of the design choices in the EL platform, including lower component complexity, modular architecture, and reduced single source dependencies, are outcomes of these learnings. Rather than simply responding to disruptions, we systematically engineer greater resilience into every successive product generation.

As supply chains become increasingly shaped by geopolitical shifts, commodity volatility, and rapid technology transitions, the ability to adapt quickly is becoming a lasting competitive advantage. Our integrated technology stack and deep in house engineering capabilities enable us not only to navigate uncertainty, but to emerge stronger from it, reinforcing the resilience of both our products and our business

2. Ecosystem Approach

Ather has built an integrated ecosystem that extends beyond the scooter, combining software, charging infrastructure, accessories, and connected services into a seamless ownership experience. At its core is AtherStack, the company's proprietary software platform, built into the vehicle architecture from the outset. By integrating hardware, firmware, the operating system, cloud services, and customer applications, AtherStack enables connected features, over-the-air updates, advanced ride assistance, and continuous software improvements throughout the life of the vehicle.

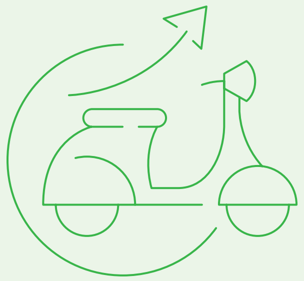
This is complemented by Ather Grid, one of India's largest fast-charging networks for electric two-wheelers, and the growing LECCS ecosystem, which extends charging access beyond Ather-owned infrastructure. Together with smart accessories and connected services, they strengthen the ownership experience, deepen customer engagement, and create recurring revenue opportunities as our installed base grows.

3. Operational efficiency or Capital-Efficient Distribution

Ather has developed a scalable distribution model that combines disciplined network planning with a strong dealer ecosystem. Standardised Experience Centre formats and integrated deployment of retail, service, and charging infrastructure enable efficient expansion across geographies. In FY26, doubled our network from 351 to 700 experience centres, with more than 75% opened by existing dealer partners. This reflects the strength of our dealer network and the capital-efficient nature of our expansion model.

Delivering on Our Strategic Roadmap

An update on the strategic priorities outlined at the time of the IPO and the progress achieved during FY26.

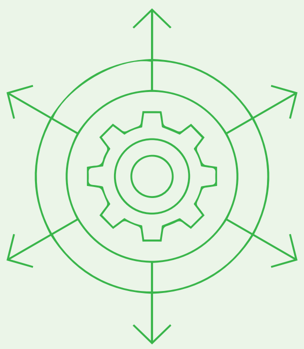


Portfolio Expansion

Expanded the product portfolio with the successful launch of Rizta S (159 km) and 450 S (161 km) variants. Ather Rizta became our fastest-selling product to date, while development of the EL platform and e-bike portfolio continues as planned.

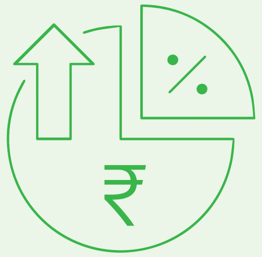
Geographic Expansion

Strengthened our presence in Middle India, increasing market share to 17.4% within one year. Having further consolidated our leadership in South India, we are now scaling the same execution model across the Rest of India.



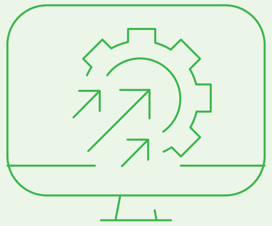
Distribution Expansion

Doubled the retail and service network during FY26, substantially expanding Ather's national footprint and improving customer access across key markets.



Margin Expansion

Delivered a significant improvement in gross margin, EBITDA margin and overall profitability, driven by higher operating leverage, disciplined cost management and improving scale.

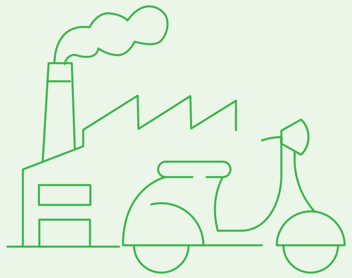


Software Monetisation

Achieved an AtherStack Pro attach rate of 91% in FY26, with software and digital services becoming an increasingly meaningful contributor to revenue and customer lifetime value.

Brand Strengthening

Continued to strengthen brand leadership with 100% year-on-year growth in awareness, 50% growth in preference and 31% growth in consideration, reinforcing Ather's position in the premium electric scooter segment.



Manufacturing Scale

Advanced the development of Factory 3.0, with Phase I (500,000 units annually) on track for commissioning in FY27. Upon completion of both phases, total annual manufacturing capacity will increase to 1.42 million units, (including Hosur and Factory 3.0) supporting the next phase of growth.

Ather's Strategic Outlook

We enter FY27 with a clear mandate and a proven playbook. These are not new bets. They are the same principles that have built Ather so far, executed with greater scale and intensity.

Expanding the Portfolio: One Engineering DNA, Multiple Platforms

The ₹1 lakh to ₹1.25 lakh mass market segment represents the next phase of electric two wheeler adoption in India, with millions of customers expected to transition from internal combustion engine vehicles.

The EL platform enables Ather to address this opportunity while preserving the engineering principles that have shaped our brand. Built as a scalable architecture, EL will support multiple products and customer segments, expand our addressable market, and improve cost efficiency through platform optimization. EL is expected to become a volume growth engine in the mass market, while our premium and mass premium offerings continue to drive differentiation and margin expansion. Beyond scooters, the Zenith platform expands our opportunity into the 125cc to 300cc motorcycle segment, which represents a significant share of India's two wheeler market. Our approach remains consistent across platforms: use common engineering foundations to create differentiated products for a wider range of customers.

Factory 3.0

Expanding manufacturing capacity remains a strategic priority as demand scales. Our current annual capacity at Hosur stands at 4.2 lakh units, and Factory 3.0 in Bidkin, AURIC, Chhatrapati Sambhajinagar, Maharashtra, will support the next phase of growth and the rollout of new platforms. Built on Industry 4.0 principles, the facility integrates advanced digital manufacturing capabilities from inception, Phase 1 targeting production in FY27 and adding 5 lakh units of annual capacity. Upon completion of Phase 2, combined installed capacity across Hosur and Chhatrapati Sambhajinagar will reach 14.2 lakh units annually. Factory 3.0 will also deepen our vertical integration by bringing key processes such as transmission assembly, electronics assembly, and painting in house, strengthening quality control, improving manufacturing efficiency, creating long term cost advantages, and enhancing supply chain resilience through a diversified manufacturing footprint.

Scaling the playbook across markets

Our geographic expansion strategy is built around establishing the right ecosystem, validating the model, and scaling it across markets. South India demonstrated the strength of this approach, where differentiated products, AtherStack, Ather Grid infrastructure, and an experience led retail model enabled strong customer adoption and market share growth. Middle India validated the scalability of this model, as we expanded across Gujarat, Maharashtra, Madhya Pradesh, Chhattisgarh, and Odisha with the same ecosystem led approach, anchored by Ather Rizta. Market share in Middle India increased from 4.1% in Q1 FY25 to 17.4% in Q4 FY26. In FY27, we will extend this model across the rest of India.

R&D: The Engine Behind Every Strategy

Engineering remains at the core of Ather's growth strategy. As of March 31, 2026, we have filed 643 patents, including 283 in FY26, our highest annual filing to date. Our R&D efforts span product design, component engineering, battery technology, electronics, and software. We are building f lexibility into our battery architecture through LFP and nickel based chemistry platforms, while developing proprietary technologies such as the Ather Charge Drive Controller, which integrates the motor controller and charger into a single unit to reduce complexity and improve efficiency. During global rare earth magnet supply disruptions, our in house engineering capabilities enabled us to develop alternative solutions and maintain production continuity.

We continue to strengthen our technology stack through internally developed electronics and software capabilities, improving performance, reliability, and cost efficiency across generations. Safety remains a core innovation focus, with technologies such as SkidControl™, FallSafe, Emergency Stop Signal, and the Advanced Electronic Braking System on EL extending across our portfolio. Beyond products, we are integrating our Product, Enterprise, and Workforce intelligence layers into a unified Ather Intelligence Fabric, enabling AI assisted decision making across manufacturing, supply chain, customer experience, and product development, supported by robust data privacy and security practices aligned with the Digital Personal Data Protection Act.

Environmental, Social and Governance (ESG)

Ather Energy, sustainability is embedded into the way we design, build, and operate. Guided by our 4P framework of Product, Planet, People, and Policy, we integrate environmental responsibility, social impact, and governance into everyday decision making. Our inaugural Sustainability Report for FY23 to FY25 outlines this approach and the systems we have built to drive responsible growth.

Planet: Building Responsibly for the Future

We continue to strengthen our environmental practices through an Environmental and Social Management System (ESMS), supported by a comprehensive EHSS framework. Rooftop solar installations, wastewater recycling through zero liquid discharge systems, and rainwater harvesting initiatives across our manufacturing operations have helped reduce our environmental footprint. We are also transitioning away from single use plastics through paper based packaging and redesigning components to reduce material consumption and waste.

Policy: Strengthening Governance and Accountability

Our governance framework is built on transparency, accountability, and ethical conduct. The Board, supported by three independent directors, is assisted by dedicated committees overseeing audit, risk, and stakeholder engagement. In FY26, we strengthened our ESG governance through a cross functional ESG Committee, chaired by the COO and comprising ten functional leaders, to monitor key metrics and drive implementation across our operations and value chain.

ESG principles are also embedded across our supply chain, with sustainability criteria forming part of supplier onboarding and evaluation processes. We maintain a zero tolerance approach towards violations of our Code of Conduct.

Promoting sustainable business practices

Focus on strong governance, minimising environmental impact and investing in talent

Strong governance practices

- Tenured senior leadership team
- Zero-tolerance approach
- Simple governance structure

Mitigating environmental impact

- Reduced packaging waste
- Raised awareness on the effect of single use plastics
- Various energy savings initiatives

Investing in talent and community development

- Conscious culture building
- Learning assistance benefits
- Inclusive work environment
- Promote & safeguard equality
- Strong CSR initiatives
- Occupational health & safety initiatives

Note: 1. In Fiscal 2023 and 2024.

People: Enabling Inclusive Growth

Our commitment extends beyond our operations to the communities around us. Through initiatives focused on education, skill development, and social awareness, we support an inclusive transition towards a greener future. During the year, we partnered with government schools, conducted eye camps for students, and worked with local authorities to promote awareness around women's safety and helpline access.

Within Ather, our culture is shaped by Thinking as a Species™ and Thinking Parallel™, which encourage collaboration, ownership, and long term thinking. We continue to strengthen workplace safety, diversity, and inclusion across our operations and supplier ecosystem.

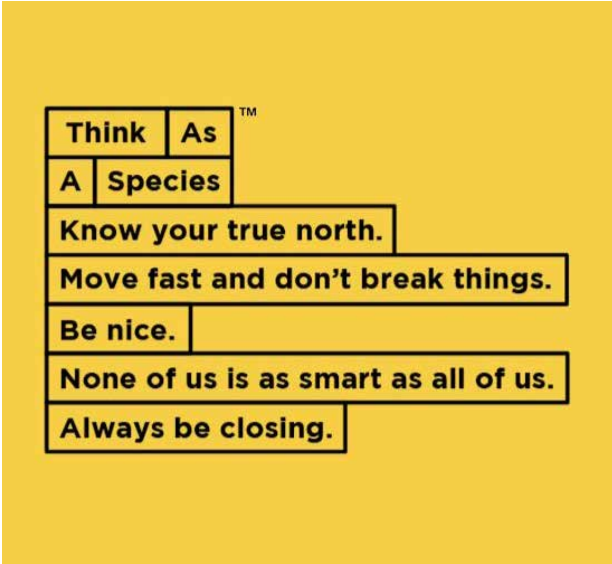
The People Story: Cultivating Capability in a Landmark Year

As we transitioned to a public entity, we navigated a significant surge in scale, complexity, and external expectations. Amidst this evolution, we remained anchored in the belief that culture, capability, and capacity are intrinsically linked. Our talent strategy focused on strengthening leadership, deliberate hiring through competency-based coaching, and aligning a dispersed workforce with our core mission.

Culture: Thinking As A Species™ (TAAS)

Our culture is anchored in **Thinking As A Species™ (TAAS),** a set of five core values shaped by our people over the past decade. As we scaled, we focused on ensuring these values remained relevant and deeply embedded across the organisation. We conducted 180-minute workshops across our zonal offices, helping 82 team members connect their personal beliefs with our collective purpose. People managers underwent deeper immersion sessions to translate these values into everyday leadership behaviours.

A key enabler of cultural cohesion is Interstellar, our employee intranet that connects our factory teams, zonal offices, and corporate teams. With 2,166 members onboarded, the platform maintains 81% monthly active usage, serving as a shared digital space for collaboration, communication, and belonging.



Equity, Diversity, and Inclusion (EDI)

Our MOSAIC philosophy recognises that every individual brings unique perspectives and experiences that strengthen our collective. During the year, we continued to build a more inclusive workplace through:

- Ally-ance: Employee-led communities, including the Women's Ally-ance, that foster dialogue, support, and shared learning.
- Women in Manufacturing: 611 women represented 36.4% of our Hosur manufacturing workforce as of March 2026, with 530 women hired into manufacturing roles during FY26.
- Inclusive Hiring: Seven team members with speech and hearing impairments joined our workforce, encouraging teams on the shop floor to learn sign language and build stronger connections.

National Recognition: Surya V., a Shift Incharge at our factory, received the SHERO Award from the World Resources Institute for her leadership in safety and quality.

Investing in Learning and Growth

As we scale, building leaders at every level remains a strategic priority. Our development programmes focus on creating ownership, technical excellence, and future-ready capabilities:

- **Step Up:** Enables high-performing contract associates to transition into full-time roles.
- **Learning to Lead (L2L):** A four-month leadership journey for first-time managers, completed by approximately 280 managers to date.
- **Catalyst:** Builds founder-like ownership and problem-solving capabilities among critical talent, with 103 participants in FY26.
- **Mantis and Phoenix:** Developed 71 Graduate Engineering Trainees and 15 Management Trainees as part of our future leadership pipeline.

People Technology and Operational Excellence

We leveraged data and automation to serve as the digital backbone of our people function:

- POPS Data Lake & KYT Dashboard: These tools centralized fragmented HR data into a "Single Source of Truth," providing real-time visibility into organizational capability. 89% of Talent Partners now use the Know Your Team (KYT) dashboard as a daily workspace.
- Employer Branding: We visited 45 campuses, hiring 150 team members. Our Ather Vantage program engaged talent through leadership talks at IIM Bangalore and case study collaborations with XLRI and ISB.
- Compliance & Safety: We received the 'Safe Workplace Award – PoSH Category' and prepared for new labor codes ratified in November 2026.

Benefits and Gratitude

Our benefits philosophy evolved to meet changing needs, introducing Menstrual Leave and a holistic Our benefits philosophy continued to evolve with the changing needs of our people. We introduced Menstrual Leave and a holistic Employee Assistance Program (EAP), while expanding insurance coverage to include live-in and same-sex partners, fertility treatments, and mental wellness support.

The transition to a public entity in FY26 was not just a financial milestone; it was a reflection of the collective "species" that powers Ather. By embedding our core values across every zonal office, shop floor, and digital touchpoint, we have strengthened culture as a key differentiator as we scale. Going forward, we remain focused on building a talent ecosystem where engineering excellence, inclusive growth, and a shared sense of ownership continue to shape our journey.

Adhering to high governance standards

Under the leadership of Tarun Sanjay Mehta and Swapnil Babanlal Jain, with the support of a senior leadership team and experienced investors, we remain committed to upholding the highest governance standards. Transparency, ethics and accountability are central to our governance framework and philosophy.

Our Board consists of eight directors, including three independent directors as on the date of Board Report. Our experienced and professional senior management team comes from diverse backgrounds, and has execution track records across various industries, such as engineering, manufacturing supply chain, software and technology.

Board of Directors

Neelam Dhawan
Chairperson
Independent Director

Tarun Sanjay Mehta
Executive Director & CEO

Swapnil Babanlal Jain
Executive Director & CTO

Kaushik Dutta
Independent Director

Sanjay Nayak
Independent Director

Pankaj Sood
Non-executive Director

Ram Kuppuswamy
Non-executive Director

Vivek Anand
Non-executive Director

Experienced Management Team

Ravneet Singh Phokela
Chief Business Officer

Sohil Dilipkumar Parekh
Chief Financial Officer

Sanjeev Kumar Singh
Chief Operating Officer

Harendra Saksena
Chief Procurement Officer

Anjani Kumar
Chief Digital and Information Officer

Surabhi Loshali
Chief Human Resources Officer

Corporate Information

Board of Directors	**Ms. Neelam Dhawan** Chairperson & Non-executive Independent Director **Mr. Tarun Sanjay Mehta** Executive Director & CEO **Mr. Swapnil Babanlal Jain** Executive Director & CTO **Mr. Pankaj Sood** Non-executive Director **Mr. Ram Kuppuswamy** Non-executive Director **Mr. Kaushik Dutta** Non-executive Independent Director **Mr. Sanjay Nayak** Non-executive Independent Director **Mr. Vivek Anand** Non-executive Director (Appointed with effect from November 10, 2025)
Chief Financial Officer	**Mr. Sohil Dilipkumar Parekh**
Company Secretary & Compliance Officer	**Ms. Puja Aggarwal**
Registered Office Address	3rd Floor, Tower D, IBC Knowledge Park, #4/1, Bannerghatta Main Road, Bengaluru-560029, Karnataka, India
Corporate Office Address	13th Floor, Tower D, IBC Knowledge Park, # 4/1, Bannerghatta Main Road, Bengaluru-560029, Karnataka, India
Statutory Auditors	Deloitte Haskins & Sells, Chartered Accountants Firm Registration Number: 008072S Prestige Trade Tower, Level 19, 46, Palace Road, High Grounds, Bengaluru-560001, Karnataka, India
Secretarial Auditors	M/s. BMP & Co. LLP Firm Registration Number: L2017KR003200 4th Floor, Aishwarya Sampurna, No. 79/1, Vani Vilas Road, Basavanagudi, Bengaluru-560004, Karnataka, India
Registrar and Transfer Agent	MUFG Intime India Private Ltd (Formerly Link Intime India Private Limited) C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai-400083, Maharashtra, India
Email ID for Shareholders Communication	cs@atherenergy.com ir@atherenergy.com
Website	*www.atherenergy.com*

Management Discussion & Analysis

Macro Economic Overview

The global economic landscape in FY26 was defined by a divergent recovery, where structural resilience in emerging markets countered escalating geopolitical volatility and energy-market disruptions. The year was particularly shaped by heightened geopolitical tensions following the outbreak of conflict in the Middle East, which triggered volatility in commodity markets, elevated inflation expectations, and contributed to tighter global financial conditions. While technology-led investments, supportive liquidity conditions, and policy stimulus had earlier sustained growth momentum, these tailwinds were partially offset by the impact of the conflict and associated supply-side pressures.

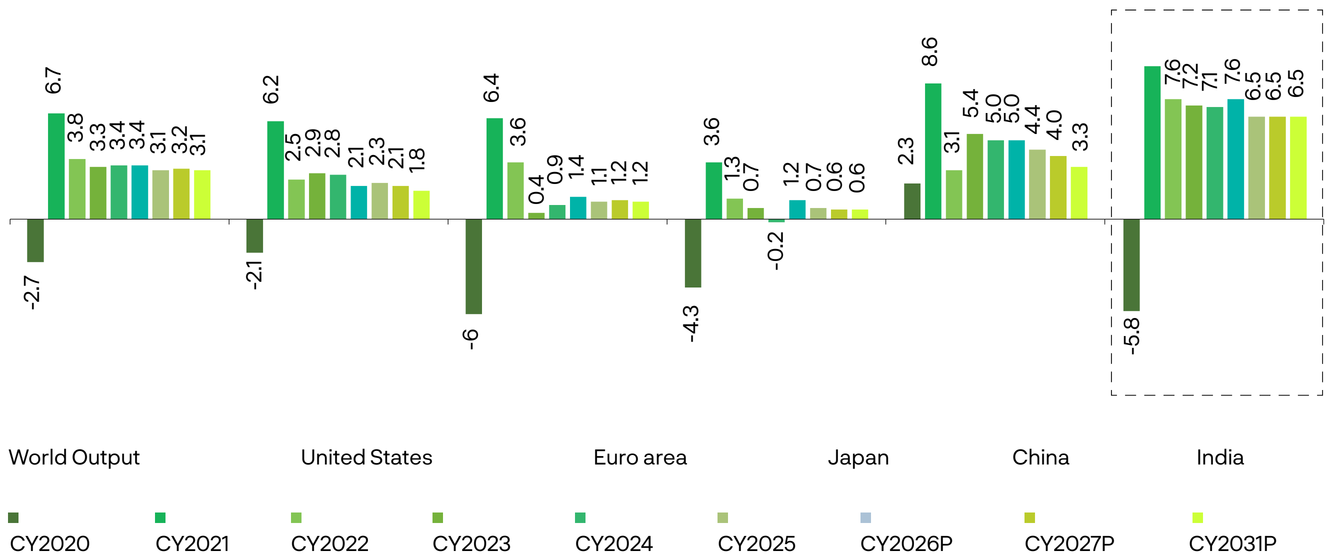
According to the International Monetary Fund's April 2026 World Economic Outlook (WEO), global growth is projected to moderate to 3.1% in 2026, down from the 3.4% pace observed over the previous biennium, before stabilising over the medium term at levels below historical averages. Advanced economies are expected to grow at a subdued pace of 1.8%, with the United States at 2.3% and the Euro Area at 1.2% in FY27. In contrast, emerging and developing economies, particularly Emerging and Developing Asia, continue to anchor global growth, with the region projected to maintain a steady expansion of 4.2%, despite facing relatively sharper inflationary and external vulnerabilities, especially among commodity-importing nations.

Regional Growth Dynamics

The recovery remained uneven across major economies, though several key markets showed resilience. Growth in advanced economies is projected at around 1.8% in FY26, with the United States forecast to expand by about 2.3%, supported by easing monetary policy and a relatively accommodative fiscal stance. The Euro Area is expected to moderate to roughly 1.1%, weighed by a softer manufacturing sector and subdued exports, before recovering modestly. Japan regained momentum on stronger private consumption and exports, prompting the Bank of Japan to raise its policy rate to 1%, its highest level since 1995.

Among emerging markets, China's growth is expected to ease to around 4.4% as external demand normalises. India, however, continued to stand out, estimated to have grown 7.6% in CY2025 and projected to remain among the fastest-growing major economies globally. Emerging and developing economies as a group are projected to expand by 3.9% in FY26 before recovering to 4.2% in FY27, continuing to serve as the principal engine of global growth.

These trends were reinforced by accelerating investment in technology — particularly artificial intelligence — alongside supportive government policies and the adaptability of the corporate sector, which together helped offset external headwinds and anchor business and consumer confidence.

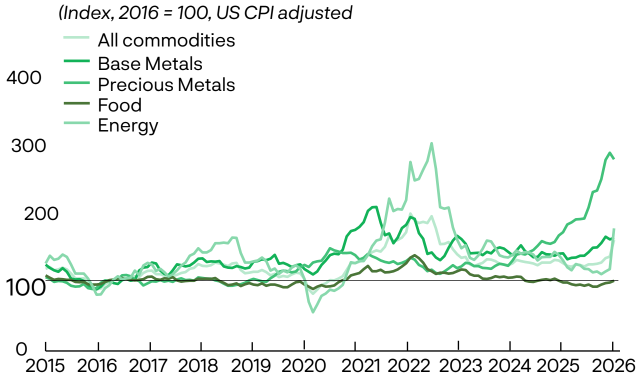


Commodity Cost Dynamics

The fiscal year was characterized by acute volatility in the IMF All Commodities Index, which peaked at 183.83 in February 2026. Per World Bank data, energy prices surged 41.6% in March 2026 on geopolitical disruptions in West Asia. Metals and minerals rose only modestly (around 1.4%), pointing to relatively stable industrial-metal pricing despite supply constraints, while precious metals declined about 3.6% as prices corrected from earlier highs.

1. Commodity Prices

(Index, 2016 = 100, US CPI adjusted)



Source: https://www.imf.org/-/media/files/publications/weo/2026/april/english/commodityspecialfeature.pdf

Key Global Risks

Inflationary pressures are expected to rise in the near term, driven primarily by energy price shocks and supply chain disruptions linked to geopolitical developments, before gradually easing as conditions normalise. However, the outlook remains clouded by the conflict in the Middle East. Primary risks include potential disruptions to the Strait of Hormuz, which could trigger a negative supply shock, erode consumer purchasing power, and reignite wage-price spirals. Furthermore, geopolitical fragmentation and a potential reassessment of AI-driven productivity gains pose risks to global financial stability.

Policymakers globally continue to balance the dual mandate of preserving price stability and sustaining growth, with a renewed focus on strengthening financial system resilience and ensuring long-term macroeconomic stability.

The Indian Economy

While the global economy faced a high-stakes test of resilience in FY26, India emerged as a stable anchor, leveraging robust domestic demand and a revitalized manufacturing sector.

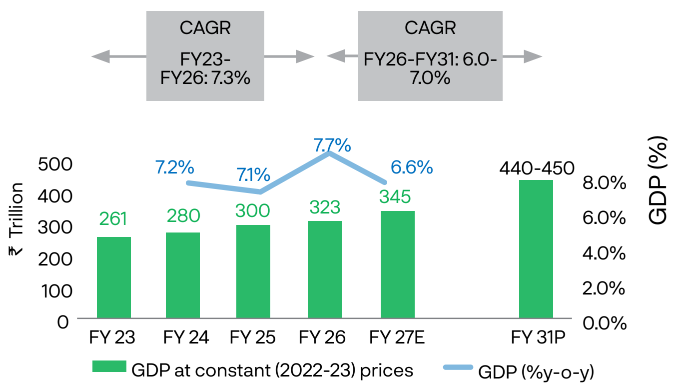
- **GDP Growth:** Under the new base year series (2022–23), real GDP growth for FY26 is estimated at 7.7%, an improvement over the 7.1% recorded in FY25. Nominal GDP is projected to expand by 8.6% in FY26.
- **Fiscal & Monetary Stability:** The fiscal deficit is narrowing toward the 4.4% target, reinforcing macroeconomic stability. Headline inflation moderated to around 3.7% to 4% for FY26 after a historic low of 1.7% (Apr–Dec 25). Despite late-year energy shocks pushing inflation toward 3.4%, the RBI maintained a supportive stance with the repo rate at 5.25%.

With easing food prices, improved supply conditions, and continued policy support, price stability has strengthened consumer purchasing power and business confidence. Corporate and banking sector balance sheets are healthy, while structural reforms across taxation, labour, logistics, and infrastructure are improving efficiency and connectivity. Sustained public investment in highways, airports, rail networks, digital infrastructure, and manufacturing capacity is supporting productivity and strengthening the country's long-term growth potential.

India's structural push toward clean energy continues to gather pace. India's continued investment in highways, urban transport, and digital infrastructure strengthens the EV ecosystem. Policy direction remains aligned with electrification of mobility, supported by central and state-level incentives, charging infrastructure expansion, and localisation mandates. Programs such as the Production Linked Incentive scheme and initiatives like PM E-Drive have accelerated ecosystem development. Even as subsidy structures evolve, the long-term direction remains intact.

Outlook: FY27

India is projected to retain its growth leadership in FY27, with GDP growth expected in the 6.5-6.6% range. This momentum is driven by robust consumption across rural and urban segments, sustained public capital expenditure on infrastructure, and an emerging recovery in private investment. Supporting factors include a stable financial system, steady credit growth, and policy-led initiatives such



Note 1: E- estimated, P – projected

Note 2: A new national accounts series has been released with 2022-23 as the base year, superseding the 2011-12 series, with figures available FY23 onwards

as PLI schemes and digitalisation, which are strengthening manufacturing and services competitiveness.

Key Outlook Parameters:

- **Inflation:** Projected at 5.1% for FY27 under the new CPI series, driven by elevated energy costs, food prices and weaker monsoon forecast.
- **Monetary Policy:** The repo rate is expected to hold at 5.25%, maintaining a conducive environment for capital expenditure.

Risk Assessment

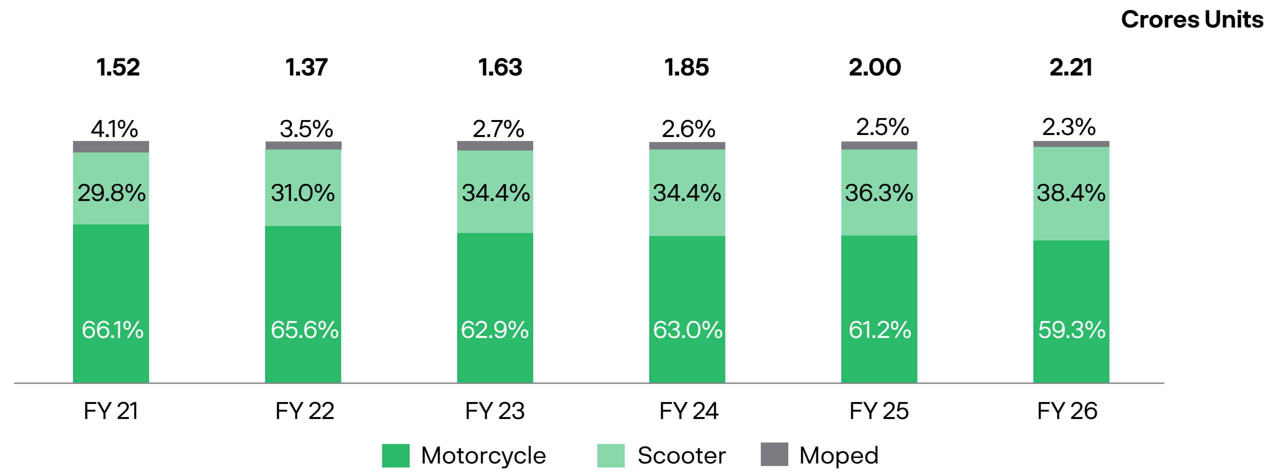
Despite strong domestic fundamentals, the outlook carries a note of caution regarding external shocks. Persistent geopolitical tensions in West Asia pose upside risks to energy security and maritime supply chains. Volatility in global trade and currency movements may influence the landed cost of imported electronic components and specialized raw materials.

INDUSTRY OVERVIEW

Domestic Two-Wheeler Industry

India continues to remain the world's largest two-wheeler market by volume, playing a critical role in personal mobility, last-mile connectivity and the broader automotive value chain. During FY26, the two-wheeler segment posted the highest ever sales of 2.21 crores units, with a growth of 10.5%, over the previous year's 2.00 crores units, according to data published by the Society of Indian Automobile Manufacturers (SIAM). This growth was driven by strong demand for personal mobility, improving rural consumption, and a recovery in discretionary spending. Additionally, the implementation of GST 2.0 provided a meaningful demand stimulus, particularly in the second half of the year. While H1 growth remained largely muted at below 1%, H2 witnessed a sharp rebound with growth of approximately 21.5% over the corresponding period of the previous year. Further, EV adoption gained momentum towards the end of the fiscal, with higher offtake in March supported by expectations of rising fuel prices.

Within the overall two-wheeler market, motorcycles continue to dominate volumes, particularly in rural and semi-urban markets where they serve as an essential mobility solution. Scooters, however, have emerged as the fastest-growing category, driven by urban commuters, increasing female riders and growing demand for convenience-focused mobility.



Note: Data includes ICE and EVs; EV retail data from VAHAN has been considered.

Source: SIAM, VAHAN, Crisil Intelligence

In FY26:

- Motorcycles recorded sales of 1.31 crores units, growing by 7.1% year-on-year up from 1.23 crores units.
- Scooters witnessed the highest growth momentum, expanding sharply by 16.5% to reach 0.85 crores units up from 0.73 crores units, supported by strong urban demand and the rising adoption of electric models.
- Mopeds grew steadily by 6.1% to 0.05 crores units up from 0.054 crores units.

Emerging Structural Drivers

The Domestic two-wheeler industry is undergoing a structural transformation driven by premiumisation of motorcycles and increasing scooter penetration. These shifts are gradually reshaping product portfolios, consumer preferences and the competitive dynamics of the sector.

Premiumisation

A key trend within the industry is the accelerating shift toward premium two-wheelers, particularly those with higher engine capacities. Industry analysis indicates that motorcycles with engine capacities above 300cc are emerging as a significant growth engine, supported by rising aspirational demand, improving affordability and a steady pipeline of new product launches from leading manufacturers. The 350cc segment now accounts for approximately 5.7% of total two-wheeler volumes and about 36% of premium motorcycle sales in FY26, compared with 2% and 16% respectively in FY15, reflecting a steady shift in consumer preference toward larger engine motorcycles. This behavioural shift is now also extending into the EV ecosystem, where consumers are willing to pay a premium for longer driving range, advanced battery technology, connected features, ADAS-enabled safety systems and superior driving experience.

The premiumisation trend is occurring alongside a gradual decline in the share of entry-level motorcycles, particularly those below the 125cc category. Industry studies indicate that the share of sub-125cc vehicles is expected to continue declining as consumers increasingly upgrade to higher-value products offering improved performance, safety features and technology integration.

Scooter Penetration

At the same time, the industry is witnessing a structural shift toward scooters, particularly in urban markets. Scooter penetration has reached a peak penetration as high as 38.4%, highlighting the strong role of scooters in India's evolving mobility landscape.

While these structural shifts are reshaping the internal combustion engine (ICE) landscape, the most significant transformation within the two-wheeler industry is being driven by electrification.

E2W Industry

Electric two-wheelers (E2W) in India have crossed the 0.1 crores annual sales milestone in FY26, with penetration exceeding 6.6% of total two-wheeler volumes, marking a clear transition from early adoption to scaled growth. This signals a move away from a subsidy-led phase toward a more durable and structurally grounded growth trajectory. The expansion of the industry is expected to be driven less by entry-level price disruption and increasingly by premium-oriented offerings, reflecting a shift already visible in the internal combustion engine (ICE) two-wheeler market. As consumer preferences evolve, there is a clear movement toward higher-value products, supported by improvements in performance, technology integration and the overall ownership experience.

FY26 marked a record year for the Indian E2W industry, with retail sales reaching approximately 0.14 crores units, representing a 22% year-on-year growth over FY25. This growth was achieved on a high base and reflects increasing consumer acceptance of electric mobility across urban and semi-urban markets. Electric two-wheelers accounted for approximately 57% of India's total EV sales in FY26, reaffirming their position as the dominant segment within the EV ecosystem.

In the broader two-wheeler industry, E2W penetration continued to improve, reaching around 6.6% of total two-wheeler sales, compared to around 6.0% in the previous year. While penetration remains modest, the steady increase reflects a gradual but structural shift toward electrification.

The e2W segment is projected to reach 0.60–0.62 crores units by FY30 (CRISIL), and the E2W penetration is expected to reach 22–25% by FY30. The adoption of E2Ws has been supported by favourable policy incentives, rising fuel costs, expanding charging infrastructure and increasing consumer awareness regarding sustainable mobility. The growth of E2Ws has also been accelerated by demand from shared mobility platforms, gig economy participants and delivery fleets seeking lower operating costs.

E2W Industry Evolution

The evolution of the E2W industry reflects a transition from a subsidy-led market to one driven by product quality, technology, and consumer experience. Electric scooters have emerged as the dominant format within the EV ecosystem, owing to their suitability for urban commuting and last-mile applications. Improvements in battery technology, vehicle performance, and product design, combined with increasing consumer awareness, have strengthened adoption.

The segment has also demonstrated resilience despite changes in subsidy regimes and policy transitions. While certain periods witnessed short-term disruptions due to price adjustments following subsidy reductions, demand momentum has been sustained through OEM-led pricing strategies, introduction of new models, and recovery during festive cycles.

The industry is witnessing broader participation from both incumbent OEMs and new-age EV players, leading to a more competitive and diversified product landscape. The expansion of multi-product and multi-platform portfolios is expected to enhance category awareness and drive adoption among a wider set of consumers. Recent industry data highlights the increasing momentum in the segment. Three leading players (including Ather) accounted for nearly 62% of electric two-wheeler sales in FY26, registering a 82% increase compared to the previous year. This reflects both strengthening consumer acceptance and expanding product availability across segments.

Policy framework

The growth of the electric two-wheeler (E2W) segment in India continues to be supported by a progressively evolving policy framework, with a clear shift from subsidy-led adoption toward a more sustainable, market-driven growth model.

India's electric mobility journey has transitioned through multiple phases, beginning with the Faster Adoption and Manufacturing of Electric Vehicles (FAME II) scheme, followed by the Electric Mobility Promotion Scheme (EMPS) in FY25, and currently anchored by the PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) scheme.

Launched in October 2024 with an outlay of ₹10,900 crores, PM E-DRIVE represents a comprehensive policy framework covering demand incentives, public transport electrification, and charging infrastructure development. The scheme aims to support large-scale EV adoption across segments, including a targeted support for approximately 0.25 crores electric two-wheelers, while also strengthening the broader ecosystem through investments in charging infrastructure and localisation.

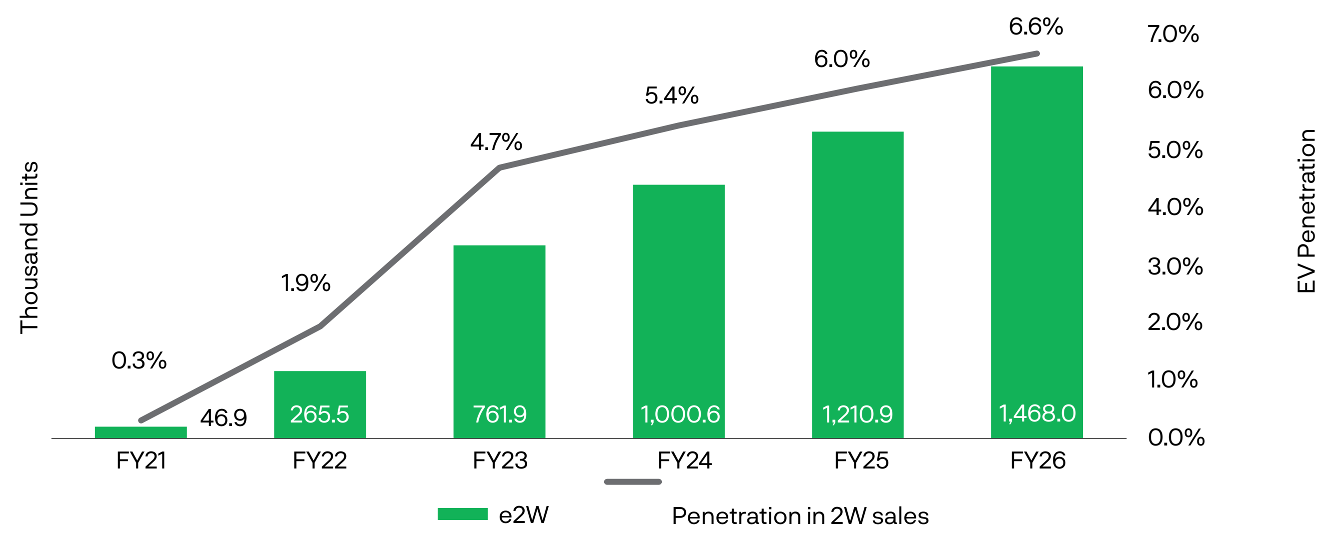
As of early 2026, the scheme has already driven significant adoption, with cumulative EV sales under the programme approaching around 0.22 crores units, reflecting strong market traction and utilisation of allocated incentives. In line with increasing market maturity, the government has undertaken a calibrated rationalisation of subsidies. Effective April 2025, incentives for electric two-wheelers have been reduced to ₹2,500 per kWh, capped at ₹5,000 per vehicle, compared to higher subsidy levels in earlier phases. This reduction reflects a deliberate policy shift away from aggressive demand stimulation toward encouraging long-term self-sustaining demand.

Accelerating this transition, the Government of India has extended demand incentives for E2Ws upto July 31, 2026, subject to a cumulative cap of 24,79,120 units, effective from October 2024, providing a limited continuation window for subsidy support even as the industry moves toward reduced reliance on fiscal incentives. The scheme also incorporates eligibility conditions such as vehicle price caps and incentive limits linked to battery capacity or a percentage of vehicle cost, ensuring targeted and efficient deployment of public funds.

Alongside demand-side measures, the policy ecosystem continues to be supported by supply-side interventions, including the Production Linked Incentive (PLI) schemes for automotive manufacturing and advanced chemistry cell (ACC) batteries, aimed at strengthening domestic manufacturing capabilities, enhancing localisation, and improving cost competitiveness.

These initiatives are further supported by India's broader climate commitments and strategic policy direction. As a participant in the EV30@30 global initiative and with a targeted 80% electrification of new two-wheeler and three-wheeler sales by 2030, India has established a clear long-term roadmap for the sector. This policy continuity and intent provide a strong structural foundation for sustained growth and adoption of electric mobility.

India: E2W Penetration Levels



Source: SIAM, SMEV, VAHAN, Crisil Intelligence

Key growth enablers

India's EV ecosystem is increasingly approaching a critical inflection point, supported by improvements across several enabling factors.

1. A key structural driver underpinning this transition is the favourable total cost of ownership (TCO) of electric two-wheelers. Despite higher upfront acquisition costs, electric vehicles offer significantly lower running and maintenance expenses, making them economically attractive over the ownership lifecycle. This advantage is expected to strengthen further with declining battery costs, localisation of components, and scale efficiencies across the value chain.
2. The development of charging infrastructure is emerging as a critical enabler of electric two-wheeler adoption, particularly as the market expands beyond urban centres into semi-urban and emerging markets. Increasing availability of public charging networks, along with the growth of home and community-based charging solutions, is helping address range anxiety and accessibility concerns. This will play a pivotal role in sustaining penetration growth and supporting the next phase of scale-up across geographies.
3. Technological advancements have also played a central role in shaping the industry. Continuous improvements in battery chemistry, safety standards, and energy efficiency have enhanced product reliability and performance. At the same time, software integration has emerged as a critical differentiator, with features such as connectivity, over-the-air updates, ride modes, and digital diagnostics redefining the user experience. Increasingly, electric two-wheelers are being positioned as technology products, rather than purely mobility solutions.
4. Premiumisation is emerging as another important structural growth driver for the EV industry. Consumers are increasingly prioritising higher-performance vehicles with superior range, smart connectivity features, advanced safety systems and enhanced riding experience. The growing preference for feature-rich and aspirational products is driving demand for premium electric scooters and motorcycles, particularly among younger and urban consumers. This trend is expected to support higher value creation across the industry while accelerating technology adoption and product innovation.
5. The policy environment continues to provide an enabling framework for long-term growth. Government initiatives focused on demand incentives, domestic manufacturing, and localisation, supported by schemes such as PLI for automotive and advanced chemistry cells, have strengthened the ecosystem. Additionally, India's climate commitments, including its net-zero targets and EV penetration goals, continue to reinforce the strategic importance of electrification, particularly in high-volume segments such as two-wheelers.
6. Alongside policy support, environmental concerns and urban pollution have further accelerated adoption. With road transport contributing significantly to emissions and air quality challenges, electric mobility is increasingly being viewed as a necessary transition rather than an optional shift.
7. Another notable trend shaping the industry is the increasing focus on vertical integration. OEMs are investing in developing in-house capabilities across key components such as battery systems, power electronics, and software platforms. This shift is aimed at improving cost efficiencies, enhancing product differentiation, and gaining greater control over the supply chain, factors that are expected to play a critical role in long-term competitiveness.

Outlook

The Indian electric two-wheeler industry is entering its next phase of growth, characterised by scale, product maturity, and increasing consumer trust. A key structural shift shaping this phase is the growing tilt toward premium electric two-wheelers, reflecting rising consumer comfort with higher upfront price points. Industry analysis indicates that the premium segment is witnessing faster adoption, supported by improvements in product performance, feature depth, and overall ownership experience.

The market is also witnessing a gradual evolution in its price-based segmentation. While entry-level electric scooters continue to cater to value-conscious buyers seeking affordable mobility, the mid-premium and premium segments are emerging as the primary growth drivers. Consumers are increasingly willing to invest in higher-priced products that offer superior range, performance, safety, connected technologies, and enhanced after-sales support. This shift is expanding the addressable market for premium electric mobility and creating opportunities for manufacturers with differentiated products and strong brand positioning.

This trend signals a maturing customer base that is increasingly prioritising quality, technology, and brand experience over initial cost considerations. Electric two-wheelers are gradually evolving from being perceived as cost-saving alternatives to becoming preferred mobility choices in their own right. Looking ahead, demand is expected to be shaped by favourable total cost of ownership, rising fuel costs, increasing urbanisation, and the continued expansion of charging infrastructure, particularly in semi-urban markets, unlocking the next wave of adoption.

On the supply and ecosystem side, advancements in battery technology are expected to play a pivotal role in shaping the industry's trajectory. Improvements in energy density, safety, and lifecycle performance, along with a gradual shift toward more cost-efficient and scalable cell chemistries, are likely to drive down battery costs over time. Coupled with increasing localisation of key components and the development of a domestic manufacturing ecosystem, these trends are expected to improve cost competitiveness and accelerate progress toward price parity with internal combustion engine (ICE) vehicles, a key structural milestone for mass adoption.

Software is emerging as a core differentiator in this evolving landscape, with increasing integration of connected features, over-the-air updates, and data-driven services enhancing both product functionality and customer engagement. As the market evolves, competitive intensity is expected to increase, with both new-age electric vehicle players and established automotive OEMs accelerating investments across product innovation, distribution, and brand building.

While the long-term outlook remains favourable, the industry will continue to navigate certain headwinds, including evolving regulatory frameworks, subsidy rationalisation, and supply chain dependencies. These are balanced by strong tailwinds in the form of policy support, infrastructure development, technological advancements, and rising environmental consciousness.

As the market evolves, competitive advantage will increasingly be defined by the ability to deliver differentiated products, build technology depth, and create a seamless, integrated ownership experience. The industry is moving beyond early adoption into a phase where performance, reliability, and user experience will shape long-term leadership and rising environmental consciousness.

Company Overview

Founded in 2013 by Tarun Mehta and Swapnil Jain, Ather Energy Limited has established itself as a, leading pure play Electric Vehicle company selling Electric two-wheelers (E2Ws) and the associated product ecosystem, comprising software, charging infrastructure and smart accessories, all of which are conceptualised and designed by Ather in India. Ather manufactures battery packs in-house using lithium-ion cells procured from suppliers and outsources the manufacturing of all other vehicle components, such as electronics and chassis. Ather procure chargers and motors used in E2Ws from its suppliers who design and manufacture them. Ather assembles its E2Ws in-house at its Hosur plant. Ather's E2W portfolio comprises two product lines, the Ather 450 and the Ather Rizta, with nine variants. The Atherstack, Ather's in-house developed software, provides features related to navigation, analytics, ride assistance, safety and productivity, and is integrated with its product ecosystem. Ather' products are positioned at premium prices in their respective segments.

Ather continues to expand its retail footprint through experience centres across multiple cities, while scaling its manufacturing operations in Hosur. With a clear strategic focus on advancing smart, connected, and efficient mobility solutions, Ather is well-positioned to drive the next phase of growth in India's electric mobility landscape.

Financial and Operational Performance for FY26

Metric	FY26	FY 25
Total Sales (in Units)	2,62,942	1,55,394 Units
Market Share (National)	17.1%#	11.7%
Total Income (in ₹ crores)	3,823.08	₹2,305.22 crores
AtherStack Attach Rate	91%*	91%
Non Vehicle Revenue	13%	12%
Adj. Gross Margin	24%	19%
EBITDA %	(7%)	(23%)
Experience Centers	700	351
Charging network^ size in India	6,000+	4,500+

*Attach Rate is the percentage of total users that opt for AtherStack Pro
Vahan Portal
^Charging network includes fast charging points (including Vida +other CPOs) and neighbourhood chargers

Product series-wise sales

Ather Rizta	Ather 450
1,99,134	63,808
76% of the total sales (in Units)	24% of total sales (in Units)
88,869 Units | 57% of total sales	66,525 Units | 43% of total sales

FY 25

Sales and Distribution Performance

FY26 marked a breakthrough year for Ather, driven by strong product-market alignment, accelerated distribution expansion, and a focused geographic growth strategy. The launch of the Ather Rizta continued to anchor this momentum, positioning the Company firmly within the high-volume convenience scooter segment, which constitutes a significant share of India's two-wheeler market.

Volume Growth Driven by Ather Rizta

FY26 was a defining year for Ather's growth trajectory, with the Ather Rizta emerging as the primary growth engine:

- Sales grew to **2,62,942 units in FY26**, representing a **69% year-on-year increase**.
- Achieved highest-ever monthly registrations of **36,366 units in March 2026**, and a peak monthly market share of **19.8% in October 2025.**
- Crossed a key production milestone with the **roll-out of the 5,00,000th vehicle** from the Hosur, Tamil Nadu facility.
- Demonstrated strong product acceptance, with the **first 1 lakh+ units of Ather Rizta sold in 11 months**, and the **next 1 lakh+ units sold in just 7 months**, reflecting accelerating demand momentum.

Sustained Premium Positioning via the 450 Series

While the Ather Rizta drove unprecedented volume growth, the Ather 450 series—comprising the 450X, 450S, and the flagship 450 Apex—remained central to Ather's brand equity and margin strategy in FY26.

- Anchoring the Premium Segment: The Ather 450 series continues to dominate the performance-centric, urban demographic. The flagship 450 Apex, in particular, witnessed triple-digit YoY growth in late FY26, reinforcing Ather's position as a technological leader in the two-wheeler EV space.

Distribution Expansion: Scaling Reach with Capital Efficiency

Distribution expansion remained the most significant near-term growth lever during FY26:

- Expanded retail footprint to 700 Experience Centres, doubling from 351 Experience Centres.
- After-sales network scaled from 277 to 548 service centres, enhancing customer support infrastructure.
- Rolled out Gold Service Centers maintenance across 24 locations, up from 7 locations in the previous year.

This rapid scale-up was executed through a 100% dealer-operated, asset-light model, requiring no capital expenditure from Ather on store buildouts. A differentiated three-format approach (Flagship, Mid-size, and Compact) enabled efficient market penetration across diverse city tiers.

The expansion strategy was consciously tilted towards non-South markets to reduce regional concentration risks:

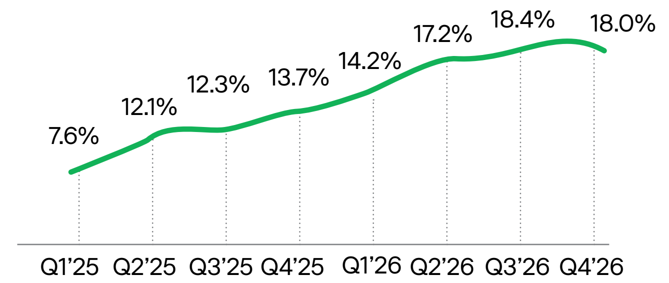
- **South India:** 295 experience centres
  South India Comprises of Andhra Pradesh, Goa, Karnataka, Kerala, Tamil Nadu, Telangana, Andaman & Nicobar islands, Lakshadweep, Puducherry.
- **Middle India:** 236 experience centres
  Middle India comprises of Chhattisgarh, Gujarat, Madhya Pradesh, Maharashtra, Odisha, Dadra and Nagar Haveli and Daman and Diu.
- **Rest of India:** 169 experience centres
  Rest of India is defined as all states and Union territories excluding South India and Middle India.

Market Share Expansion and Regional Performance

Market Share Expansion

Ather strengthened its market position across key geographies, supported by product acceptance and expanding distribution reach:

- National market share expanded from 11.7% in FY25 to 17.1% in FY26.

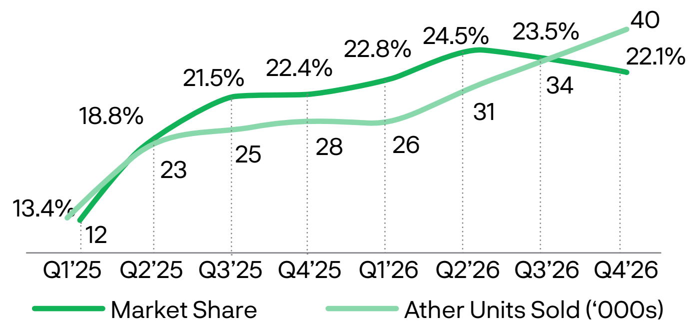


Source = Vahan Portal

Geographic Growth Strategy: Three-Geography Approach

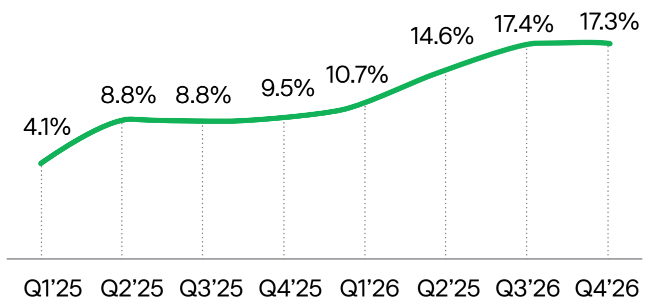
In FY26, Ather implemented a structured three-geography strategy - South India, Middle India, and Rest of India to drive disciplined and targeted expansion:

- **South India:** Consolidating Leadership
  - Maintaining strong foothold even as volumes surged.

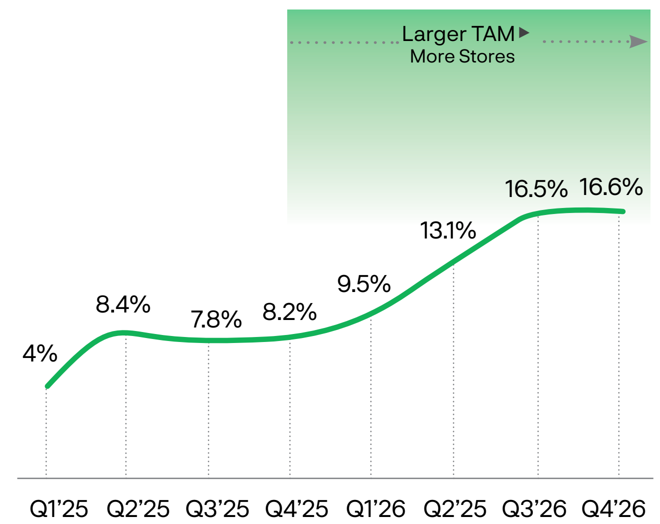


Source = Vahan Portal

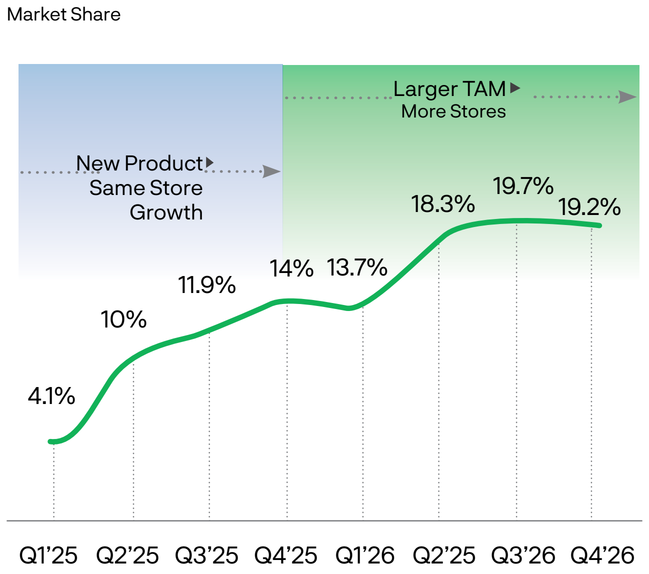
- **Middle India: Key Growth Engine**
  - Market share nearly doubled from 9.5% in Q4 FY25 to 17.3% in Q4 FY26.
  - State-level performance highlights:
  - Growth driven by focused distribution expansion, with the region accounting for the largest share of new store additions.



Distribution-led growth (Maharashtra, Madhya Pradesh & Chhattisgarh)

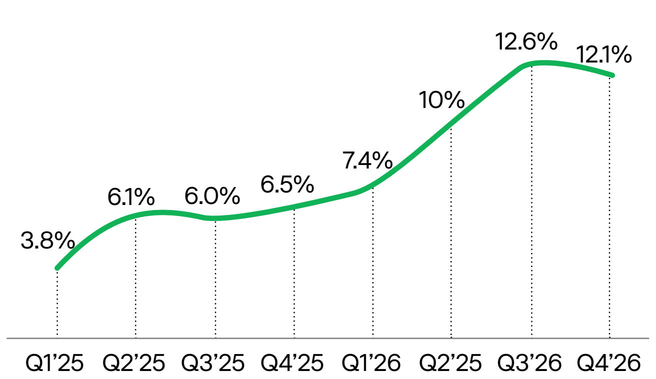


Rizta-led growth (Gujarat & Odisha)



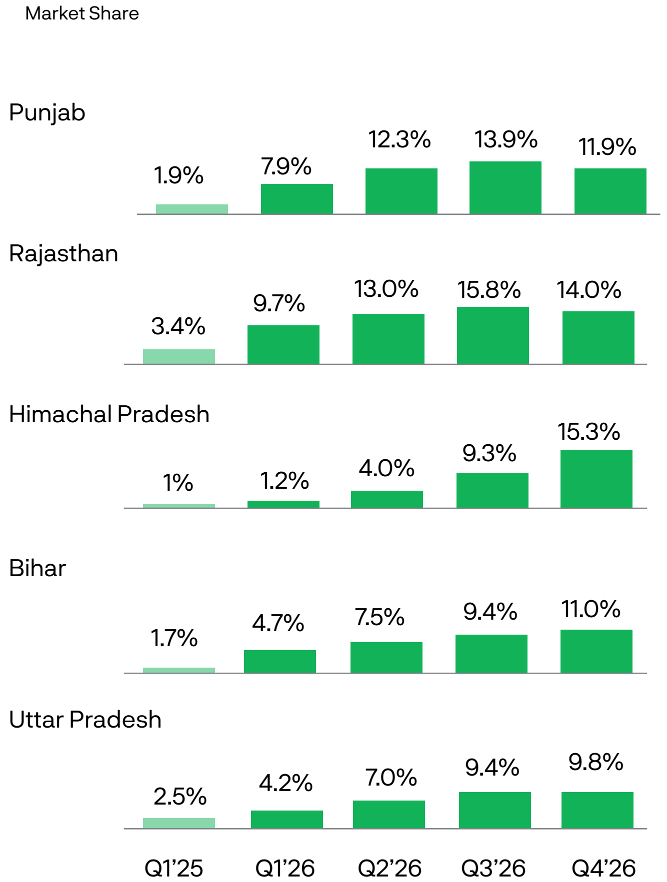
Source = Vahan Portal

- **Rest of India:** Nurturing Future Scale
  - Market share expanded from 6.5% in Q4 FY25 to 12.1% in Q4 FY26.
  - Strong growth in key states:
  - Continued investments in distribution are expected to support future growth, particularly with the planned launch of the EL platform in FY27.



Source = Vahan Portal

Significant growth in Key states



The benefits of FY26's geographic and distribution expansion are expected to compound further as newly added locations mature.

Revenue Quality, Pricing and Margin Performance

FY26 was defined by Ather's ability to scale volumes while maintaining strong revenue quality and pricing discipline in an increasingly competitive electric two-wheeler (E2W) market. Despite aggressive discounting across the industry, the Company sustained its premium positioning, supported by a differentiated product portfolio and strong brand equity.

Premium Positioning & Revenue realisation

Amid aggressive discounting and a proliferation of sub-₹1 lakh offerings, the Company maintained disciplined pricing, resulting in an average revenue realisation of ₹1,21,386 per scooter.

Ather's variants sit at the premium segment of the market — the Ather 450 series anchors the high-margin, performance-led premium segment, while the Ather Rizta series (priced roughly ₹20,687 below the Ather 450 as of March 31, 2026) drives mass premium-market volume. In contrast, industry players concentrate their portfolios lower down, with the number of variants in the mass and mass-premium segments standing at 10 each.

Subsidy contribution to revenue continued to decline, reducing to 3% in FY26, compared to 6% in FY25 and 16% in FY24.

AtherStack maintained an attach rate of 91% in FY26, even as volumes grew by ~69%, highlighting strong customer acceptance across markets and positioning it among the leading software adoption rates in the electric two-wheeler segment.

Pricing Discipline and Margin Resilience

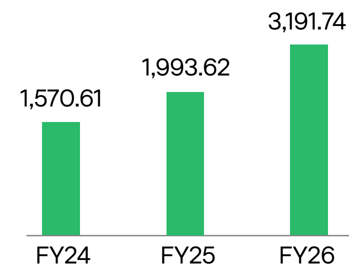
- Margin expansion is increasingly driven by internal levers — R&D-led cost optimisation, value engineering and scale efficiencies — rather than external policy support, reflecting structurally stronger unit economics.
- During FY26, the supply chain navigated three simultaneous constraints: China's export controls on rare-earth magnets affecting motor supply, a spike in memory (RAM) costs affecting the dashboard bill of materials, and rising lithium-ion battery prices.
- These were managed by leveraging supply-chain partnerships to secure critical SKUs through pre-buy positions (for magnets, cells and affected raw materials), engineering light rare-earth (LRE) magnets in-house, and introducing LFP batteries — mitigations enabled by Ather's R&D strengths.
- Cost of goods sold* per unit declined from ₹1,48,918 in FY24 to ₹1,10,199 in FY26, supported by engineering optimisation and battery advancements.
- Adjusted gross margin improved to 24% in FY26 from 19% in FY25 and 9% in FY24.

Subsidy Independence and Unit Economics:

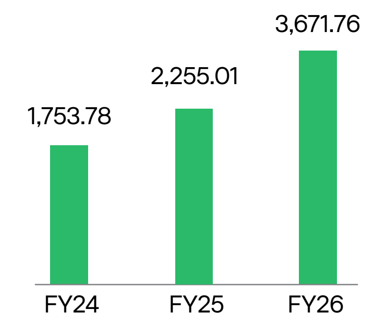
- Achieved an adjusted gross margin without incentive of 21% in FY26, a sharp improvement from 12% in FY25, reflecting structurally stronger unit economics.
- Subsidy contribution to revenue continued to decline, reducing to 3% in FY26, compared to 6% in FY25 and 16% in FY24.

**Sum of cost of materials consumed, purchase of stock-in-trade, change in inventories of finished goods,stock-in-trade and work-in-progress*

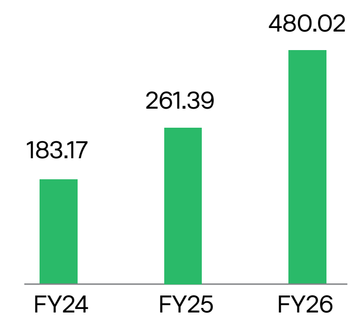
Revenue from Vehicle (₹ crores)



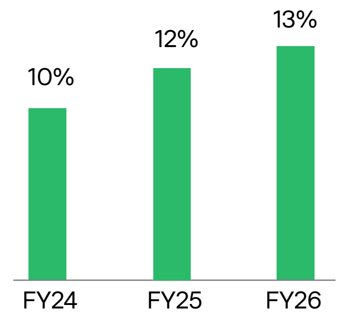
Revenue from Operation Growth (₹ crores)



Revenue from Non-Vehicle (₹ crores)



Non-Vehicle Revenue (%)



- Margin expansion is now increasingly driven by internal levers, including R&D-led cost optimisation, scale efficiencies, and pricing discipline, rather than external policy support.
- This transition underscores the Company's readiness for a post-subsidy environment, with a resilient cost structure and sustainable profitability trajectory.

Profitability and Operating Leverage

FY26 marked a significant step forward in Ather's journey towards profitability, with a clear and sustained improvement in operating performance. The Company delivered meaningful EBITDA expansion during the year, reflecting the combined impact of scale, cost discipline, and a growing contribution from higher-margin revenue streams.

- **EBITDA Improvement**: EBITDA margin improved from (23%) in FY25 to (7%) in FY26, demonstrating a strong progression towards breakeven. On a quarterly basis, performance strengthened from (16%) in Q1 FY26 to (3%) in Q4 FY26.
- This was underpinned by adjusted gross margin expanding to 24% in FY26 from 19% in FY25. R&D-led cost optimisation and battery advancements lowered COGS per unit to ₹1,10,199 in FY26 from ₹1,20,777 in FY25, strengthening unit economics that flowed through to EBITDA
- **Operating Leverage Benefits**: The improvement was driven by increasing operating leverage as volumes scaled, enabling better absorption of fixed costs across manufacturing, distribution, and corporate overheads.

Overall, the Company's improving cost structure, combined with scale-led efficiencies and a diversified revenue mix, provides a strong foundation for continued margin expansion and a clear path towards sustainable profitability.

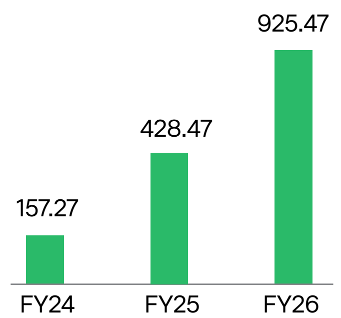
Key milestones and building for the future

FY26 was a year of significant milestones beyond the financial metrics. In October 2025, we crossed the 5,00,000th electric scooter production mark, with Ather Rizta accounting for over one-third of cumulative production since launch. Ather customers has access to charging network of over 6,000+ LECCS fast chargers and Ather Neighbourhood Chargers (ANCs) across India, Nepal and Sri Lanka – by far the widest two-wheeler fast charging network in the country. Our service network doubled from 277 to 548 authorised service centres. Our IP portfolio grew to 52 registered patents, 271 registered designs and 326 registered trademarks as of March 31, 2026.

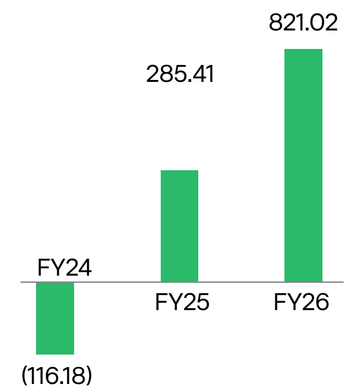
Looking ahead, FY26 also laid critical groundwork for Ather's next phase of growth. At Ather Community Day in August 2025, we unveiled the EL platform – our first new vehicle architecture since 450 platform. The EL platform is designed for versatility, scalability and cost optimisation, with a steel frame, enclosed gearbox, multiple wheel options, onboard charger and our proprietary Advanced Electronic Braking System (AEBS).

The EL platform is targeted at ₹1-1.25 lakh price segment, where approximately 50% of India's scooter volumes are concentrated, and where Ather currently has no product. Production is planned to commence in FY27, initially from our Hosur facility and subsequently from our Factory 3.0 in Chhatrapati Sambhajinagar, Maharashtra, which is progressing as planned. The EL platform, combined with our growing distribution footprint and software ecosystem, positions Ather to meaningfully expand its total addressable market in FY27 and beyond.

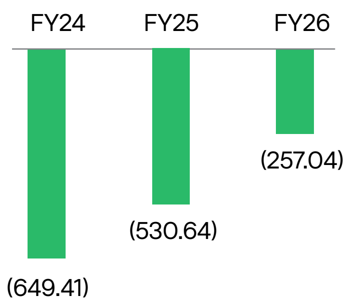
Adjusted Gross Margin (₹ crores)



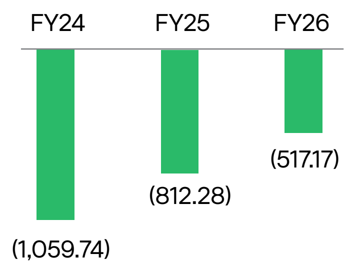
Adjusted Gross Margin without incentive (₹ crores)



EBITDA (₹ crores)



Loss for the year (₹ crores)



Key Performance Indicators

Particulars	Units	March 31, 2026	March 31, 2025
Vehicles Sold	Numbers	2,62,942	1,55,394
Year-on-year growth of Vehicles Sold	(%)	69%	42%
Revenue from Operations	₹ in crores	3,671.76	2,255.01
Year-on-year growth in Revenue from Operations	(%)	63%	29%
Adjusted Gross Margin	(%)^	24%	19%
EBITDA	₹ in crores	(257.04)	(530.64)
EBITDA Margin	(%)^	(7%)	(23%)
Revenue Mix			
-Sale of vehicles	(%)	87%	88%
-Sale of non-vehicle	(%)	13%	12%
Revenue per unit of Two-Wheeler Vehicle Sold	In ₹	1,21,386	128,295
Profit / (Loss) for the year	₹ in crores	(517.17)	(812.28)
Profit / (Loss) for the year margin	(%)^	(14%)	(35%)
Working Capital Days	Days	(53)	(58)
E2W Market Share (%)	(%)	17.1%*	11.7%*

**Market share based on Vahan Portal.*
^ % of total income

Analysis of Financial and Operational Performance

Statement of Profit and Loss

The following table sets forth select financial data from our statement of profit and loss for the year ended March 31, 2026 and March 31, 2025, the components of which are also expressed as a percentage of total income for such periods.

₹ in crores

Particulars	For the year ended March 31, 2026	% of Total Income	For the year ended March 31, 2025	% of Total Income
Revenue from operations	3,671.76	96%	2,255.01	98%
Other income	151.32	4%	50.21	2%
Total income	**3,823.08**	**100%**	**2,305.22**	**100%**
EXPENSES				
Cost of materials consumed	2,808.15	73%	1,826.88	79%
Purchase of stock-in-trade	97.04	3%	100.67	4%
Change in inventories of finished goods, stock-in trade and work-in-progress	(7.58)	0%	(50.80)	(2%)
Employee benefits expense	481.60	13%	412.38	18%
Finance costs	82.20	2%	110.62	5%
Depreciation and amortisation expenses	172.89	5%	171.02	7%
Other expenses	700.91	18%	546.73	24%
Total expenses	**4,335.21**	**113%**	**3,117.50**	**135%**
Loss before exceptional items and tax	(512.13)	(13%)	(812.28)	(35%)
Exceptional items	5.04	0%	-	-
Loss before tax	**(517.17)**	**(14%)**	**(812.28)**	**(35%)**
Tax Expense				
Current tax	-	-	-	-
Deferred tax	-	-	-	-
Total tax expense	**-**	**-**	**-**	**-**
Loss for the year	**(517.17)**	**(14%)**	**(812.28)**	**(35%)**

An Overview

During the FY26, the Company delivered a resilient financial performance characterized by robust top-line growth and a significant narrowing of losses. We successfully capitalized on market opportunities through strategic product ramp-ups and aggressive network expansion. As a result, Total Income stood at ₹3,823.08 crores in FY26, representing a substantial growth trajectory compared to ₹2,305.22 crores in FY25. Concurrently, total expenses as a percentage of total income witnessed a sharp improvement, dropping from 135% in FY25 to 113% in FY26, highlighting our continued focus on operational efficiencies and cost optimization.

Crucially, this operational leverage translated into a marked improvement in our EBITDA (Loss before exceptional items, depreciation, and finance costs). EBITDA losses more than halved during the year, improving from approximately ₹530.64 crores in FY25 to ₹257.04 crores in FY26, demonstrating a clear path toward core operational profitability. Consequently, the Company successfully reduced its Net Loss for the year by 36%, bringing it down to ₹517.17 crores from ₹812.28 crores in the FY25.

Revenue from operations

Our revenue from operations increased to ₹3,671.76 crores in FY26 from ₹2,255.01 crores in FY25, primarily due to increased market penetration, expanding product portfolio and growth across all revenue streams. The primary driver of the increase was sale of finished goods, which increased to ₹3,207.99 crores in FY26 from ₹1,998.44 crores in FY25, attributable to the increase in E2W sales to 262,942 units in FY26 from 155,394 units in FY25. The growth in sales volume and revenue was primarily driven by the successful launch of the Ather Rizta in April 2024, with retail sales and revenue generation commencing in May 2024, supported by the expansion of our distribution network, from 351 stores as of March 31, 2025 to 700 stores as of March 31, 2026 in India.

Our expanded distribution network and growing base of Ather vehicles on the road drove an increase in other revenue streams. Sale of stock-in-trade increased to ₹176.15 crores in FY26 from ₹107.11 crores in FY25, driven by increased demand for vehicle accessories, spare parts and merchandise, in line with the growth in E2W sales. Similarly, sale of services increased to ₹278.38 crores in FY26 from ₹145.07 crores in FY25 as more customers purchased AtherStack features together with their vehicles.

Other income

Other income increased to ₹151.32 crores in FY26 from ₹50.21 crores in FY25, mainly due to an increase in interest income, primarily from IPO proceeds parked in fixed deposits.

Expenses

Our total expenses increased to ₹4,335.21 crores in FY26 from ₹3,117.50 crores in FY25, primarily due to higher cost of materials consumed and employee benefits expenses in line with the growth of our business. Nonetheless, we achieved considerable leverage on our fixed and variable costs. Our total expenses as a percentage of total income were 113% in FY26 as compared to 135% in FY25, reflecting improved operating leverage.

Cost of materials consumed

Our cost of materials consumed increased to ₹2,808.15 crores in FY26 from ₹1,826.88 crores in FY25, primarily due to higher E2W production and sales volumes. The increase was optimized through cost-efficiency measures, whereby we lowered our average BOM cost per vehicle through in-house design value engineering and R&D initiatives. The cost of materials consumed represented 73% and 79% of our total income in Fiscal Years 2026 and 2025, respectively.

Purchase of stock-in-trade

Our purchase of stock-in-trade marginally declined to ₹97.04 crores in FY26 from ₹100.67 crores in FY25. This reflects our optimized procurement and inventory management strategy for vehicle accessories, spare parts, and merchandise, which supports business growth without proportionately inflating purchasing costs.

Change in inventories of finished goods, stock-in trade and work-in-progress (Change in Inventories)

Closing inventories levels of finished goods, stock-in-trade and work-in progress increased to ₹73.75 crores as of March 31, 2026 from ₹67.79 crores as of March 31, 2025 as we procured more supplies to sustain our sales growth and prepare for anticipated production volume ramp-ups. This resulted in the recognition of changes in the inventories of finished goods, stock-in trade and work-in-progress of ₹(7.58) crores in FY26 as compared to ₹(50.80) crores in FY25.

Employee benefits expenses

Our employee benefits expenses increased to ₹481.60 crores in FY26 from ₹412.38 crores in FY25, reflecting strategic capacity building across our R&D divisions, production ramp-up requirements and compensation increases, with the number of on-roll employees increasing to 2,037 as of March 31, 2026 as compared to 1,703 as of March 31, 2025. Despite this increase, employee benefit expenses as a percentage of total income declined from 18% in FY25 to 13% in FY26.

Finance Costs

Our finance costs decreased to ₹82.20 crores in FY26 from ₹110.62 crores in FY25, largely due to our repayment and pre-payment of high-interest bearing non-convertible debentures, which reduced our overall cost of capital. As part of our IPO proceeds utilization, we repaid/pre-paid borrowings utilizing ₹40.00 crores of IPO proceeds.

Depreciation and amortisation expense

Our depreciation and amortisation expense remained relatively stable at ₹172.89 crores in FY26 from ₹171.02 crores in FY25. This reflects the completion of older asset lifecycles of seven years for the 450 platform, which largely offset the impact of new investments in property, plant and equipment, leases and capitalized intangible assets in relation to our manufacturing scale-up and R&D pipelines.

Other expenses

Our other expenses increased to ₹700.91 crores in FY26 from ₹546.73 crores in FY25, as we scaled our operations and widened market presence. Advertisement and marketing expenditures increased to ₹198.69 crores in FY26 from ₹144.59 crores in FY25 as we accelerated brand-building initiatives and executed marketing campaigns for the Ather Rizta. Contractual manpower expenses increased to ₹69.55 crores in FY26 from ₹30.46 crores in FY25, as we invested in strengthening our corporate infrastructure to support our growth and compliance needs. Freight and carriage outwards increased to ₹57.71 crores in FY26 from ₹33.64 crores in FY25, driven by the growth of our E2W sales volume and expanded logistical requirements to cater to a wider market.

R&D expenditure increased to ₹447.84 crores in FY26 from ₹344.97 crores in FY25 as we continued to invest in R&D and grow our business, including development of new platforms, such as the EL platform and the Zenith platform, battery and charging infrastructure. We filed 283 patents in FY26 and launched AtherStack 7.0 featuring innovations such as Infinite Cruise, vernacular dashboards, and pothole detection.

Exceptional Items

Exceptional items amounted to ₹5.04 crores in FY26, which consisted of a one-time, non-recurring provision related to an increase in gratuity and compensated absences liability resulting from the implementation of the Government of India's notification on November 21, 2025 of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020.

Loss for the period

As a result of the foregoing factors, our loss for the year decreased to ₹517.17 crores in FY26 from a loss of ₹812.28 crores in FY25.

Balance Sheet

The table below sets forth the principal components of our Balance Sheet as at March 31, 2026 and March 31, 2025:

₹ in crores

Particulars	As of March 31, 2026	As of March 31, 2025
Total non-current assets	1,346.61	943.75
Total current assets	3,374.90	1,156.86
Total assets	4,721.51	2,100.61
Total equity	2,572.63	492.99
Total non-current liabilities	753.64	434.44
Total current liabilities	1,395.24	1,173.18
Total liabilities	2,148.88	1,607.62
Total equity and liabilities	4,721.51	2,100.61

Our balance sheet strengthened significantly during the year, reflecting our expanding operational scale and disciplined capital allocation. Total assets increased to ₹4,721.51 crores as of March 31, 2026 from ₹2,100.61 crores as of March 31, 2025, while total equity increased to ₹2,572.63 crores from ₹492.99 crores over the same period. This improvement was primarily due to the primary capital raised through our Initial Public Offer (IPO) and the narrowing of our operating losses, positioning us well for our next phase of growth.

Our total non-current assets increased to ₹1,346.61 crores as of March 31, 2026 from ₹943.75 crores as of March 31, 2025, reflecting long-term investments in our manufacturing and technological capabilities. The increase was primarily driven by additions to the net block of property, plant and equipment and capital work-in-progress of ₹136.89 crores crores, attributable to capital expenditure on Factory 3.0, our existing manufacturing facilities at Hosur and the expansion of our charging infrastructure network. In addition, capitalized internally generated intangible assets and intangible assets under development increased to ₹339.28 crores, reflecting our continued R&D investments in the Ather EL platform, the Ather Rizta platform, advanced battery architectures, charging infrastructure and future vehicle pipelines.

Our total current assets increased to ₹3,374.90 crores as of March 31, 2026 from ₹1,156.86 crores as of March 31, 2025, reflecting a strong liquidity and working capital position. This position was anchored by investments in mutual funds, cash and cash equivalents and other bank balances aggregating ₹1,375.16 crores, which include unutilized IPO proceeds parked in term deposits with banks. Inventories stood at ₹281.56 crores, maintained to secure our supply chains and support the growth in sales volumes. Our current assets also include accumulated Goods and Services Tax (GST) input tax credit of ₹339.11 crores, which is an inherent characteristic of the inverted duty structure applicable to the electric two-wheeler industry. We manage this pool of recoverable tax assets by utilizing the accumulated credits to offset ongoing and future output GST liabilities and by monetizing the unutilized surplus through statutory cash refund mechanisms.

Our total equity increased to ₹2,572.63 crores as of March 31, 2026 from ₹492.99 crores as of March 31, 2025, primarily due to the increase in share capital and securities premium following the IPO completed during the year. In addition, the 36% reduction in our loss for the year slowed the accumulation of retained deficit, providing a stable equity base to support our long-term growth objectives.

Our total non-current liabilities increased to ₹753.64 crores as of March 31, 2026 from ₹434.44 crores as of March 31, 2025, primarily due to an increase in non-current borrowings to ₹367.42 crores as at March 31, 2026 from ₹116.86 crores as at March 31, 2025. This increase reflects a restructuring of our debt profile, whereby we retired high-cost borrowings and replaced them with lower-cost, long-term debt facilities, reducing our overall cost of capital while securing funding for our continued expansion. The increase was also driven by deferred revenue, which doubled to ₹160.96 crores as at March 31, 2026 from ₹80.21 crores in as at March 31, 2025, comprising upfront collections for extended battery warranties and software subscriptions that are recognized as revenue over the service period in accordance with Ind AS 115, and reflecting our expanding active fleet and high customer attachment rates.

Our total current liabilities increased to ₹1,395.24 crores as of March 31, 2026 from ₹1,173.18 crores as of March 31, 2025, primarily driven by the growth of our business operations. Trade payables increased to ₹830.02 crores as at March 31, 2026 from ₹560.90 crores as at March 31, 2025, reflecting our enhanced scale, favorable credit terms and strong vendor relationships, which support our expanding working capital requirements. Advances received from customers increased to ₹125.89 crores as at March 31, 2026 from ₹49.49 crores as at March 31, 2025, reflecting a strong pre-order pipeline across our broader product portfolio. These increases were partially offset by a reduction in current borrowings to ₹145.65 crores as at March 31, 2026 from ₹332.99 crores as at March 31, 2025, as high-cost borrowings were repaid and replaced with the lower-cost, long-term debt facilities described above.

Cash Flows

The table below summarises the statement of cash flows, for the year ended March 31, 2026 and March 31, 2025:
₹ in crores

Particulars	As of March 31, 2026	As of March 31, 2025
Net cash generated from / (used in) operating activities	31.89	(720.70)
Net cash (used in) investing activities	(2,526.51)	(378.16)
Net cash generated from financing activities	2,496.53	702.89
Net increase/ (decrease) in cash and cash equivalents	1.91	(395.97)

Operating Activities

Net cash generated from operating activities in FY26 was ₹31.89 crores, while our operating loss before working capital changes was ₹292.07 crores. We realized positive operating cash through efficient working capital management and by leveraging our expanding scale. Our loss before tax of ₹517.17 crores was adjusted primarily for depreciation and amortization expense of ₹172.89 crores, finance costs of ₹82.20 crores, warranty costs of ₹60.35 crores and share based payment expenses (net) of ₹58.43 crores, partially offset by interest income of ₹133.32 crores. Our changes in working capital primarily comprised an increase in trade payables of ₹267.65 crores and an increase in other liabilities and provisions of ₹134.23 crores, reflecting stronger vendor relationships and optimized payment cycles, partially offset by an increase in other assets of ₹101.19 crores to support the scaling of our production and sales infrastructure.

Net cash used in operating activities in FY25 was ₹720.70 crores, while our operating loss before working capital changes was ₹427.50 crores. Our loss before tax of ₹812.28 crores was adjusted primarily for depreciation and amortization expense of ₹171.02 crores, finance costs of ₹110.62 crores, warranty costs of ₹60.17 crores and share based payment expense (net) of ₹83.14 crores. Our changes in working capital primarily comprised an increase in trade payables of ₹159.37 crores, offset by an increase in other assets of ₹137.80 crores, an increase in inventories of ₹127.84 crores and a decrease in other financial liabilities of ₹93.85 crores.

Investing Activities

Net cash used in investing activities in FY26 was ₹2,526.51 crores, and primarily included net investment in term deposits of ₹1,606.89 crores (i.e. investment in term deposits of ₹3,728.80 crores minus redemption of term deposits of ₹2,121.91 crores), investments in mutual funds (net) of ₹534.04 crores and capital expenditure on property, plant and equipment and intangible assets, capital work-in-progress and intangible assets under development including capital advances and payable on purchase of property, plant and equipment of ₹506.07 crores.

Net cash used in investing activities in FY25 was ₹378.16 crores, and primarily included capital expenditure on property, plant and equipment and intangible assets, capital work-in-progress and intangible assets under development including capital advances and payable on purchase of property, plant and equipment of ₹339.00 crores and net investment in term deposits of ₹91.20 crores (i.e. investment in term deposits of ₹245.00 crores minus redemption of term deposits of ₹153.80 crores). This was partially offset by interest received from investment of ₹39.40 crores and proceeds from mutual funds (net) of ₹12.60 crores.

Financing Activities

Net cash flow generated from financing activities in FY26 was ₹2,496.53 crores and primarily included proceeds from the issue of equity shares (including securities premium, net of issue expenses) of ₹2,540.03 crores. Additionally, the Company generated ₹548.71 crores in proceeds from non-current borrowings (including current maturities). This was partially offset by the repayment of non-current borrowings (including current maturities) of ₹395.48 crores, wherein high-cost borrowings were strategically retired, repayment of current borrowings (net) of ₹86.17 crores and finance costs of ₹84.86 crores.

Net cash flow generated from financing activities in FY25 was ₹702.89 crores, and primarily included proceeds from the issue of compulsorily convertible preference shares (including security premium) of ₹86.61 crores, proceeds from non-current borrowings (including current maturities) of ₹410.00 crores and proceeds from current borrowings (net) of ₹583.00 crores. This was partially offset by the repayment of non-current borrowings (including current maturities), of ₹258.33 crores and payment of finance cost of ₹97.25 crores.

Key Financial Ratios

The key financial ratios of the Company are given as below:

Particulars	FY 2025-26	FY 2024-25	% change	Reason for change
Trade Receivables Turnover Ratio (times)	364.62	336.56	8.34%	-
Inventory Turnover Ratio (times)	11.01	10.39	5.97%	-
Interest Coverage Ratio (times)	(6.10)	(6.62)	7.83%	-
Current Ratio (times)	2.42	0.99	144.44%	Increase is mainly on account of increase in current assets during the current year, pursuant to surplus fund of IPO parked in term deposits
Debt Equity Ratio (times)	0.26	1.26	(79.37%)	Decrease is mainly on account of increase in total equity pursuant to IPO
Operating Profit Margin (%)	(15.83)	(33.34)	52.52%	Improvement mainly due to decrease in loss and increase in revenue from operation for the year.
Net Profit Margin (%)	(14.09)	(36.02)	60.89%	Improvement mainly due to decrease in loss and increase in revenue from operation for the year.
Return On Net Worth (%)	(33.74%)	(156.37%)	78.42%	Improvement mainly on account of reduction in loss during the year and increase in average equity pursuant to IPO

Environment, Social and Governance

At Ather, the integration of Environmental, Social and Governance (ESG) principles is central to long-term value creation and business resilience. As the mobility landscape evolves, the Company continues to strengthen its sustainability practices to ensure that growth is aligned with responsible operations. This approach is supported by robust internal frameworks, adherence to regulatory requirements, and alignment with emerging global best practices, enabling enhanced transparency and governance across the value chain.

As of March 31, 2026, Ather-enabled electric mobility helped avoid approximately 2.6 lakh tonnes of CO_2 emissions, while manufacturing operations achieved a 16.66% reduction in energy intensity per vehicle and battery produced. The Company further strengthened its environmental stewardship through 2,52,945 units of rooftop solar power generation, contributing 7.39% of manufacturing electricity consumption, and initiated Scope 3 emissions tracking across key value-chain categories.

On the social and governance front, Ather assessed 100% of its suppliers against sustainability criteria, maintained a zero-fatality record for the third consecutive year, delivered 14,550 hours of health and safety training, and ensured 100% workforce coverage under human rights training programmes. These efforts reflect Ather's commitment to building a resilient, inclusive and sustainable mobility ecosystem while creating positive impact across stakeholders.

Overall, the Company is committed to advancing its ESG journey in a structured and measurable manner. By strengthening governance practices, enhancing operational efficiency and fostering stakeholder trust, Ather aims to create sustainable value while contributing to a more responsible and resilient mobility ecosystem.

Human Resource

At Ather, we have consciously built and nurtured a talent base that enables us to pursue our long-term ambitions. Our people philosophy is guided by our culture collective, Think As A Species™ (TAAS), and its underlying values. During FY26, as we transitioned into a listed entity, we strengthened our people processes, governance frameworks and compliance systems in line with our scale. We continued to focus on building an inclusive, innovative and adaptable workforce by integrating talent management, technology and culture. As of March 31, 2026, our total workforce stood at 3,875 employees, compared to 3,585 in the previous year, reflecting continued investments in both capability and scale. Our employee experience remains anchored in progressive policies, comprehensive health and wellness benefits, and a strong focus on workplace safety, supported by structured learning programmes, an advanced Dojo at our Hosur facility, and an Employee Assistance Programme that supports both physical and mental well-being.

During the year, we undertook several strategic initiatives to strengthen our talent ecosystem and align human capital with business priorities:

- **Competency Framework and Capability Building**: Implemented a real-time competency framework to bridge technical and functional skill gaps and align learning with evolving business needs.
- **Recruitment Excellence**: Scaled competency-based interviewing (CBI) across the organisation through structured training and standardised hiring practices.
- **Leadership Development**: Delivered an eight-month development journey for senior leaders and launched multi-year growth programmes for high-potential talent.
- **Early Talent Pipeline**: Launched Ather Forge, a campus ambassador programme to build a strong and sustainable early talent pipeline.
- **Academic Collaborations**: Partnered with leading institutions such as ISB and XLRI, with Ather being featured as a case study in global academic programmes.
- **Technology in Hiring**: Deployed AI-led tools to improve recruitment efficiency, enhance information access and streamline candidate screening processes.
- **Diversity, Equity and Inclusion**: Strengthened inclusion initiatives through Mosaic and continued to build a safe workplace, supported by a compliant Internal Complaints Committee framework and recognition through the 'Safe Workplace Award – PoSH Category' at the CecureUs Awards 2025–26.

Overall, our approach to human capital is centred on building a resilient and future-ready organisation. As we scale, we remain focused on strengthening talent capabilities, enhancing employee experience and fostering a culture that supports innovation, accountability and continuous learning. This will continue to be a key enabler in delivering sustained growth and long-term value creation.

Risk Management

Risk management is integral to Ather's corporate strategy and governance framework. The Company adopts a structured and proactive approach to identify, assess, prioritise and mitigate risks that could impact its operations and financial performance. Clear ownership is defined for each identified risk, with designated risk owners responsible for implementing mitigation strategies and continuously monitoring exposure within their respective domains.

Oversight of the risk management framework is provided by the Board of Directors and its committees, including the Audit Committee and the Risk Management Committee (RMC). The RMC, constituted in accordance with Regulation 21 of the SEBI Listing Regulations, plays a key role in strengthening enterprise risk governance and aligning practices with industry standards. The Committee is periodically apprised of key enterprise risks, emerging risk trends and the effectiveness of mitigation measures implemented during the period.

The Company's key enterprise risks, along with corresponding mitigation strategies, are outlined below:

Key Risk	Potential Impact	Mitigation Strategy
Supply Chain Disruption	Loss of key suppliers, delays in supply, or macroeconomic and geopolitical developments could affect the availability, cost or timely delivery of components.	The Company maintains strategic inventory buffers for critical components, dual-sourcing for key electronic parts, and is pursuing localisation initiatives to strengthen supply chain resilience. It also monitors upstream value chains for critical minerals and conducts regular cost-sensitivity analyses to anticipate disruptions and realign sourcing strategies.
Market Growth & Competitive Position	Slower-than-expected growth in the E2W market, combined with increasing competition from established OEMs and new EV entrants, could impact the Company's market share, pricing power and profitability, and adversely affect its business, prospects, financial condition and operating results.	The Company is expanding its Total Addressable Market (TAM) through entry into mass-market product segments, helping maintain sales-volume stability independent of the pace of broader market adoption. It is also developing next-generation, scalable and low-cost platforms to tap new consumer segments. These efforts are complemented by continued investment in the E2W ecosystem — including service centres, charging infrastructure and AtherStack — to support demand and reinforce the Company's competitive position.
Financial Sustenance	Inability to achieve profitability and positive operating cash flow in the near term could constrain financial flexibility, affect the pace of planned scale-up, and result in uncertain future performance.	The Company is focused on strengthening unit economics and expanding business scale to support its path to profitability. The expansion of manufacturing capacity and the introduction of the new platform are expected to broaden the Total Addressable Market (TAM) and support volume growth, and continued investment in cost-efficiency initiatives is expected to improve cost structures over time.
Product pricing / affordability (EV)	Inability to deliver a competitive total cost of ownership (TCO) relative to ICE and other EV alternatives could impact adoption of the Company's products and market penetration.	The Company's new platform is architected for scalability and a low-cost structure, targeting lower price points and a stronger TCO proposition. Innovative ownership models such as Battery-as-a-Service (BaaS) and green-financing partnerships are also intended to reduce upfront acquisition costs for customers.
Brand Positioning	Limited brand visibility and distinction in targeted, rapidly expanding geographies could limit market recognition and customer acquisition.	The Company leverages its product portfolio to drive targeted marketing campaigns and strategic brand communication across geographies, alongside continued investment in the Ather brand to build awareness, distinct positioning and long-term brand equity. These efforts are supported by ongoing brand tracking and consumer insights to keep messaging relevant and consistent across markets.
Product safety	Defects or malfunctions in the Company's products or components (e.g., battery packs) could result in safety concerns or product recalls, impacting brand reputation, financial condition and operations.	The Company enforces comprehensive quality testing parameters prior to vehicle rollout, alongside periodic parts validation and supplier-level quality checks.
Product portfolio – Innovation/ relevance	Failure to develop products that respond to market opportunities could impact the Company's financial condition, profitability and future prospects.	The Company's new platform is architected for scalability and a low-cost structure, which is intended to accelerate the deployment of subsequent family product variants. The Company also continues to strengthen its software stack through new safety, connectivity and security features, while driving engagement with existing AtherStack capabilities.
Funding	Requirement to secure and manage capital at optimal cost to sustain accelerated operational scaling, capacity expansion, R&D investment and working capital needs.	The Company mitigates capital management risk through a diversified funding mix and a well-staggered debt maturity profile intended to support consistent access to capital at optimal cost. This is complemented by a prudent capital structure, a focus on an optimal debt-to-equity ratio and adequate liquidity buffers, and a disciplined cash management framework subject to regular management review and periodic Board oversight.
Cyber Security	Exposure to cyber threats could impact data integrity, operations and corporate reputation.	The Company has implemented a multi-layered cybersecurity framework comprising multi-factor authentication, endpoint detection and 24/7 monitoring, reinforced by regular vulnerability testing and third-party risk management protocols.
Talent Management	Inability to attract and retain specialised talent could impact innovation, execution and organisational continuity.	The Company offers competitive compensation structures, long-term incentive plans (including ESOPs) for critical talent, defined career-progression pathways, and structured leadership development programmes.

Internal Controls and their Adequacy

The Company has established a robust internal control framework commensurate with the nature, scale and complexity of its operations. These controls are designed to safeguard assets, ensure the integrity of transactions and enable accurate and timely financial reporting. The framework supports reliability of financial and operational information and ensures accountability across business processes.

The Company's Internal Financial Controls are aligned with the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO), covering key risks relating to operations and financial reporting. The control environment is further strengthened through well-defined policies, standard operating procedures and governance mechanisms across functions.

The effectiveness of internal controls is periodically evaluated through a structured internal audit programme and ongoing management reviews. The Audit Committee approves a risk-based internal audit plan and is regularly apprised of key findings, along with corrective actions undertaken by management to address identified gaps.

Cautionary Statement

The Management Discussion and Analysis presented herein includes statements that describe the Company's financial and growth projections, as well as articulations of its objectives, plans, strategies, and beliefs. These statements may constitute 'forward-looking statements' under applicable laws and regulations and are based on the management's informed judgements and estimates. While these assertions are founded on currently available information, the Company explicitly disclaims any obligation to revise or update them in response to future events or changes in circumstances. It is important to note that actual results may differ materially from those expressed or implied in these forward-looking statements due to various risks and uncertainties. These factors include, but are not limited to, supply and demand situation, input prices and their availability, changes in Government regulations, tax policies and other factors such as Industrial relations and economic developments, its ability to attract and retain qualified personnel, fluctuations in currency exchange rates and market conditions both in India and globally, as well as other risks inherent in the industry that may not be specifically enumerated herein.

Board's Report

To,
The Members of
Ather Energy Limited
(Formerly known as Ather Energy Private Limited)

Your Directors have immense pleasure in presenting the 13th Annual Report of your Company together with the audited financial statements for the financial year ended March 31, 2026.

1. Financial Highlights

₹ Crores

Particulars	Financial year ended March 31, 2026	Financial year ended March 31, 2025
Revenue from operations	3,671.76	2,255.01
Other Income	151.32	50.21
Total Income	**3,823.08**	**2,305.22**
Operating expenditure	4,080.12	2,835.86
Loss before finance costs, depreciation & amortisation expenses, exceptional items and tax	**(257.04)**	**(530.64)**
Finance costs	82.20	110.62
Depreciation and amortization expenses	172.89	171.02
Loss before exceptional items and tax	**(512.13)**	**(812.28)**
Exceptional items	5.04	-
Loss before tax	**(517.17)**	**(812.28)**
Tax expense	-	-
Loss for the year	**(517.17)**	**(812.28)**

Review of operations
During the year, the total income of your Company increased to ₹ 3,823.08 crores as compared to ₹ 2,305.22 crores in the previous year, registering a growth of 66%. The loss for the year was ₹ (517.17) crores as compared to ₹ (812.28) crores in the previous year registering an improvement of 36%.

The operating and financial performance of your Company has been covered in the Management Discussion and Analysis Report which forms part of the Annual Report.

2. Dividend

In view of the losses for the financial year, no dividend is recommended as per the provisions of the Companies Act, 2013, as amended ("the Act"), and the Rules framed thereunder. The Dividend Distribution Policy as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is available on the Company's website on https://media.atherenergy.com/Dividend-Distribution-Policy.pdf.

The Company has not declared any dividend in the past and hence there is no unclaimed amount required to be transferred to Investor Education and Protection Fund (IEPF).

3. Transfer to Reserves

During the year under review, the Company has not transferred any amount to reserves.

4. State of Company's Affairs

During the year, your Company sold 2,62,942 units of electric scooters as compared to 1,55,394 units in the previous year, registering a significant growth of around 69% YoY. Driven by robust demand in the convenience segment, the Ather Rizta experienced excellent market traction, achieving a sales volume of 1,99,134 units.

Board's Report

During the year, the Company embarked on a historic journey of initial public offering of its equity shares aggregating to ₹ 2,980.76 crores, comprising of issue of fresh equity shares aggregating ₹ 2,626.00 crores as well as offer for sale by certain existing shareholders aggregating ₹ 354.76 crores ("IPO"). We are pleased to inform that your Company's equity shares were successfully listed on May 6, 2025 on BSE Limited and National Stock Exchange of India Limited.

5. Share Capital and Debentures

A. Share Capital

a. Authorized Share Capital

The members of the Company vide Postal Ballot completed on August 17, 2025 and results declared on August 18, 2025 approved reclassification of Authorised Share Capital by classifying the compulsorily convertible preference shares of ₹ 40,00,00,000 into a resultant number of equity shares of ₹ 40,00,00,000 comprising of 40,00,00,000 Equity Shares having a face value of ₹ 1/- each and consequent alteration to the Capital Clause of the Memorandum of Association of the Company.

Consequent to reclassification, the authorised share capital of the Company as on March 31, 2026 stood at ₹ 1,00,00,00,000 divided into 1,00,00,00,000 equity shares of face value of ₹ 1/- each.

b. Issued, Subscribed and Paid-up Share Capital

The issued, subscribed and paid-up share capital of the Company as on March 31, 2026 is ₹ 38,26,73,164 divided into 38,26,73,164 equity shares of ₹ 1/- each.

Details of issuance of equity shares done by the Company during the financial year under review are given hereunder:

i. During the year under review, 8,18,16,199 equity shares of face value ₹ 1/- each were allotted as a fresh issue pursuant to Initial Public Offer (IPO).

ii. During the year under review, 1,02,13,496 equity shares of face value ₹ 1/- each were allotted on exercise of employee stock options by the option holders under Ather Energy ESOP 2025 of the Company.

c. Listing of Equity Shares on Stock Exchanges

During the year, the Company came out with Initial Public Offering of 9,28,67,945 equity shares having face value of ₹ 1/- each ("Equity Shares") at an Offer Price of ₹ 321/- per equity share, including premium of ₹ 320/- per equity share aggregating to ₹2,980.76 crores, comprising of Fresh issue of 8,18,16,199 equity shares and an offer for sale of 1,10,51,746 equity shares by certain existing equity shareholders of the Company. A discount of ₹ 30/-per equity share was offered to Eligible Employees bidding in the Employees Reservation Portion. The issue was open for subscription from April 28, 2025, to April 30, 2025. On May 06, 2025, the equity shares of your Company got listed on National Stock Exchange of India Limited and BSE Limited.

d. Equity Shares with differential voting rights and Sweat Equity Shares

The Company has neither issued the equity shares with differential voting rights nor issued sweat equity shares in terms of the Act.

B. Debentures

As on March 31, 2026, the Company does not have any outstanding Debentures. During the year the Company has not made any preferential allotment or private placement of Debentures. Following unlisted, secured, redeemable Non-Convertible Debentures (NCD) of face value of ₹ 1,00,000/- per NCD issued by the Company were redeemed during the year:

- 10,000 Series B NCD allotted to InnoVen Capital India Fund
- 1,500 Series B1 NCD allotted to Alteria Capital Fund II-Scheme I
- 1,500 Series B1 NCD allotted to Alteria Capital Fund III – Scheme A
- 2,000 Series C NCD allotted to Alteria Capital Fund II-Scheme I
- 3,000 Series C NCD allotted to Alteria Capital Fund III-Scheme A
- 6,000 Series C1 NCD allotted to InnoVen Capital India Fund
- 5,000 Series C3 NCD allotted to Stride Ventures Debt Fund II
- 5,000 Series C3 NCD allotted to Nuvama Crossover Yield Opportunities Fund

Board's Report

- 10,000 Series C3 NCD allotted to Stride Ventures Debt Fund 3
- 6,000 Series D1 NCD allotted to InnoVen Capital India Fund
- 2,000 Series D2 NCD allotted to InnoVen Capital India Fund
- 2,000 Series D3 NCD allotted to InnoVen Capital India Fund

6. Subsidiaries, Joint Ventures & Associate Companies

The Board of Directors at their meeting held on December 19, 2025, accorded their approval for incorporation of a Wholly Owned Subsidiary ("WOS"), for offering and facilitating insurance policies in the capacity of Corporate Agent.

Further, the Board of Directors at their meeting held on February 02, 2026, accorded their approval for incorporation of a WOS in Hong Kong to support the Company's critical procurement functions and enhance supply chain resilience within the Asia-Pacific (APAC) region.

Since both the WOS are under incorporation as at March 31, 2026, a separate section on the performance and financial position under the provisions of Section 129(3) of the Act, is not applicable to the Company.

The Company's Policy for determining Material Subsidiaries is available on the https://media.atherenergy.com/Policy-for-determining-Material-Subsidiaries.pdf

7. Management Discussion and Analysis

Management Discussion and Analysis Report for the year under review, as stipulated under the Listing Regulations, is presented in a separate section, forming part of the Annual Report.

8. Material changes affecting the Financial position of the Company

There are no material changes and commitments affecting the financial position of the Company that has occurred since the end of the financial year till the date of this report.

9. Change in the Nature of Business, if any

There has been no change in the nature of business of the Company during the financial year ended March 31, 2026.

10. Internal Financial Controls and Internal Audit

The Company has an adequate system of internal controls commensurate with its size and scale of operations, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

As part of the Corporate Governance Report, Chief Financial Officer (CFO) certification is provided for assurance on the existence of effective internal control systems and procedures in the Company.

The internal control framework is supplemented with an internal audit program that provides an independent view of the effectiveness of the process and controls and supports a continuous improvement program. The Audit Committee of the Board oversees the internal audit function.

The Audit Committee is regularly apprised by the internal auditors through various reports and presentations. The scope and authority of the internal audit function is derived from the Audit Committee charter approved by the Board. The internal audit function develops an internal audit plan to assess control design and operating effectiveness, as per the risk assessment methodology and provides assurance to the Audit Committee that a system of internal control is designed and deployed to manage key business risks and is operating effectively.

Further, in terms of section 138 of the Act, the Company had appointed M/s. Protiviti India Member Private Limited as Internal Auditors of the Company for the FY26.

11. Public Deposits

During the FY26, the Company has not accepted any deposits from public under the Act, read with the Companies (Acceptance of Deposits) Rules, 2014, as amended.

12. Auditors

i. Statutory Auditors and Statutory Auditor's Report

Pursuant to the provisions of section 139 of the Act, M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration 008072S) were

Board's Report

appointed as Statutory Auditors of the Company at the Annual General Meeting held on July 15, 2021 to hold office from the conclusion of 8th Annual General Meeting till the conclusion of 13th Annual General Meeting, covering one term of five consecutive years.

The Statutory Auditors have given unmodified opinion on the audited financial statements of the Company for the financial year ended March 31, 2026, which forms part of the Annual Report. The Statutory Auditors have given no qualification, reservation or adverse remark or disclaimer in its report. The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

ii. Secretarial Auditors & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act, read with corresponding rules made thereunder, as amended from time to time, the members of the Company at the 12th Annual General Meeting (AGM) held on September 17, 2025 approved the appointment of M/s. BMP & Co. LLP, Practising Company Secretaries, (Firm registration number: L2017KR003200), a Peer Reviewed Firm as Secretarial Auditors of the Company for a period of five consecutive years commencing from FY26 till FY30.

The Secretarial Audit Report as submitted by Secretarial Auditors in Form MR-3 is annexed as **Annexure-I** to this report.

There are no observations including any qualification, reservations, adverse remarks or disclaimer in the Secretarial Audit Report that call for any explanation from the Directors.

Pursuant to Regulation 24A (2) of the Listing Regulations, listed entities are required to submit, on annual basis, the Secretarial Compliance Report with the stock exchanges within sixty days from the end of the financial year. The Company has received the Secretarial Compliance Report from M/s. BMP & Co. LLP, Practising Company Secretaries. and the same can be accessed at https://www.atherenergy.com/investor-relations/governance#secretarial-compliance-report.

iii. Cost Auditor & Cost records

The Company has maintained cost records and accounts as specified by the Central Government under Section 148(1) of the Act and Companies (Cost Records and Audit) Rules, 2014 in respect of Lithium-ion battery packs manufactured by the Company. The Company is not required to undertake Cost Audit as prescribed under the Companies (Cost Records and Audit) Rules, 2014.

13. Directors and Key Managerial Personnel (KMPs)

i. Board of Directors

As on March 31, 2026, the Board of Directors has 8 Members viz. 6 Non-executive Directors (including 3 Independent Directors) and 2 Executive Directors.

The Composition of Board of Directors as on March 31, 2026 is detailed below:

S.No.	Name of Director	DIN	Designation
1.	Ms. Neelam Dhawan	00871445	Chairperson & Non-executive Independent Director
2.	Mr. Tarun Sanjay Mehta	06392463	Executive Director & Chief Executive Officer (CEO)
3.	Mr. Swapnil Babanlal Jain	06682759	Executive Director & Chief Technical Officer (CTO)
4.	Mr. Pankaj Sood	05185378	Non-executive Director
5.	Mr. Ram Kuppuswamy	09817635	Non-executive Director
6.	Mr. Kaushik Dutta	03328890	Non-executive Independent Director
7.	Mr. Sanjay Nayak	01049871	Non-executive Independent Director
8.	Mr. Vivek Anand*	06891864	Non-executive Director

Appointed as Non-executive Director with effect from November 10, 2025.

Board's Report

Board's Report

Below were the changes in Directors during the FY26:

- Mr. Niranjan Kumar Gupta (DIN: 07806792) has resigned as Non-executive Director of the Company with effect from the close of business hours of May 06, 2025.
- Mr. Nilesh Shrivastava (DIN: 09632942) has resigned as Nominee Director of the Company with effect from May 27, 2025.
- The Board of Directors at their meeting held on November 10, 2025 approved the appointment of Mr. Vivek Anand (DIN: 06891864) as Non-executive Director of the Company effective from November 10, 2025 and the same was approved by the members through Postal Ballot completed and results declared on January 21, 2026.
- The members of the Company at the 12th Annual General Meeting held on September 17, 2025, approved re-appointment of Mr. Pankaj Sood (DIN: 05185378) as Non-executive Director of the Company.

ii. Key Managerial Personnel (KMPs)

In accordance with the provisions of Sections 2(51) and 203 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the following are the Key Managerial Personnel of the Company:

S. No.	Name	Designation
1.	Mr. Tarun Sanjay Mehta	Executive Director & CEO
2.	Mr. Swapnil Babanlal Jain	Executive Director & CTO
3.	Mr. Sohil Dilipkumar Parekh	Chief Financial Officer
4.	Ms. Puja Aggarwal	Company Secretary & Compliance Officer

14. Independent Directors

i. The Company has received declarations from each of the Independent Directors that he/she meets the criteria of independence as laid out in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

ii. The Board of Directors is of the opinion that all the Independent Directors meet the criteria regarding integrity, expertise, experience and proficiency.

iii. In terms of Regulation 25(8) of Listing Regulations, all the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

In the opinion of the Board, there has been no change in the circumstances affecting their status as Independent Directors of the Company and the Independent Directors are persons of high repute, integrity and possess relevant expertise and experience in the respective fields. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended, the Independent Directors of the Company have registered their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

iv. During the year under review, the Non-executive Directors of the Company had no pecuniary relationship or transactions with the Company. Further, Independent Directors had no pecuniary relationship or transactions with the Company, other than sitting fees and remuneration. Further, they are entitled to receive remuneration as per the provisions of Section II of Part II of Schedule V of the Act for the FY26.

v. The Independent Directors of the Company have provided declarations with respect to compliance with the Code for Independent Directors prescribed in Schedule IV of the Act and Code of Conduct for Directors and Senior Management Personnel as laid down by the Company.

15. Committee of Directors

The Company has constituted Committees as required under the Act and the Listing Regulations and the details of the said Committees are provided in the Corporate Governance Report.

16. Board and Committee Meetings

During the year, Fourteen Board meetings and Eighteen Committee meetings were held. Detailed information regarding the Board and Committee meetings is included in the Corporate Governance Report.

17. Evaluation of the Board, Committees, and Individual Directors

Pursuant to the provisions of Act and the Listing Regulations, evaluation of the Board was conducted for the FY26. An online questionnaire method was adopted for evaluation based on the criteria approved by the Nomination and Remuneration Committee ("NRC") including a dedicated section for providing subjective feedback/suggestions. The evaluation was made to assess the performance of individual Directors, Committees of the Board, Board as a whole and the Chairperson. The evaluation of the Board was based on criteria such as structure and composition, effectiveness of Board processes, governance and compliance, access of Board to management for information, awareness of industry trends etc. The performance of the Committees was evaluated based on criteria such as the composition of Committees, effectiveness of Committee meetings and its reporting to the Board, understanding of terms of reference. The evaluation of individual Directors was based on criteria such as personal attributes, participation and preparedness, availability, ethics, integrity, governance, understanding of business, corporate governance, value addition etc. Further, the evaluation of Executive Directors included additional criteria like achievement of targets set by Board and execution of plan, information sharing, leadership skills, relationship with Board members and all stakeholders.

The NRC at its meeting held on April 07, 2026, reviewed the outcome of the evaluation process. Further, the Independent Directors of the Company met separately on April 07, 2026, wherein, they reviewed the performance of the Non-Independent Directors and Board as a whole and of the Chairperson taking into account the views of Executive and Non-executive Directors and they also assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The above evaluation was then discussed in detail at the Board Meeting held on April 23, 2026.

18. Policy on appointment of Directors and Remuneration

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act, is available on the website of the Company at https://media.atherenergy.com/NRC-Policy.pdf.

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

19. Whistle Blower/Vigil Mechanism

The Company strongly believes in conduct of its business in a fair, transparent, lawful, and ethical manner. Your Company has implemented a Whistle-Blower policy in line with Section 177(9) & (10) of the Act, read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, for its employees and stakeholders to raise and report genuine concern(s) regarding unethical behaviour, actual or suspected fraud, violation of Company's policies or applicable laws. The Whistle Blower Policy is available on the website of the Company at https://media.atherenergy.com/Whistle-Blower-Policy.pdf .

The Company, as a policy, condemns any kind of discrimination, harassment, victimization, or any other unfair employment practice being adopted against whistle blowers and provides adequate safeguard measures. It also provides direct access to the Chairperson of the Audit Committee to raise concerns.

20. Corporate Social Responsibility

The Company is dedicated to fostering a positive legacy through active community engagement and environmental stewardship. We believe that true corporate success is inseparable from the health of our society. Through sustainable innovation, we are committed to creating a lasting, positive impact on the world around us.

While the Company does not meet the criteria set out for constitution of CSR Committee and contributions based on the statutory norms required under section 135 of the Act yet, the Company has always been committed to building a sustainable ecosystem and is placing concerted efforts to operate in ways that enhance society and the environment.

The Company has a well-defined policy on CSR under Section 135 of the Act. The CSR policy of the Company is available on its website at https://media.atherenergy.com/CSR-Policy.pdf. Annual Report on CSR activities is annexed as **Annexure-II** to this report.

Board's Report

21. Particulars of contracts or arrangements with related parties

During FY26, all contracts/arrangements/transactions entered into by your Company with related parties were in compliance with the applicable provisions of the Act and the Listing Regulations. The Company has formulated a policy on dealing with related party transactions, which is available at https://media.atherenergy.com/RPT-Policy.pdf. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

Your attention is drawn to Note 36 to the financial statements which sets out related party disclosures. All related party transactions entered in to by the Company were in ordinary course of business and on arm's length basis.

No material related party transactions were entered into by the Company during the year.

Disclosures as required under Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 as specified under the Act which is annexed as **Annexure-III** to this report.

22. Particulars of Loans, Guarantees or Investments

During FY26 your Company has not given any loans or guarantee and not made any investment pursuant to Section 186 of the Act and Schedule V of the Listing Regulations.

23. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The details regarding conservation of energy, technology absorption, and foreign exchange earnings and outgo is annexed as **Annexure-IV** to this report.

24. Copy of Annual Return

Pursuant to Sections 92(3) and 134(3)(a) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on Company's website at https://media.atherenergy.com/MGT-7.pdf

25. Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future

During the year under review, no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

26. Remuneration details

The statement containing remuneration details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, ("Rules") is provided in **Annexure-V** to this report.

The information required under Rule 5(2) and (3) of the Rules, is provided as a separate annexure forming part of this report. However, the report is being sent to the members of the Company excluding the statement of particulars of employees under Rule 5(2) and (3) of the Rules. Any member interested in obtaining a copy of the same may write to the Company Secretary & Compliance Officer of the Company at cs@atherenergy.com. The same is also open for inspection at the registered office of the Company. Further, none of the employees listed in the said Annexure are related to any Director of the Company.

27. Disclosure on Employee Stock Option Plan (ESOP)

On May 06, 2025, the equity shares of your Company got listed on National Stock Exchange of India Limited and BSE Limited. Post the IPO, as per requirement of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB & SE) Regulations") the Company's Employee Stock Option Plan, namely Amended and Restated Ather Energy ESOP Plan 2025 ("Ather Energy ESOP 2025") was amended and ratified by the members of the Company vide Postal Ballot completed on August 17, 2025 and the results of the Postal Ballot were declared on August 18, 2025.

During the year, members of the Company vide Postal Ballot approval mentioned above increased the ESOP pool size to 2,66,56,428 options by addition of 84,00,000 options under Ather Energy ESOP 2025 and aligning the Plan with SEBI (SBEB & SE) Regulations, pursuant to listing of Company's equity shares on the stock exchanges. Other than these changes, there were no material changes in the Ather Energy ESOP 2025.

During the year under review, the Company has obtained in-principle approvals from the Stock Exchanges in relation to the Ather Energy ESOP 2025 for allotment of equity shares against the exercise of stock options.

The NRC administers and monitors the Company's ESOP in accordance with SEBI (SBEB & SE) Regulations. During the year, 13,63,537 stock options were granted to eligible employees under the Ather Energy ESOP 2025.

Disclosures as required under Rule 12 of Companies (Share Capital and Debentures) Rules, 2014, SEBI (SBEB & SE) Regulations, read with SEBI Circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 is available on the website of the Company at https://media.atherenergy.com/ESOP-Disclosure-FY-25-26.pdf.

The certificate from the Secretarial Auditors that the ESOP has been implemented in accordance with SEBI (SBEB & SE) Regulations and the resolutions passed by the members shall be available at the Annual General Meeting for inspection.

28. Directors' Responsibility Statement

Your Directors make the following statement, in relation to financial statements for the financial year ended March 31, 2026, in terms of Section 134 of the Act, which is to the best of their knowledge and belief and according to the information and explanations obtained by them, that:

a) In the preparation of the annual accounts, applicable accounting standards has been followed along with proper explanation relating to material departures;

b) Appropriate accounting policies were selected and applied consistently and judgments and estimates that are reasonable and prudent were made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual accounts were prepared on a going concern basis;

e) Internal financial controls to be followed by the Company were laid down and such internal financial controls were adequate and operating effectively; and

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. Risk Management Policy

Effective risk management is an essential pillar of our business strategy. We prioritize the continuous assessment of potential challenges to safeguard our growth. The Risk Management Committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks being faced by the Company.

The Company has a Risk Management Policy which deals with major elements of risks that may threaten existence of the Company and suitable steps to mitigate the same.

The Risk management policy is available on the website of the Company at https://media.atherenergy.com/Risk-Management-Policy.pdf .

30. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has a policy on Prevention, Prohibition & Redressal of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee has been set up to redress the complaints received regarding sexual harassment. All employees including contract labour, consultants, service providers etc. associated with the Company are covered in this policy. During the year, the Company complied with all provisions of the said Act. Following is the summary of complaints received and disposed during the year:

Board's Report

Number of complaints received: 03

Number of complaints disposed: 07*

Number of complaints withdrawn: 0

Number of complaints pending for more than 90 days: 0**

*4 cases reported in Q4 FY25 were closed in FY26.

**2 cases closed after 90 days, which was reported in FY25.

31. Compliance with the provisions of Maternity Benefit Act, 1961

The Company has devised proper systems to ensure compliance with Maternity Benefit Act, 1961. During the year, the Company complied with all provisions of the said Act.

32. Compliance with Secretarial Standards

The Company has devised proper systems to ensure compliance with applicable Secretarial Standards and such systems are adequate and operating effectively.

33. Corporate Governance

As per Regulation 34 and Schedule V(C) to the Listing Regulations, the Corporate Governance Report with the Compliance certificate from the Practicing Company Secretary is annexed as **Annexure-VI** to this report.

34. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 Of 2016) during the year along with their status as at the end of the financial year

No application was made or proceedings were pending under the Insolvency and Bankruptcy Code, 2016 (31 Of 2016) during the financial year.

35. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof

During the period under review, the Company has not entered into any one-time settlement with any Banks or Financial Institutions; therefore, the disclosure of valuation differences is not required.

36. Cautionary Statement

Members and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources believed to be reliable. Utmost care has been taken to ensure that the opinions expressed by the management herein contain its perceptions, as on the date of the report, on the material impacts on the Company's operations, but it is not exhaustive as they contain forward looking statements which are extremely dynamic and increasingly fraught with risk and uncertainties. Actual results, performances, achievements or sequence of events may be materially different from the views expressed herein.

37. Acknowledgement

The Board welcomes its new members who have come on board pursuant to initial public issue of the Company. The Board also expresses its sincere appreciation to the various Government/Regulatory authorities, Company's valued customers, suppliers, vendors and bankers for their continued co-operation, trust and support. Further, the Board conveys its gratitude to the Company's Founders, members and other stakeholders for their continued support. The Board also expresses its deep sense of appreciation and acknowledgement to all the employees, for their professional commitment and dedication in furthering Company's objectives.

For and on behalf of the Board of Directors of
Ather Energy Limited

Tarun Sanjay Mehta	**Swapnil Babanlal Jain**
Executive Director & CEO	Executive Director & CTO
DIN: 06392463	DIN: 06682759
Place: Bengaluru	Place: Bengaluru
Date: May 04, 2026	Date: May 04, 2026

Board's Report

Annexure-I

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Ather Energy Limited
CIN: L40100KA2013PLC093769
3rd Floor, Tower D, IBC Knowledge Park,
4/1, Bannerghatta Main Road,
Bengaluru-560029, Karnataka.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ather Energy Limited** (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026, according to the provisions of:

i. The Companies Act, 2013 ('the Act') and the Rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: to the extent applicable;

v. The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - Not applicable as Company has not issued debt securities during the year under review;

   g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client - Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;

   h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review; and

   i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable as the Company has not done any buyback of its securities during the financial year under review.

Board's Report

vi. The Company has identified the following laws as specifically applicable to the Company: -

a) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & EPF, FPF Schemes

b) The Employees' State Insurance Act, 1948 & its Central Rules/ Concerned State Rules

c) The Payment of Bonus Act, 1965 & its Central Rules/ Concerned State Rules if any

d) The Payment of Gratuity Act & its Central Rules/ Concerned State Rules if any

e) The Maternity Benefit Act, 1961 & its Rules

f) The Employee's Compensation Act, 1923

g) Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013

We have also examined compliance with the applicable clauses of the following:

i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI);

ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Ltd.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that: -

i) The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

ii) Except in case of meetings being convened at shorter notice, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

iii) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

iv) We further report that based on review of compliance mechanism established by the Company we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

v) As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

We further report that during the period under review:

a) Allotment of equity shares under Initial Public Offer

The Company has, vide board resolution passed by the Board of Directors at their meeting held on May 02, 2025, approved the allotment of 8,18,16,199 Equity Shares pertaining to fresh issue and transfer of 1,10,51,746 Equity Shares pertaining to offer for sale at the offer price of ₹ 321 per Equity Share (including premium of ₹ 320 per Equity Share) to the respective applicants in various categories pursuant to Initial Public Offer (IPO) of Equity Shares of the Company.

b) The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 06th May 2025.

For BMP & Co. LLP,
Company Secretaries

CS Biswajit Ghosh
Partner
FCS No.: 8750 CP. No.: 8239
Firm Registration Number: L2017KR003200

Place: Bengaluru
Date: May 04, 2026
UDIN: F008750H000248088
Peer Review Certificate No: 6387/2025

Board's Report

Annexure A

This report to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

To,
The Members
Ather Energy Limited
CIN: L40100KA2013PLC093769
3rd Floor, Tower D, IBC Knowledge Park,
4/1, Bannerghatta Main Road,
Bengaluru-560029, Karnataka.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

7. We further report that, based on the information provided by the Company, its officers, authorised representatives during the conduct of the audit, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy.

8. We further report that the Compliance by the Company of applicable financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For BMP & Co. LLP,
Company Secretaries

CS Biswajit Ghosh
Partner
FCS No.: 8750 CP. No.: 8239
Firm Registration Number: L2017KR003200

Place: Bengaluru
Date: May 04, 2026
UDIN: F008750H000248088
Peer Review Certificate No: 6387/2025

Board's Report

Annexure-II

ANNUAL REPORT ON CSR ACTIVITIES

1. **Brief outline on CSR Policy of the Company**

   Social responsibility is more than a policy for the Company; it is an intrinsic value that guides our daily operations and our people strategy. By remaining attuned to the needs of our surroundings and staying true to our core mission, we ensure our growth is both conscious and compassionate.

   The Company believes that the adoption of environmentally and socially responsible practices will not only contribute to the Company becoming stronger and more successful but also serve as an enabler to create greater long-term value for its stakeholders, namely investors, customers, team members, suppliers & contractors, and host communities.

   The Company aligns with sustainable development goals by curbing emissions through its line of electric scooters. Its high-performance smart electric scooters are an amalgamation of indigenous clean design and engineering using predominantly domestically sourced components. The Company aims to be a catalyst in expediting the mission of transitioning to a greener future for all, simultaneously pledging to uphold responsible business practices that consistently enhance operational performance to mitigate any negative environmental and social consequences stemming from its activities.

2. **Composition of Corporate Social Responsibility Committee (CSR)**

   The amount to be spent by the Company under section 135(5) does not exceed Rupees fifty lakh, hence the requirement for constitution of CSR Committee is not applicable and the functions of CSR Committee has been discharged by the Board of Directors of the Company.

3. **The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company**

   Composition of CSR committee: Not applicable

   CSR Policy of the Company: https://media.atherenergy.com/CSR-Policy.pdf

   CSR projects approved by the Board: Not applicable

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:** Not applicable

5. (a) **Average net profit of the Company as per section 135(5):** Nil, due to losses during three preceding financial years

   b) **Two percent of average net profit of the Company as per section 135(5):** Not applicable

   (c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Not applicable

   (d) **Amount required to be set off for the financial year, if any:** Not applicable

   (e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** Not applicable

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)**: Not applicable

   (b) **Amount spent in Administrative Overheads:** Not applicable

   (c) **Amount spent on Impact Assessment, if applicable:** Not applicable

   (d) **Total amount spent for the financial year [(a+b+c)]:** Not applicable

   (e) **CSR amount spent or unspent for the financial year:** Not applicable

   (f) **Excess amount for set-off, if any:** Not applicable

7. **Details of Unspent CSR amount for the preceding three financial years:** Not applicable

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:** Not applicable

   If Yes, enter the number of Capital assets created/ acquired: Not applicable

Board's Report

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

S.No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/Beneficiary of the registered owner		
					CSR Registration Number, if Applicable	Name	Registered Address
(1)	(2)	(3)	(4)	(5)	(6)		
			Nil				

9. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):** Not applicable

For and on behalf of the Board of Directors of
Ather Energy Limited

Tarun Sanjay Mehta Executive Director & CEO DIN: 06392463	**Swapnil Babanlal Jain** Executive Director & CTO DIN: 06682759
Place: Bengaluru Date: May 04, 2026	Place: Bengaluru Date: May 04, 2026

Board's Report

Annexure-III

FORM NO. AOC-2

PARTICULARS OF CONTRACTS / ARRANGEMENTS MADE WITH RELATED PARTIES

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

The Company has not entered into any contracts or arrangements or transactions with its related parties which is not at arm's length basis during the FY26.

2. Details of material contracts or arrangement or transactions at arm's length basis

There were no material contracts or arrangements or transactions entered into during the financial year ended March 31, 2026.

For and on behalf of the Board of Directors of
Ather Energy Limited

Tarun Sanjay Mehta
Executive Director & CEO
DIN: 06392463

Place: Bengaluru
Date: May 04, 2026

Swapnil Babanlal Jain
Executive Director & CTO
DIN: 06682759

Place: Bengaluru
Date: May 04, 2026

Board's Report

Annexure-IV

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Pursuant to Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014]

(A) Conservation of Energy

i. Steps taken or impact on conservation of energy

1. A 10 CFM compressor was installed in the rework area of the Vehicle Plant to replace an oversized 240 CFM unit. The previous compressor was significantly oversized for rework operations during the third shift, resulting in unnecessary energy consumption. This right-sizing initiative has resulted in substantial energy savings.
2. The operating set point of the main compressor was modulated and reduced from 7 bar to 6.7 bar. This optimization was achieved after careful assessment of actual pressure requirements across production lines, leading to reduced energy consumption without compromising operational efficiency.
3. Pneumatic ionized fans in the Battery Line were replaced with energy-efficient electric ionized fans. This transition has eliminated compressed air consumption for ionization purposes and improved overall energy efficiency.
4. PLC-based control systems were implemented for lighting in Line-1 and Line-2 of the Vehicle Plant. The lights are now programmed to automatically switch OFF during break times and switch ON when production resumes, eliminating wastage during non-productive periods.
5. PLC control was implemented for the return line conveyors in Line-1 and Line-2 of the Vehicle Plant. The conveyors now automatically switch OFF once pallets reach their designated destinations, preventing continuous idle operation and reducing energy wastage.
6. PLC-based control systems were introduced for exit rollers in the Battery Lines. The rollers automatically switch OFF during break times or when the line remains idle for more than 20 minutes, optimizing energy consumption during non-productive intervals.
7. Timer-based controllers were installed for the first-floor cafeteria lights in the Vehicle Plant, ensuring lights operate only during designated usage hours.
8. The temperature set point for split AC units in the UPS and Battery Room was optimized from 21°C to 24°C. This adjustment maintains adequate cooling for equipment while significantly reducing energy consumption.

ii. Steps taken by the Company for utilizing alternate sources of energy

1. Installed 200 kWp capacity rooftop solar photovoltaic system generated 2,52,945 kWh of clean energy during the year, contributing 7.39% of the average monthly power consumption. This initiative has resulted in reduced grid power dependency and lower carbon emissions.
2. Compressor-based pneumatic ionized fans were replaced with energy-efficient electric ionized fans in the Battery Line, reducing energy consumption from 29 kW to 0.21 kW. This has resulted in annual cost savings of approximately ₹ 3 Lakhs while reducing the load on compressed air systems.

iii. The capital investment on energy conservation equipments

1. New 10 CFM compressor installation for rework area- ₹ 2.5 Lakhs.
2. Compressor air Pneumatic Auto shut off valve installation in main line- ₹ 6 Lakhs.

(B) Technology Absorption

i. Efforts made towards technology absorption

1. Vibration sensors and temperature sensors were installed on the main Line-2 conveyor motor to enable real-time condition monitoring, facilitating Condition-Based Maintenance.
2. PLC-based cycle counting, integrated with Scalex - the in-house MES, was implemented to monitor nut runner tool usage and enable timely replacement before failure.

Both systems have significantly reduced unplanned downtime and improved overall equipment effectiveness through data-driven maintenance strategies.

Board's Report

ii. Benefits derived like product improvement, cost reduction, product development or import substitution

1. Technical capability was developed for in-house calibration of nut runners, eliminating dependence on external service providers. This initiative has resulted in annual cost savings of approximately ₹ 13 Lakhs while ensuring faster turnaround time and improved equipment availability.
2. Technical expertise was built for in-house servicing and maintenance of PCM (Phase Change Material) and Glue Gun Tanks, reducing reliance on external vendors and minimizing equipment downtime.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the FY)

Details of technology imported	Year of import	Whether the technology been fully absorbed	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof
Micro dispenser for adhesive in LFP line	FY26	Yes	NA

iv. Expenditure incurred on Research & Development: ₹ 4,19,86,04,033/- including development cost capitalised ₹ 1,71,47,40,192/-.

(C) Foreign exchange earnings and outgo

Amount in ₹

Particulars	FY26	FY25
Foreign Exchange inflows	40,44,91,466	26,75,59,468
Foreign Exchange outgo	5,85,89,66,038	4,76,37,68,791

For and on behalf of the Board of Directors of
Ather Energy Limited

Tarun Sanjay Mehta
Executive Director & CEO
DIN: 06392463

Place: Bengaluru
Date: May 04, 2026

Swapnil Babanlal Jain
Executive Director & CTO
DIN: 06682759

Place: Bengaluru
Date: May 04, 2026

Board's Report

Annexure-V

REMUNERATION DETAILS

[Pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)]

1. Remuneration details of Directors and KMP

Name of the Directors/KMP and Designation	Percentage increase in remuneration in the FY26	Ratio of the remuneration of Directors to the median remuneration of employees of the Company
Executive Directors*		
Mr. Tarun Sanjay Mehta	NIL	15.7:1
Mr. Swapnil Babanlal Jain	NIL	15.7:1
Non-executive Directors**		
Mr. Niranjan Kumar Gupta	NIL	NIL
Mr. Nilesh Shrivastava	NIL	NIL
Mr. Pankaj Sood	NIL	NIL
Mr. Ram Kuppuswamy	NIL	NIL
Mr. Vivek Anand	NIL	NIL
Non-executive Independent Directors***		
Mr. Kaushik Dutta	NIL	2.75:1
Ms. Neelam Dhawan	NIL	3.25:1
Mr. Sanjay Nayak	NIL	2.75:1
Key Managerial Personnel****		
Mr. Sohil Dilipkumar Parekh	35%	10.65:1
Ms. Puja Aggarwal	12%	3.44:1

** Includes variable pay at 100% target achievement, scheduled for disbursement in FY27, post release of financial results in of FY26. The values presented reflect a full 100% payout of the target variable component as per their salary structure.*
***No remuneration or sitting fees payable to Non-executive Directors for attending Board/Committee meetings.*
****Remuneration paid to Independent Directors comprises of sitting fees of ₹ 1,00,000 paid per Board /Committee meeting attended during the year and remuneration as per the provisions of Section II of Part II of Schedule V of the Act.*
*****Excludes share-based payment and includes variable pay at 100% target achievement, scheduled for disbursement in FY27, post release of financial results in of FY26. The values presented reflect a full 100% payout of the target variable component as per their salary structure.*

2. **The percentage increase in the median remuneration of employees in the the FY26:** 12.93%
3. **The number of permanent employees on the rolls of Company as on March 31, 2026:** 1,917
4. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the FY26 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** NA
5. **The Company affirms that the remuneration is as per the Nomination and Remuneration policy adopted by the Company.**

For and on behalf of the Board of Directors of
Ather Energy Limited

Tarun Sanjay Mehta
Executive Director & CEO
DIN: 06392463

Place: Bengaluru
Date: May 04, 2026

Swapnil Babanlal Jain
Executive Director & CTO
DIN: 06682759

Place: Bengaluru
Date: May 04, 2026

Board's Report

Annexure VI

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on corporate governance

Your Company's governance philosophy is built on a commitment to stakeholder-centric growth. By integrating transparency and accountability into our core operations, we ensure that management remains responsible for the creation of long-term value.

Your Company's governance framework is defined by five essential elements: Board accountability, strategic guidance, value creation, transparency, and equitable treatment for all. This commitment is operationalized through a robust Code of Conduct and strict Insider Trading policies, ensuring that our Directors and Senior Management consistently uphold the highest ethical standards.

A report on compliance with corporate governance principles as prescribed under the Listing Regulations, to the extent applicable to the Company during the year under review is given below:

2. Board of Directors

Board Procedure

Detailed agenda and notes thereon are sent to each Director at least seven days in advance of Board and Committee Meetings in most instances. During the year, as part of the IPO process the Company had held certain Board and Committee meetings at shorter notice but the same was held with due approval of the Board and Committee members and in presence of at least one Independent Director, wherever applicable. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. The Board reviews strategy and business plans, annual operating plans and capital expenditure budgets, investments, compliance reports, etc. The Board also reviews minutes of meeting of various Committees of the Board, adoption of financial results, major accounting provisions and write-offs, collaboration agreement, etc.

The Company Secretary records minutes of the proceedings of each Board and Committee meetings. Draft minutes are circulated to Board/ Committee members within fifteen days from the meeting for their comments. Directors communicate their comments, if any, in writing on the draft minutes within seven days from the date of circulation. The minutes are entered in the minute books within thirty days from the conclusion of the meeting and signed by the Chairperson in terms of applicable laws.

The guidelines for Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof. Important decisions taken at Board/Committee meetings are promptly communicated to the concerned departments/ divisions.

a. Composition and category of Directors

Your Board consists of an optimal combination of Executive, Non-executive, and Independent Directors, representing a judicious mix of in-depth knowledge and experience. The composition of the Board of your Company is in conformity with Regulation 17 of the Listing Regulations and Section 149 of the Act.

As on March 31, 2026, the Board of Directors has 8 Members viz. 6 Non-executive Directors (including 3 Independent Directors) and 2 Executive Directors. The profiles of Directors are available on the website of the Company at https://www.atherenergy.com/investor-relations/ governance .

b. Number of Board Meetings held and attendance of Directors during FY26

During the year, the Board of Directors met fourteen times viz. on April 04, 2025, April 21, 2025, April 22, 2025 (10:45 A.M (IST)), April 22, 2025 (05:45 P.M (IST)), April 25, 2025, April 30, 2025, May 02, 2025, May 12, 2025, May 29, 2025, August 04, 2025, November 10, 2025, December 19, 2025, February 02, 2026 and March 10, 2026.

Board's Report

Further, the gap between two consecutive meetings did not exceed one hundred and twenty days.

The attendance of directors at the Board Meetings held during the year and at the last Annual General Meeting (AGM) are given below:

Name of the Director	DIN	Designation	Category	AGM held on September 17, 2025	Number of Board meeting														Entitled to attend	Attended	% of atten-dance
					1	2	3	4	5	6	7	8	9	10	11	12	13	14			
					April, 04, 2025	April 21, 2025	April 22, 2025	April 22, 2025	April 25, 2025	April 30, 2025	May 02, 2025	May 12, 2025	May 29, 2025	August 04, 2025	November 10, 2025	December 19, 2025	February 02, 2026	March 10, 2026			
Ms.Neelam Dhawan	00871445	Chairperson & Independent Director	Independent Director	VC	VC	VC	LOA	VC	VC	VC	LOA	VC	IP	VC	IP	VC	VC	IP	14	12	85.71
Mr. Tarun Sanjay Mehta	06392463	Executive Director & CEO	Promoter, Executive	VC	VC	VC	VC	VC	VC	VC	VC	IP	IP	IP	IP	IP	IP	IP	14	14	100.00
Mr. Swapnil Babanlal Jain	06682759	Executive Director & CTO	Promoter, Executive	VC	VC	IP	IP	IP	LOA	VC	VC	IP	IP	IP	IP	IP	IP	IP	14	13	92.86
Mr. Niranjan Kumar Gupta*	07806792	Non-executive Director (Nominee of HMCL)	Non-executive	NA	VC	VC	VC	VC	VC	LOA	LOA	NA	NA	NA	NA	NA	NA	NA	7	5	71.43
Mr. Nilesh Shrivastava**	09632942	Nominee Director (Nominee of National Investment and Infrastructure Fund II)	Non-executive	NA	VC	LOA	VC	VC	VC	VC	VC	VC	NA	NA	NA	NA	NA	NA	8	7	87.50
Mr. Ram Kuppuswamy	09817635	Non-executive Director	Non-executive	VC	VC	VC	VC	LOA	VC	VC	VC	VC	VC	VC	VC	VC	VC	IP	14	13	92.86
Mr. Pankaj Sood	05185378	Non-executive Director	Non-executive	VC	VC	VC	VC	VC	VC	LOA	VC	VC	IP	VC	IP	VC	VC	IP	14	13	92.86
Mr. Kaushik Dutta	03328890	Independent Director	Independent Director	VC	VC	VC	LOA	VC	VC	VC	VC	VC	IP	VC	IP	VC	VC	IP	14	13	92.86
Mr. Sanjay Nayak	01049871	Independent Director	Independent Director	VC	VC	VC	VC	VC	VC	VC	VC	VC	IP	VC	IP	VC	VC	IP	14	14	100.00
Mr. Vivek Anand***	06891864	Non-executive Director	Non-executive	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	VC	VC	IP	3	3	100.00
		% of attendance			**100**	**90**	**77.78**	**88.89**	**88.89**	**77.78**	**77.78**	**100**	**100**	**100**	**100**	**100**	**100**	**100**			

Notes:
** Mr. Niranjan Kumar Gupta resigned as a Non-executive Director of the Company with effect from May 6, 2025.*
*** Mr. Nilesh Shrivastava resigned as Nominee Director of the Company with effect from May 27, 2025.*
****Mr. Vivek Anand was appointed as Non-executive Director of the Company with effect from November 10, 2025.*

VC Video Conferencing   IP In Person

MD&A | Board's Report | Financial Statements

Board's Report

c. **Number of other Board of Directors or Committees in which Director is a member/chairperson**

The number of Directorships and Committee Chairmanships/Memberships held by the Directors in other companies as on March 31, 2026, are given below. Other directorships do not include directorships in foreign companies. For the purpose of determining the limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1) (b) of Listing Regulations.

Name of the Director	Number of directorships in other companies*	Number of committee positions held in public companies*		Name of the other listed companies	Category of directorship in listed companies
		Chairperson	Member		
Ms. Neelam Dhawan	7	2	4	Tech Mahindra Limited	Independent Director
				Hindustan Unilever Limited	
				Fractal Analytics Limited	
				Capillary Technologies India Limited	
				Delhivery Limited	
Mr. Tarun Sanjay Mehta	-	-	-	-	-
Mr. Swapnil Babanlal Jain	-	-	-	-	-
Mr. Ram Kuppuswamy	-	-	-	-	-
Mr. Pankaj Sood	7	-	1	Mphasis Limited	Director
				Aditya Birla Fashion and Retail Limited	Nominee Director
				Aditya Birla Lifestyle Brands Limited	Director
Mr. Kaushik Dutta	9	3	7	Eternal Limited	Independent Director
				PB Fintech Limited	
				BlackBuck Limited	
Mr. Sanjay Nayak	3	-	-	-	-
Mr. Vivek Anand	1	1	1	-	-

Note:
**The above details are as on March 31, 2026, and excludes the directorship and committee positions held in Ather Energy Limited.*

d. **Disclosure of relationship between Directors inter-se**

None of the Director on our Board are related to each other.

e. **Details of number of shares of the Company held by Non-executive Directors as on March 31, 2026**

None of the Non-executive Directors are holding any shares of the Company.

f. **Familiarization Programs for Board Members**

The Board members were provided a business update consisting of Company's performance viz a vis its competitors, industry trends etc. as part of each quarterly meeting. The Board members were also regularly apprised on regulatory and policy changes relevant to the business by the Senior Management and the Auditors of the Company.

Board's Report

Your Company also has a practice of sharing a comprehensive handbook with the Directors at the time of induction containing informative documents like Memorandum & Articles of Association, organization structure, composition of Board and Committees, duties and terms of reference of the Committees of the Board, policies, codes and other important information of the Company.

During the year, the Board members were provided an in-person tour of the Company's technology experience centre and were also showcased the prototype of the new product in the pipeline. These programmes helped the Board members understand the business model consisting of vertically integrated approach to designs, existing and new products features and technology evolution over the years that reflects in its products. The details of familiarization programs imparted to the Independent Directors are disclosed on the Company's website and can be accessed at https://media.atherenergy.com/Familiarisation-program.pdf .

g. **Core skills/ expertise/ competencies of the Board of Directors**

The skills/competencies for the members of the Board as identified by the Board of Directors of the Company that are required in the context of Automobile Business are as follows:

- Automotive Experience/Product Development
- Strategy Planning & Management
- Corporate Governance & Compliance
- Accounting & Financial experience
- People & talent Development
- Research & Development/ Technology
- Leadership
- Risk Management

Name	**Ms. Neelam Dhawan**
Designation	Chairperson & Non-executive Independent Director
Age	66
Date of initial appointment	August 27, 2024
Term ending date	August 26, 2027
Shareholding as on March 31, 2026	Nil
Areas of expertise	
Profile available at	https://www.atherenergy.com/investor-relations/governance#board-of-directors

Name	**Mr. Kaushik Dutta**
Designation	Non-executive Independent Director
Age	64
Date of initial appointment	May 6, 2024
Term ending date	May 5, 2029
Shareholding as on March 31, 2026	Nil
Areas of expertise	
Profile available at	https://www.atherenergy.com/investor-relations/governance#board-of-directors

Board's Report

Name	Mr. Sanjay Nayak
Designation	Non-executive Independent Director
Age	61
Date of initial appointment	August 27, 2024
Term ending date	August 26, 2029
Shareholding as on March 31, 2026	Nil
Areas of expertise	
Profile available at	https://www.atherenergy.com/investor-relations/governance#board-of-directors

Name	Mr. Pankaj Sood
Designation	Non-executive Director
Age	50
Date of initial appointment	November 11, 2022
Term ending date	Liable to retire by rotation
Shareholding as on March 31, 2026	Nil
Areas of expertise	
Profile available at	https://www.atherenergy.com/investor-relations/governance#board-of-directors

Name	Mr. Ram Kuppuswamy
Designation	Non-executive Director
Age	49
Date of initial appointment	January 27, 2023
Term ending date	Liable to retire by rotation
Shareholding as on March 31, 2026	Nil
Areas of expertise	
Profile available at	https://www.atherenergy.com/investor-relations/governance#board-of-directors

Board's Report

Name	Mr. Vivek Anand
Designation	Non-executive Director
Age	56
Date of initial appointment	November 10, 2025
Term ending date	Liable to retire by rotation
Shareholding as on March 31, 2026	Nil
Areas of expertise	
Profile available at	https://www.atherenergy.com/investor-relations/governance#board-of-directors

Name	Mr. Tarun Sanjay Mehta
Designation	Executive Director & CEO
Age	36
Date of initial appointment	October 21, 2013 (Current term and designation - May 30, 2024)
Term ending date	May 29, 2029
Shareholding as on March 31, 2026	1,92,57,732 equity shares
Areas of expertise	
Profile available at	https://www.atherenergy.com/investor-relations/governance#board-of-directors

Name	Mr. Swapnil Babanlal Jain
Designation	Executive Director & CTO
Age	36
Date of initial appointment	October 21, 2013 (Current term and designation - May 30, 2024)
Term ending date	May 29, 2029
Shareholding as on March 31, 2026	1,92,57,732 equity shares
Areas of expertise	
Profile available at	https://www.atherenergy.com/investor-relations/governance#board-of-directors

Board's Report

h. Declaration by Independent Directors

Your Company has received necessary declaration from each Independent Director under Section 149(7) and Section 150 of the Act and under Regulation 25(8) of Listing Regulations, that he/she meets the criteria of independence laid down in Section 149(6) of the Act, read with Rules and Schedule IV and Regulation 16(1)(b) of the Listing Regulations.

In the opinion of the Board of Directors, the Independent Directors fulfil the conditions specified in the Act and Listing Regulations and are Independent of the Management.

i. Reason for resignation of the Independent Directors

None of the Independent Directors have resigned during the FY26.

j. Meeting of Independent Directors

During the year, the meeting of Independent Directors was held on May 12, 2025 to discuss the Board evaluation results for the FY25.

The Independent Directors of the Company also met on April 07, 2026 to discuss the results of Board evaluation for FY26 and provided their recommendation on key focus areas to the Board.

3. Committees of the Board

Board has constituted four committees comprising of the statutory committees as required under the Listing Regulations and the Act. The Board had also constituted an IPO Committee and a Committee of Independent Directors for specific purposes relating to the IPO. Post conclusion of the IPO of the Company, the Board of Directors at their meeting held on May 12, 2025, dissolved the Committee of Independent Directors and IPO committee.

Details of the Committees, their respective terms of reference, composition and details of meetings held during the FY26 are as follows:

STATUTORY COMMITTEES

a. Audit Committee

The Audit Committee has been constituted in terms of Section 177 of the Act, read with Regulation 18 of the Listing Regulations. The scope and function of the Audit Committee is in accordance with Section 177 of the Act, read with Regulation 18 and Part C of Schedule II of the Listing Regulations. Brief description of terms of reference of Audit Committee is as follows:

(1) Oversight of the financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

(2) Recommendation to the Board for appointment, re-appointment, removal, remuneration and other terms of appointment of statutory auditors, internal auditors and secretarial auditors of the Company;

(3) Approval of payment for any other services rendered by the statutory auditors;

(4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with reference to:

(a) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act;

(b) changes, if any, in accounting policies and practices and reasons for the same;

(c) major accounting entries involving estimates based on the exercise of judgment by management;

(d) significant adjustments made in the financial statements arising out of audit findings;

(e) compliance with listing and other legal requirements relating to financial statements.

Board's Report

(f) disclosure of any related party transactions; and

(g) modified opinion(s) in the draft audit report.

(5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

(6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;

(7) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;

(8) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company

(a) Recommend criteria for omnibus approval or any changes to the criteria for approval of the Board;

(b) Make omnibus approval for related party transactions proposed to be entered into by the Company for every financial year as per the criteria approved;

(c) Review of transactions pursuant to omnibus approval;

(d) Make recommendation to the Board, where Committee does not approve transactions other than the transactions falling under Section 188 of the Act;

(e) Related party transaction to which the subsidiary of the Company is a party, but the Company is not a party as per limits mentioned in the Related party transaction policy of the Company.

(9) Scrutiny of inter-corporate loans and investments;

(10) Valuation of undertakings or assets of the Company, wherever necessary;

(11) Evaluation of internal financial controls and risk management systems;

(12) Reviewing, with the management, performance of statutory auditors and internal auditors, and adequacy of the internal control systems;

(13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) Discussion with internal auditors of any significant findings and follow-up thereon;

(15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) Reviewing the functioning of the whistle blower mechanism;

(19) Monitoring the end use of funds raised through public offers and related matters;

(20) Overseeing the vigil mechanism established by the Company, with the chairperson of the Audit Committee directly hearing grievances of victimization of employees and directors, who used the vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(21) Approval of appointment of chief financial officer (i.e., any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

Board’s Report

(22) Reviewing the utilization of loans and/ or advances from/investment by the Company in its subsidiary(/ies) exceeding ₹ 1,00,00,00,000 or 10% of the asset size of the subsidiary(/ies), whichever is lower including existing loans/ advances/ investments;

(23) Review the financial statements, in particular, the investments made by any unlisted subsidiary;

(24) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

(25) Approving the key performance indicators (“KPIs”) for disclosure in the offer documents, and approval of KPIs once every year, or as may be required under applicable law;

(26) Carrying out any other functions as may be decided by the Board and/or as provided under the Act, Listing Regulations or any other applicable law, as and when amended from time to time;

(27) Mandatorily review the following information:

(a) Management discussion and analysis of financial condition and results of operations;

(b) Management letters / letters of internal control weaknesses issued by the statutory auditors;

(c) Internal audit reports relating to internal control weaknesses;

(d) The appointment, removal and terms of remuneration of the chief internal auditor; and

(e) Statement of deviations in terms of the Listing Regulations:

i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the Listing Regulations;

ii. annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of the Listing Regulations;

iii. such information as may be prescribed under the Act and the Listing Regulations.

(28) To recommend to the Board Code of Insider Trading of the Company and to supervise implementation of the Insider Trading Code including following:

(a) To monitor, review, assess the policies and procedures relating to proper functioning of the system for prevention of insider trading;

(b) To note the status reports detailing the dealings by Designated Persons in securities of the Company;

(c) To provide directions on any penal action to be initiated, in case of any violation of the SEBI Insider Trading Regulations by any person.

The composition of the Audit Committee as on March 31, 2026 is as under:

S. No.	Name of the Member	Designation	Chairperson/Member
1.	Mr. Kaushik Dutta	Non-executive Independent Director	Chairperson
2.	Ms. Neelam Dhawan	Non-executive Independent Director	Member
3.	Mr. Ram Kuppuswamy*	Non-executive Director	Member

Note:

** Mr. Ram Kuppuswamy was appointed as the member of Audit Committee with effect from May 06, 2025, post cessation of Mr. Niranjan Kumar Gupta as the member of Audit Committee with effect from May 06, 2025.*

The Audit Committee met 8 times during the FY26. The said meetings were held on April 04, 2025, May 12, 2025, May 29, 2025, August 04, 2025, October 06, 2025, November 10, 2025, February 02, 2026 and March 23, 2026 and the necessary quorum was present for all the meetings.

Board’s Report

Attendance details of the Audit Committee

Name of the Member	Chairperson/ Member	Committee meeting details 1 April 04, 2025	2 May 12, 2025	3 May 29, 2025	4 August 04, 2025	5 October 06, 2025	6 November 10, 2025	7 February 02, 2026	8 March 23, 2026	Entitled to attend	Attended	% of attendance
Mr. Kaushik Dutta	Chairperson	📹	📹	👤	📹	📹	👤	📹	📹	8	8	100
Ms. Neelam Dhawan	Member	📹	📹	👤	📹	📹	👤	📹	📹	8	8	100
Mr. Niranjan Kumar Gupta*	Member	📹	NA	NA	NA	NA	NA	NA	NA	1	1	100
Mr. Ram Kuppuswamy**	Member	NA	📹	📹	📹	📹	📹	📹	📹	7	7	100
% of attendance		**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**			

Notes:

** Mr. Niranjan Kumar Gupta ceased to be member of Audit Committee with effect from May 06, 2025.*

*** Mr. Ram Kuppuswamy was appointed as the member of Audit Committee with effect from May 06, 2025.*

📹 Video Conferencing 👤 In Person

b. Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted in terms of Section 178 of the Act, read with Regulation 19 of the Listing Regulations. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Act, read with Regulation 19 and Part D of Schedule II of the Listing Regulations. Brief description of terms of reference of Nomination and Remuneration Committee is as follows:

(1) Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees (“Remuneration Policy”);

(2) For every appointment of an independent director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

(a) use the services of external agencies, if required;

(b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(c) consider the time commitments of the candidates.

(3) Formulation of criteria for evaluation of performance of independent directors and the Board;

(4) Devising a policy on Board diversity;

(5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their

Board's Report

appointment and removal and carrying out evaluation of every director's performance (including independent director);

(6) Extending or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(7) Recommend to the board, all remuneration, in whatever form, payable to senior management;

(8) Analysing, monitoring and reviewing various human resource and compensation matters;

(9) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment and determining remuneration packages of such directors;

(10) The Committee, while formulating the Remuneration Policy, shall ensure that:

(a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(11) Perform such functions as are required to be performed under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:

(a) administering any existing and proposed employee stock option schemes formulated by the Company from time to time (the "Plan");

(b) determining the eligibility of employees to participate under the Plan;

(c) granting options to eligible employees and determining the date of grant;

(d) determining the number of options to be granted to an employee;

(e) determining the exercise price under the Plan and

(f) construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan.

(12) Carrying out any other activities as may be delegated by the Board or as may be required under the Act, Listing Regulations or any other applicable law, as may be amended from time to time.

The composition of the Nomination and Remuneration Committee as on March 31, 2026 is as under:

S. No.	Name of the Member	Designation	Chairperson/Member
1.	Mr. Sanjay Nayak	Non-executive Independent Director	Chairperson
2.	Ms. Neelam Dhawan	Non-executive Independent Director	Member
3.	Mr. Pankaj Sood	Non-executive Director	Member

The Nomination and Remuneration Committee met 7 times during the FY26. The said meetings were held on April 25, 2025, May 12, 2025, May 27, 2025, May 29, 2025 (Adjourned), July 18, 2025, November 10, 2025, February 02, 2026 and March 10, 2026, and the necessary quorum was present for all the meetings.

Board's Report

Attendance details of the Nomination and Remuneration Committee

Name of the Member	Chairperson/ Member	Committee meeting details 1 April 25, 2025	2 May 12, 2025	3.1 May 27, 2025	3.2 May 29, 2025 (Adjourned)	4 July 18, 2025	5 November 10, 2025	6 February 02, 2026	7 March 10, 2026	Entitled to attend	Attended	% of attendance
Mr. Sanjay Nayak	Chairperson	Video Conferencing	Video Conferencing	Video Conferencing	In Person	In Person	In Person	Video Conferencing	In Person	7	7	100
Ms. Neelam Dhawan	Member	Video Conferencing	Video Conferencing	Video Conferencing	In Person	Video Conferencing	In Person	Video Conferencing	In Person	7	7	100
Mr. Pankaj Sood	Member	Video Conferencing	Video Conferencing	Video Conferencing	In Person	In Person	In Person	Video Conferencing	In Person	7	7	100
% of attendance		**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**			

Video Conferencing   In Person

The Nomination and Remuneration Committee conducted a comprehensive review of the criteria and framework for conducting the annual performance evaluation of the individual Directors, Board as a whole, Committees of Board, and Chairperson for FY26. The key criteria based on which the performance evaluation of the Directors was carried out including Independent Directors were personal attributes, attendance, participation and preparedness in meetings, understanding of business and culture, ethics and integrity, value addition, etc. Based on recommendation of the Committee certain additional parameters were added for the year. The evaluation was conducted by using an online tool which consisted of questions with quantitative parameters and a dedicated section for subjective suggestion/feedback.

The Independent Directors and the members of Nomination and Remuneration Committee at their respective meetings held on April 07, 2026, discussed the outcome of evaluation. The results were subsequently placed before the Board for its review, noting, and necessary action.

c. Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been constituted in terms of Section 178 of the Act, read with Regulation 20 of the Listing Regulations. The scope and function of the Committee is in accordance with Section 178 of the Act, read with Regulation 20 and Part D of Schedule II of the Listing Regulations. Brief description of terms of reference of Stakeholders Relationship Committee is as follows:

(1) Considering and looking into various aspects of interest of shareholders, debenture holders and other security holders;

(2) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;

(3) Giving effect to allotment of equity shares, approval of transfer or transmission of equity shares, debentures or any other securities;

(4) Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc;

(5) Review of measures taken for effective exercise of voting rights by shareholders;

(6) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;

(7) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company; and

(8) Carrying out any other functions required to be carried out by the Committee under the Act or the Listing Regulations or any other applicable law, as amended from time to time.

Board's Report

The composition of the Stakeholders' Relationship Committee as on March 31, 2026 is as under:

S.No.	Name of the Member	Designation	Chairperson/member
1.	Ms. Neelam Dhawan	Non-executive Independent Director	Chairperson
2.	Mr. Sanjay Nayak	Non-executive Independent Director	Member
3.	Mr. Tarun Sanjay Mehta	Executive Director & CEO	Member

The Stakeholders' Relationship Committee met once during the FY26 on February 02, 2026. The necessary quorum was present for the meeting.

Attendance details of the Stakeholders' Relationship Committee

Name of the Member		Committee meeting details	Entitled to attend	Attended	% of attendance
		1			
	Chairperson/Member	February 02, 2026			
Ms. Neelam Dhawan	Chairperson	Video Conferencing	1	1	100
Mr. Sanjay Nayak	Member	Video Conferencing	1	1	100
Mr. Tarun Sanjay Mehta	Member	In Person	1	1	100
% of attendance		**100**			

Video Conferencing   In Person

The details with regard to Stakeholder's grievances as on March 31, 2026 are as under:

S. No.	Particulars	Related Details
1.	Name of the Non-executive Director heading the Committee	Ms. Neelam Dhawan (Non-executive Independent Director)
2.	Name and Designation of Compliance Officer	Ms. Puja Aggarwal Company Secretary & Compliance Officer
3.	Number of shareholder's complaints received during the financial year ended on March 31, 2026	59
4.	Number of complaints not solved to the satisfaction of shareholders as on March 31, 2026	0
5.	Number of pending complaints as on March 31, 2026	0

d. Risk Management Committee

The Risk Management Committee has been constituted in terms of Regulation 21 of the Listing Regulations. Brief description of terms of reference of Risk Management Committee is as follows:

(1) Review, assess and formulate the risk management system and policy of the Company from time to time and recommend for an amendment or modification thereof, which shall include:

Board's Report

(a) a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, environment, social and governance related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

(b) measures for risk mitigation including systems and processes for internal control of identified risks; and

(c) business continuity plan.

(2) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary;

(5) Keep the Board of the Company informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);

(7) To implement and monitor policies and/or processes for ensuring cyber security;

(8) To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board; and

(9) Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as amended from time to time, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The composition of the Risk Management Committee as on March 31, 2026 is as under:

S. No.	Name of the Member	Designation	Chairperson/Member
1.	Mr. Kaushik Dutta	Non-executive Independent Director	Chairperson
2.	Mr. Swapnil Babanlal Jain	Executive Director & CTO	Member
3.	Mr. Ram Kuppuswamy	Non-executive Director	Member

The Risk Management Committee met 2 times during the FY26 on October 06, 2025 and March 23, 2026. The necessary quorum was present for the meetings.

Attendance details of the Risk Management Committee

Name of the Member		Committee meeting details		Entitled to attend	Attended	% of attendance
		1	2			
	Member/ Chairperson	October 06, 2025	March 23, 2026			
Mr. Kaushik Dutta	Chairperson	Video Conferencing	Video Conferencing	2	2	100
Mr. Ram Kuppuswamy	Member	Video Conferencing	Video Conferencing	2	2	100
Mr. Swapnil Babanlal Jain	Member	In Person	Video Conferencing	2	2	100
% of attendance		**100**	**100**			

Video Conferencing   In Person

Board's Report

4. Senior Management Personnel

The Senior Management of the Company as on March 31, 2026 includes the following:

S. No.	Name	Designation
1.	Mr. Ravneet Singh Phokela	Chief Business Officer
2.	Mr. Harendra Saksena	Chief Procurement Officer
3.	Mr. Sanjeev Kumar Singh	Chief Operating Officer
4.	Mr. Anjani Kumar	Chief Digital & Information Officer
5.	Ms. Surabhi Loshali	Chief Human Resources Officer
6.	Mr. Milind Kothekar	Chief of Staff to CEO
7.	Mr. Sohil Dilipkumar Parekh	Chief Financial Officer
8.	Ms. Puja Aggarwal	Company Secretary & Compliance Officer

Changes in the Senior Management during the FY26 are as follows:

S. No.	Name	Appointment/ Resignation	Designation	Effective date
1.	Mr. Anjani Kumar	Appointment	Chief Digital & Information Officer	May 29, 2025
2.	Ms. Sunitha Lal	Resignation	Chief Human Resources Officer	August 04, 2025
3.	Ms. Surabhi Loshali	Appointment	Chief Human Resources Officer	January 05, 2026

5. Remuneration of Directors

a. Pecuniary relationship or transactions of the Non-executive Directors

During the year under review, apart from payment of sitting fees and remuneration as per the provisions of Section II of Part II of Schedule V of the Act, there were no pecuniary relationships or transactions with the Non-executive Independent Directors of the Company. Further, the Company has not paid any amount as remuneration and sitting fees to the Non-executive Directors and Nominee Directors of the Company.

b. Criteria for making payment to Non-executive Directors

The policy for payment to Non-executive Independent Directors has been made available on the website of the Company at https://media.atherenergy.com/NRC-Policy.pdf .

c. Remuneration Policy

The Company's remuneration policy is aimed at attracting, motivating and retaining quality talent by creating a high-performance culture. In determining the remuneration of Executive Directors, CEO, Senior Management and Key Managerial Personnel, the Nomination and Remuneration Committee and the Board shall ensure / consider the following:

(a) The balance between fixed and variable pay reflecting short-term and long-term performance objectives, appropriate to the working of the Company and its goals;

(b) Alignment of remuneration of Key Managerial Personnel and Directors with long-term interests of the Company;

(c) Company's performance vis-à-vis the annual achievement, individuals' performance vis-à-vis KRAs/ KPIs and

(d) Industry benchmark and current compensation trends in the market.

The Nomination and Remuneration Committee recommends the remuneration for the Executive Directors, CEO, Senior Management and Key Managerial Personnel. The payment of remuneration to the Executive Directors and Non-executive Directors is approved by the Board and members of the Company. There was no change to the remuneration policy during the financial year. The Nomination and Remuneration policy is available on Company's website at https://media.atherenergy.com/NRC-Policy.pdf.

Board's Report

Remuneration to Executive Directors

The details of remuneration paid to Executive Directors are mentioned below:

(₹ In Crores)

Particulars	Mr. Tarun Sanjay Mehta	Mr. Swapnil Babanlal Jain
Fixed compensation	2.10	2.10
Variable compensation*	0.90	0.90
Total	**3.00**	**3.00**

** Includes variable pay at 100% target achievement, scheduled for disbursement in FY27, post release of financial results in FY26.*

Remuneration to other Non-executive Directors

Non-executive Directors and Nominee Directors are neither entitled to any sitting fees for attending meetings of the Board or any of its committees, nor entitled to any commission or remuneration from the Company. Accordingly, Non-executive Directors and Nominee Directors did not receive any remuneration during the FY26.

Remuneration to Non-executive Independent Directors

During the financial year under review, your Company paid sitting fees of ₹ 1,00,000/- per meeting to each Non-executive Independent Director for attending the meetings of Board/ Committees of the Board. The payment to said Directors is within the limits prescribed under the provisions of the Act and Listing Regulations. The Company also reimburses any out-of-pocket expenses incurred by the Directors for attending the meetings of the Company. Non-executive Independent Directors are also entitled to remuneration in accordance with the provisions of Section 149 of the Act. Since, the Company has inadequate profits, the Company shall pay remuneration to Non-executive Independent Directors as per the provisions of Section II of Part II of Schedule V of the Act.

The Board of Directors and shareholder at their meeting held on August 27, 2024 and September 5, 2024 respectively had approved the payment of remuneration to each Non-executive Independent Director for each financial year as the Board of Directors may from time to time determine within the overall limit of ₹ 0.75 crores to each of the Non-executive Independent Directors of the Company for each financial year based on the recommendation of Nomination and Remuneration Committee for a period of 3 (three) years commencing from the FY25.

Remuneration to Non-executive Independent Directors is linked to the factors like chairmanship of committees, membership of committees and their contribution etc. as defined in the Nomination and Remuneration Policy and Policy on evaluation of the Board of the Company.

During the financial year under review, the annual remuneration payable to a single Non-executive Director did not exceed fifty per cent of the total annual remuneration payable to all the Non-executive Directors of the Company.

The details of remuneration paid to Non-executive Independent Directors for FY26 are mentioned below:

(₹ In Crores)

Name of Director	Sitting Fees	Remuneration	Total
Mr. Kaushik Dutta	0.23	0.32	0.55
Ms. Neelam Dhawan	0.28	0.37	0.65
Mr. Sanjay Nayak	0.22	0.33	0.55

d. Service Contracts, Notice and Severance Fees

As on March 31, 2026, the Board of Directors has 8 Members viz. 2 Executive Directors and 6 Non-executive Directors, including 3 Independent Directors. The Executive Directors are employees of the Company and are subject to service conditions as per the Company's Policy. There is no separate provision for payment of severance fees to any of the Directors.

e. Stock option details

During the year under review, there were no stock options granted to any Directors of the Company.

Board's Report

6. General Body Meetings

a. Annual General Meeting ("AGM")

Details of AGMs held during the last 3 years are as under:

Financial Year	Date	Time	Venue	Special Resolution
2022-2023	August 24, 2023	10:00 AM (IST)	Video Conferencing ('VC')/ Other Audio-Visual Means('OAVM')	Approval for maintenance of Statutory Registers, returns and other records at the Corporate Office
2023-2024	September 27, 2024	04:00 PM (IST)		None
2024-2025	September 17, 2025	11:00 AM (IST)		None

b. Details of Special Resolution passed through Postal Ballot

The Company has passed the following Special Resolution through Postal Ballot during the FY26:

S.No.	Agenda item	Voting Results	Date of passing the resolution	Scrutinizer
1	Approval and Ratification of 'Amended and Restated Ather Energy ESOP Plan 2025'	Voting in Favor: 87.6442% Voting against: 12.3558%	August 17, 2025	Mr. Pramod S M Designated Partner of BMP & Co. LLP, Company Secretaries (FCS No.: 7834)

The details of voting results are made available on https://media.atherenergy.com/Postal-Ballot-Outcome-Aug-18-2025.pdf

c. There is no special resolution proposed to be conducted through Postal Ballot.

d. Procedure for Postal Ballot

The Postal Ballot was carried out in compliance with Sections 108 and 110 and other applicable provisions of the Act, read with the related rules and MCA Circulars. The Company provided electronic voting (e-voting) facility to all its members and had engaged the services of National Securities Depository Limited for the same. The Company had dispatched Postal Ballot notices and forms in electronic mode as permitted, to members whose names appear in the Register of Members or in the list of beneficial owners as on the cut-off / record date. The Company also publishes a newspaper notice providing details of the completion of dispatch and other information, as required under the Act, the applicable Rules, and the Listing Regulations.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members eligible to exercise their votes by electronic mode were requested to vote before close of business hours on the last date of e-voting. The scrutinizer submitted his report to the Chairperson, after the completion of scrutiny, and the consolidated results of the voting by Postal Ballot were then announced by the Chairperson/authorized officer. The results are also displayed on the Company's website, https://www.atherenergy.com/investor-relations/governance#postal-ballot besides being communicated to the stock exchanges. The last date for the receipt of duly completed Postal Ballot forms or e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

Board's Report

7. Means of Communication

a. The quarterly, half-yearly and annual financial results of the Company are furnished within the prescribed timeline to both the stock exchanges i.e. BSE & NSE and is also published in newspapers viz., Financial Express (English Newspaper) and Vishwavani (Kannada Newspaper).

b. The schedule of Investors meet / earnings call, presentations made to the investors / analysts after the declaration of the quarterly, half yearly and annual results, press releases, the transcripts, etc. are submitted to the exchanges and disseminated through the exchanges websites and are also displayed on the Company's website.

c. The Company also issues press releases from time to time communicating various updates.

d. The Management Discussion and Analysis, which forms part of this Annual Report is circulated to all the members.

e. Pursuant to Regulation 46 of the Listing Regulations, the Company's website https://www.atherenergy.com/investor-relations/stock-exchange-disclosure#disclosure-under-regulation-46 contains a dedicated section 'Investor Relations' where all the information meant for the members is available, including information on Directors, shareholding pattern, quarterly reports, financial results, annual reports, press releases, various policies of the Company and disclosures made to stock exchanges from time to time, which is regularly updated by the Company.

8. General shareholder information

a. Annual General Meeting

Annual General Meeting of the Company shall be held through Video Conferencing (VC)/ other Audio-Visual Means (OAVM) (Instruction and general guidelines for participation through VC/ OAVM has been given in Notice of the AGM).

Date : August 19, 2026
Time : 11:00 am (IST)

b. Financial year

Financial year covers the period from April 01, 2025, to March 31, 2026

c. Dividend payment date

Not applicable

d. Listing on Stock Exchanges

Equity Shares of the Company were listed on May 06, 2025 on the following exchanges and the annual listing fees have been paid in full to the Stock Exchanges.

BSE Limited (BSE) Department of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	National Stock Exchange of India Limited (NSE) Exchange plaza, C-1, Block G, Bandra Kurla Complex, Mumbai – 400051.
Scrip Code: 544397	NSE Symbol: ATHERENERG
ISIN: INE0LEZ01016	

e. Suspension of Trading

During the year, no securities of the Company were suspended from trading.

f. Registrar and Share Transfer Agents

Name:	MUFG Intime India Private Limited (*Formerly known as Link Intime India Private Limited*)
Address:	C-101, 1st Floor, 247 Park, Lal Bahadur Shastri. Marg, Vikhroli (West), Mumbai -400 083 Maharashtra, India
Telephone:	+91 81 0811 4949
E-mail:	investor.helpdesk@in.mpms.mufg.com atherenergy.ipo@linkintime.co.in
Website:	www.in.mpms.mufg.com

g. Share transfer system

Trading in equity shares of the Company through recognized stock exchanges is permitted only in dematerialized form. Pursuant to amendment in Regulation 40 of Listing Regulations with effect from April 1, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a Depository hence shares shall be transferred only through demat. However, investors are not barred from holding shares in physical form.

Board's Report

Further, the shareholders holding shares in demat form are requested to register their email address, bank account details and mobile number with their depository participants.

h. Shareholding as on March 31, 2026:

i. Distribution of shareholdings as on March 31, 2026:

Shares – Range	Number of Shareholders	Percentage of Total number of shareholders	Number of shares	Percentage of issued capital
1 - 500	1,66,301	96.8979	88,13,721	2.3032
501 – 1,000	2,675	1.5586	19,20,529	0.5019
1,001 – 2,000	1,104	0.6433	15,77,757	0.4123
2,001 – 3,000	420	0.2447	10,39,073	0.2715
3,001 – 4,000	219	0.1276	7,62,315	0.1992
4,001 – 5,000	109	0.0635	5,00,940	0.1309
5,001 – 10,000	287	0.1672	20,36,246	0.5321
10,001 and above	510	0.2972	36,60,22,543	95.6489
Grand Total	**171,625**	**100.0000**	**38,26,73,164**	**100.0000**

ii. Category of Equity Shareholders as on March 31, 2026

S. No.	Category	Number of shares	% of holding
1.	**Promoter and Promoter group**		
	a) Indian	15,60,08,716	40.7681
	b) Foreign	0	0
	Total Shareholding of Promoter and Promoter Group	**15,60,08,716**	**40.7681**
2.	**Public shareholding**		
	a) Domestic institutions	11,08,81,238	28.9754
	b) Foreign institutions	6,58,88,084	17.2178
	c) Non-institutions	4,98,95,126	13.0386
	• Resident Individuals	4,14,12,534	10.8219
	• Non-Resident Indians	19,49,190	0.5094
	• Other Bodies Corporate	56,49,274	1.4763
	• Others	8,84,128	0.2310
	Total Shareholding of Public	**22,66,64,448**	**59.2319**
	Total	**38,26,73,164**	**100.0000**

i. Dematerialization of Shares & Liquidity

As on March 31, 2026, 100% of the paid-up equity share capital of your Company is held in a dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. Post listing of Company's equity shares at the stock exchanges on May 6, 2025, the equity shares are being frequently traded on BSE and NSE.

Board's Report

j. Outstanding GDR's/ ADR's or Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDR's/ ADR's or warrants or any convertible instruments, which is likely to impact on equity. Details to the extent of outstanding employee stock options convertible into equity shares have been disclosed in the disclosure for ESOPs.

k. Commodity price risk or foreign exchange risk and hedging activities

Information on foreign exchange risk and hedging activities are provided under Notes to Accounts of Financial Statements section of Annual Report. You are requested to refer to Note No. 38 of financial statements.

l. Plant locations

Factory – 1:
159/2B2, Maragathammbal Industrial and Logistics Park LLP., Madhagondapalli Village, Denkanikotta Taluk, Krishnagiri District, Tamil Nadu, 635114

Factory – 2:
No. 156/1A, 156/1B, 156/1C, 156/2A, 157/1, 158/1, 158/2, 159/2B2, 160/6B, 166/2A, 166/2B, 166/2C, 167/1, Maragathammbal Industrial and Logistics Park LLP, Madhagondapalli, Village, Denkanikotta Taluk, Krishnagiri District, Tamil Nadu, 635114

Factory – 3 *(Under construction)*:
Plot No. 123, Aurangabad Industrial City (AURIC) BIDKIN, Sector No. 12, Taluka Paithan, District Chhatrapati Sambhajinagar at Maharashtra.

m. Address for correspondence

Ms. Puja Aggarwal
Company Secretary & Compliance Officer
13th Floor, Tower D, IBC Knowledge Park,
#4/1 Bannerghatta Main Road,
Bengaluru – 560 029
Contact: +91 80 6646 5750
Email : cs@atherenergy.com
Website: www.atherenergy.com

n. Credit Rating: Not Applicable

9. Other Disclosures

a. Materially significant related party transactions

All transactions entered into with related parties during the financial year were in the ordinary course of business and arm's length basis. During the year under review, there were no materially significant related party transactions entered into between the Company that may have potential conflict with the interest of the Company at large. The policy for dealing with the related party transactions, which has been approved by the Board, is available on the website of the Company a https://media.atherenergy.com/RPT-Policy.pdf.

b. Details of non-compliance with respect to Capital Markets and penalties

The Company has complied with the requirements of Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets, to the extent applicable and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or other statutory authorities during the year under review.

c. Whistle Blower Policy and Vigil Mechanism

The Company has formulated a Vigil Mechanism and Whistle-Blower Policy ("Policy") in accordance with provisions of the Act and Regulation 22 of Listing Regulations. This Policy aims to provide a platform and mechanism for employees, directors and other stakeholders to report unethical behaviour, fraud or violations of the company's code of conduct, ethics and principles without fear of retaliation. It also ensures direct access to the Chairperson of the Audit Committee.

The Company affirms that, in compliance with the Policy, no personnel have been denied access to the Audit Committee Chairperson. The Whistle Blower Policy is available on the website of the Company at https://media.atherenergy.com/Whistle-Blower-Policy.pdf

Board's Report

d. **Compliance with mandatory requirements**

The Company has complied with all the mandatory corporate governance requirements applicable to the Company.

e. **Web link where policy for determining material subsidiaries is disclosed**

The Company does not have any subsidiary as at March 31, 2026. The Company has a policy for determining material subsidiaries which is available on the website of the Company at https://media.atherenergy.com/Policy-for-determining-Material-Subsidiaries.pdf

f. **Details of utilization of funds raised through preferential allotment or qualified institutions placement**

During the financial year under review, the Company has not made any preferential allotment or qualified institutional placement and hence the provisions with respect to Regulation 32 (7A) of Listing Regulations is not applicable to the Company. The Company had however during the period under review had made public issue through Initial Public Offer (IPO) in the form of Fresh issue and Offer for Sale and necessary disclosure as required under Listing Regulations have been periodically made to stock exchanges in this regard.

g. **Certificate from a Company Secretary in practice**

The Company has received a certificate from a Company secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continued as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to this report as **Annexure VIA**.

h. **Non-acceptance of any recommendation of any Committee of the Board which is mandatorily required**

The Board of Directors have taken all the recommendations of the various Committees of the Board as statutorily prescribed.

i **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part**

The total fees for all services paid/ payable by the Company to M/s Deloitte Haskins & Sells, Chartered Accountants, Statutory Auditor and all entities in the network firm/ network entity of which the statutory auditor is a part, for the financial year under review is ₹ 0.82 crores.

j. **Disclosures in relation to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

a. Number of complaints filed during the financial year	03
b. Number of complaints disposed of during the financial year	07*
c. Number of complaints pending as on end of the financial year	0

**4 cases reported in Q4 FY25 were closed in FY 26*

k. **Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount**

During the financial year under review, the Company have neither advanced any loans nor given any guarantees and / or provided any securities, whether directly or indirectly to firms/companies in which directors are interested.

l. **Details of material subsidiaries, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries**

The Company does not have any subsidiaries.

m. **Code for Prevention of Insider Trading Practices**

During the financial year under review, the Company adhered to a comprehensive Code of Conduct for prevention of Insider Trading for its Promoters, Directors, Key Managerial Personnel and Connected Persons. The Code aims to ensure monitoring, timely reporting and adequate disclosure of price sensitive information by the Promoters, Directors, Key Managerial Personnel and Connected Persons. It also aims to bring transparency and fairness in dealing with the stakeholders and also ensuring the adherence to all applicable laws and regulations. This Code lays down the guidelines, through which it advises on procedures to be followed and disclosures to be made, while dealing with shares of the Company. The Code has been made available on the website of the Company at https://media.atherenergy.com/Code-of-conduct-for-regulating-monitoring-and-reporting-of-trading-by-insiders.pdf

n. **Other Polices**

The Company has adopted various policies prescribed under the Act and Listing Regulation i.e. Policy on Determination of Materiality for Disclosures, Policy on Archival and Preservation of Documents, Dividend Distribution Policy etc which are made available on the website of the Company at https://www.atherenergy.com/investor-relations/stock-exchange-disclosure#disclosure-under-regulation-46

10. Discretionary requirements (Schedule II Part E of the Listing Regulations)

The Company strives to adhere and comply with the following discretionary requirements specified under Regulation 27(1) and Part E of the Schedule II of Listing Regulations, to the extent applicable:

a. The Company has appointed a Non-executive Independent Director as Chairperson of the Board who is not related to the Executive Directors and Chief Executive Officer.

b. The Company's financial results have unmodified audit opinions.

c. Internal auditors of the Company report directly to the Audit Committee.

d. The Company has a duly constituted Risk Management Committee with the composition, roles and responsibilities as specified under Regulation 21 of the Listing Regulations.

11. Compliance with corporate governance requirements under Listing Regulations

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and all other mandatory provisions of the Listing Regulations, as amended from time to time, to the extent applicable.

12. Compliance with Code of Conduct

The Code of Conduct ("the Code") for Board members and Senior Management personnel as adopted by the Board, is a comprehensive code applicable to Directors and Senior Management personnel. The Code lays down in detail, the standards of business conduct, ethics and strict governance norms for the Board and Senior Management personnel. A copy of the Code has been made available on the website of the Company at https://media.atherenergy.com/Code-of-conduct-for-Directors-and-Senior-Management.pdf The Code has been circulated to Directors and Senior management personnel and its compliance is affirmed by them annually. A declaration signed by the Chief Executive Officer to this effect is annexed to this report as **Annexure VIB.**

13. Compliance Certificate on Corporate Governance

The certificate from Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34(3) read with Schedule V(E) of the Listing Regulations for the FY 26 is annexed to this report as **Annexure VIC.**

14. Chief Executive Officer and Chief Financial Officer Certification

Mr. Tarun Sanjay Mehta, Executive Director & CEO and Mr. Sohil Dilipkumar Parekh, Chief Financial Officer of the Company have furnished to the Board, the requisite Compliance Certificate under Regulation 17(8) of the Listing Regulations for the financial year ended March 31, 2026 and is annexed to this report as **Annexure VID.**

Board's Report

15. Disclosure with respect to Demat Suspense Account/Unclaimed Suspense Account

The details regarding equity shares of the Company held in Unclaimed Suspense Account is detailed below:

S. No.	Particulars	No. of Shareholders	No. of Shares
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	1	41,760
2.	Number of shareholders who approached the Company for transfer of shares from suspense account during the financial year 2025-26	0	0
3.	Number of shareholders to whom shares were transferred from suspense account during the financial year 2025-26	0	0
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2026	1	41,760

Note: Voting rights on above shares remain frozen till the rightful owner claim these shares.

16. Transfer of unclaimed/unpaid amount to the Investor Education and Provident Fund

The Company does not have any instances of transferring any amount to the Investor Education and Provident Fund.

17. Disclosure of certain types of agreements binding listed entity

There are no agreements impacting management or control of the Company or imposing any restriction or creating any liability upon the Company.

18. Disclosure of accounting treatment

The financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The material accounting policies which are consistently applied have been set out in the notes to the financial statements.

For and on behalf of the Board of Directors of
Ather Energy Limited

Tarun Sanjay Mehta
Executive Director & CEO
DIN: 06392463

Place: Bengaluru
Date: May 04, 2026

Swapnil Babanlal Jain
Executive Director & CTO
DIN: 06682759

Place: Bengaluru
Date: May 04, 2026

Board's Report

Annexure VIA

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Ather Energy Limited
CIN: L40100KA2013PLC093769
3rd Floor, Tower D, IBC Knowledge Park,
4/1, Bannerghatta Main Road,
Bengaluru-560029, Karnataka.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Ather Energy Limited** having CIN - L40100KA2013PLC093769 and registered office at 3rd Floor, Tower D, IBC Knowledge Park, 4/1, Bannerghatta Main Road, Bengaluru-560029, Karnataka (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of the Director	DIN	Designation
1.	Mr. Tarun Sanjay Mehta	06392463	Whole-time Director & CEO
2.	Mr. Swapnil Babanlal Jain	06682759	Whole-time Director & CTO
3.	Mr. Ram Kuppuswamy	09817635	Non-executive Director
4.	Ms. Neelam Dhawan	00871445	Non-executive Independent Director
5.	Mr. Sanjay Nayak	01049871	Non-executive Independent Director
6.	Mr. Kaushik Dutta	03328890	Non-executive Independent Director
7.	Mr. Pankaj Sood	05185378	Non-Executive Director
8.	Mr. Vivek Anand	06891864	Non-Executive Director

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BMP & Co. LLP
Company Secretaries

CS Biswajit Ghosh
Partner
FCS No.: 8750 CP. No.: 8239
UDIN No.: F008750H000248132
Peer Review Certificate No.: 6387/2025

Date: May 04, 2026
Place: Bengaluru

Board's Report

Annexure VIB

DECLARATION ON CODE OF CONDUCT

[Regulation 34(3), read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Ather Energy Limited
CIN: L40100KA2013PLC093769
3rd Floor; Tower D IBC Knowledge Park,
4/1, Bannerghatta Main Road,
Bengaluru-560029, Karnataka.

I, Tarun Sanjay Mehta, Executive Director & Chief Executive Officer of the Company, declare that all the members of the Board of Directors and Senior Managerial Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the FY26.

For Ather Energy Limited

Tarun Sanjay Mehta
Executive Director & CEO
DIN: 06392463

Place: Bengaluru
Date: May 04, 2026

Board's Report

Annexure VIC

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

[Schedule V, Para E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Ather Energy Limited
CIN: L40100KA2013PLC093769
3rd Floor, Tower D, IBC Knowledge Park,
4/1, Bannerghatta Main Road,
Bengaluru-560029, Karnataka.

We have examined the compliance of conditions of Corporate Governance by Ather Energy Limited ("the Company") having CIN: L40100KA2013PLC093769, for the purpose of certifying of the Corporate Governance under Regulation 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the period April 01, 2025, to March 31, 2026. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company to ensure compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BMP & Co. LLP
Company Secretaries

CS Biswajit Ghosh
Partner
FCS No.: 8750 CP. No.: 8239
UDIN No.: F008750H000248099
Peer Review Certificate No.: 6387/2025

Date: May 04, 2026
Place: Bengaluru

Board's Report

Annexure VID

COMPLIANCE CERTIFICATE

As per Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors,
Ather Energy Limited
3rd Floor, Tower D, IBC Knowledge Park,
#4/1 Bannerghatta Main Road,
Bengaluru 560 029, Karnataka, India

Dear Sir/Madam,

This is to certify that:

a. We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2026 and that to the best of our knowledge and belief:

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2026 under review which are fraudulent, illegal or violative of the Company's Code of Conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee:

   i. There are no significant changes in internal control over financial reporting during the year ended March 31, 2026;

   ii. There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Ather Energy Limited

Tarun Sanjay Mehta
Executive Director & CEO
DIN: 06392463
Place: Bengaluru
Date: May 04, 2026

Sohil Dilipkumar Parekh
Chief Financial Officer
PAN: ALUPP4103G
Place: Bengaluru
Date: May 04, 2026

Independent Auditor's Report

To The Members of Ather Energy Limited (formerly known as Ather Energy Private Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Ather Energy Limited (formerly known as Ather Energy Private Limited) (the "Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its loss and other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Intangible assets under development (Refer note 2e to the financial statements) The Company has various internally generated intangible projects under development. Initial recognition of the development expenditure under these projects is based on assessing each project in relation to specific recognition criteria that needs to be met for capitalisation. Due to the materiality of the assets under development recognised and the level of management judgement involved, initial recognition and measurement of internally generated intangible assets under development has been considered as a key audit matter.	Principal audit procedures performed included the following: - Assessed whether the Company's Internally generated intangible assets- research and development expenditure accounting policy is in compliance with Ind AS 38 "Intangible Assets". - We assessed the design, implementation and operating effectiveness over management process of identifying and capitalising the development expenditure in accordance with the accounting principles of capitalisation of expenditure on internally generated intangible assets as per Ind AS 38. - For sample selected, we performed test of details to verify the appropriateness of the capitalisation.

Independent Auditor's Report

Independent Auditor's Report

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report including the Annexures to the Board report and Management Discussion and Analysis but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
   d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
   e. On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
   f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

Independent Auditor's Report

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 35 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 48(A) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 48(B) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

Gurvinder Singh
(Partner)
(Membership No. 110128)
(UDIN: 26110128PFTQDY6670)

Place: Bengaluru
Date: May 04, 2026

Independent Auditor's Report

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to financial statements of Ather Energy Limited (formerly known as Ather Energy Private Limited) (the "Company") as at March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's

Independent Auditor's Report

assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

Gurvinder Singh
(Partner)
(Membership No. 110128)
(UDIN: 26110128PFTQDY6670)

Place: Bengaluru
Date: May 04, 2026

Independent Auditor's Report

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work in progress and relevant details of right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment, were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties and hence reporting under clause (i)(c) of the Order is not applicable. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as right of use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(d) The Company has not revalued any of its property, plant and equipment including right of use asset and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and nature of its operations. For the stock held with third party at the year end, written confirmation has been obtained and in respect of goods-in-transit, the goods have been received subsequent to the year end. No discrepancies of 10 % or more in the aggregate for each class of inventories noticed on such physical verification of inventories / alternate procedures performed as applicable, when compared with books of accounts.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statements comprising stock statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) The Company has not made any investments in, provided any guarantee or security, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has granted unsecured loans or advances in the nature of loans, to other parties, in respect of which:

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

(b) The terms and conditions of loan granted or advances in the nature of loans, are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet

(e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

Independent Auditor's Report

(iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of manufacturing of one of the products. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

a. Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income-tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities. We have been informed that the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Rs. in Crores)	Amount unpaid (Rs. in Crores)
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	FY 2016-17	0.01*	0.01
The Customs Act, 1962	Duty of Custom	Customs Excise and Service Tax Appellate Tribunal	FY 2018-19 and FY 2019-20	0.16	0.15
The Integrated Goods and Services Tax Act, 2017	The Integrated Goods and Services Tax	Commissioner of State Taxes (Appeals)	FY 2019-20	0.15	0.13
The Integrated Goods and Services Tax Act, 2017	The Integrated Goods and Services Tax	Commissioner of State Taxes (Appeals)	FY 2022-23	76.33	70.34
The Integrated Goods and Services Tax Act, 2017	The Integrated Goods and Services Tax	Commissioner of State Taxes (Appeals)	FY 2023-24	2.77	2.77

*represents penalty amount

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(f) of the Order is not applicable.

Independent Auditor's Report

(x) (a) In our opinion, moneys raised by way of initial public offer during the year have been, applied by the Company for the purposes for which they were raised, other than temporary deployment in bank deposits and placed in current accounts as on March 31, 2026, pending application of proceeds.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit report issued to the Company during the year for the period under audit.

(xv) In our opinion, during the year, the Company has not entered into any non-cash transactions with any of its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) The Group does not have any CIC as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

((xvii) The Company has incurred cash losses amounting to Rs. 318.74 crores during the financial year covered by our audit and Rs. 578.63 crores in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company is having net worth of rupees five hundred crore or more during the immediately preceding financial year, hence the provisions under Section 135 of the Act is applicable to the Company during the year. However, considering that the Company has been incurring losses in the preceding three financial year, no amount is required to be spent by the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

Gurvinder Singh
(Partner)
(Membership No. 110128)
(UDIN: 26110128PFTQDY6670)

Place: Bengaluru
Date: May 04, 2026

Balance Sheet

As at March 31, 2026

CIN: L40100KA2013PLC093769

(Amounts in ₹ crores, unless otherwise stated)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	2(a)	307.31	267.36
Right of use assets	2(b)	218.35	244.30
Capital work-in-progress	2(c)	102.61	5.67
Intangible assets	2(d)	101.71	104.30
Intangible assets under development	2(e)	237.57	116.27
Financial assets			
(i) Other financial assets	3	44.82	33.30
Other non-current assets	4	334.24	172.55
TOTAL - NON CURRENT ASSETS		**1,346.61**	**943.75**
CURRENT ASSETS			
Inventories	5	281.56	244.63
Financial assets			
(i) Investments	6	552.01	41.00
(ii) Trade receivables	7	8.30	11.84
(iii) Cash and cash equivalents	8	111.94	69.80
(iv) Bank balances other than (iii) above	9	711.21	300.63
(v) Loans	10	0.17	0.42
(vi) Other financial assets	3	1,300.00	135.15
Current tax assets	11	4.42	4.66
Other current assets	4	405.29	348.73
TOTAL - CURRENT ASSETS		**3,374.90**	**1,156.86**
TOTAL ASSETS		**4,721.51**	**2,100.61**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	38.27	29.06
Other equity	13	2,534.36	463.93
TOTAL - EQUITY		**2,572.63**	**492.99**
LIABILITIES			
NON CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings	14	367.42	116.86
(ii) Lease liabilities	15	120.62	143.08
(iii) Other financial liabilities	16	6.93	11.94
(iv) Provisions	17	95.40	79.21
(v) Other non-current liabilities	18	163.27	83.35
TOTAL - NON CURRENT LIABILITIES		**753.64**	**434.44**
CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings	14	145.65	332.99
(ii) Lease liabilities	15	30.53	26.29
(iii) Trade payables			
(A) Total outstanding dues of micro and small enterprises	19	58.06	48.35
(B) Total outstanding dues of creditors other than micro and small enterprises	19	771.96	512.55
(iv) Other financial liabilities	16	73.83	45.42
Other current liabilities	18	190.25	88.72
Provisions	17	124.96	118.86
TOTAL - CURRENT LIABILITIES		**1,395.24**	**1,173.18**
TOTAL EQUITY AND LIABILITIES		**4,721.51**	**2,100.61**

The accompanying notes 1-52 form an integral part of these financial statements.

As per our report of even date.

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration no.008072S

Gurvinder Singh
Partner
Membership no.110128

Place : Bengaluru
Date : May 04, 2026

For and on behalf of the board of directors of
Ather Energy Limited (formerly known as Ather Energy Private Limited)

Tarun Sanjay Mehta
Executive Director and Chief Executive Officer
DIN: 06392463

Swapnil Babanlal Jain
Executive Director and Chief Technical Officer
DIN: 06682759

Sohil Dilipkumar Parekh
Chief Financial Officer

Puja Aggarwal
Company Secretary and Compliance Officer

Place : Bengaluru
Date : May 04, 2026

Statement of Profit and Loss

For the year ended March 31, 2026

CIN: L40100KA2013PLC093769

(Amounts in ₹ crores, unless otherwise stated)

	Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
I	Revenue from operations	20	3,671.76	2,255.01
II	Other income	21	151.32	50.21
III	**Total income (I + II)**		**3,823.08**	**2,305.22**
IV	**Expenses**			
	Cost of material consumed	22	2,808.15	1,826.88
	Purchase of stock-in-trade	23	97.04	100.67
	Change in inventories of finished goods, stock-in-trade and work-in-progress	24	(7.58)	(50.80)
	Employee benefits expenses	25	481.60	412.38
	Finance costs	26	82.20	110.62
	Depreciation and amortisation expenses	27	172.89	171.02
	Other expenses	28	700.91	546.73
	Total expenses (IV)		**4,335.21**	**3,117.50**
V	**Loss before exceptional items and tax (III - IV)**		**(512.13)**	**(812.28)**
VI	**Exceptional items**	29	**5.04**	**-**
VII	**Loss before tax (V - VI)**		**(517.17)**	**(812.28)**
VIII	**Tax expense**			
	(1) Current tax	32	-	-
	(2) Deferred tax	32	-	-
	Total tax expense (VIII)		**-**	**-**
IX	**Loss for the year (VII - VIII)**		**(517.17)**	**(812.28)**
X	**Other comprehensive income**			
	(1) Items that will not be reclassified to profit or loss			
	Re-measurement gain / (loss) on defined benefit plans	34	0.42	(4.64)
	Income tax relating to above items		-	-
	Total other comprehensive income / (loss) for the year (X)		**0.42**	**(4.64)**
XI	**Total comprehensive loss for the year (IX+X)**		**(516.75)**	**(816.92)**
XII	**Loss per equity share in ₹ (face value of ₹ 1 each)**			
	(1) Basic	31	(13.99)	(32.24)
	(2) Diluted	31	(13.99)	(32.24)

The accompanying notes 1-52 form an integral part of these financial statements.

As per our report of even date.

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration no.008072S

Gurvinder Singh
Partner
Membership no.110128

Place : Bengaluru
Date : May 04, 2026

For and on behalf of the board of directors of
Ather Energy Limited (formerly known as Ather Energy Private Limited)

Tarun Sanjay Mehta
Executive Director and Chief Executive Officer
DIN: 06392463

Swapnil Babanlal Jain
Executive Director and Chief Technical Officer
DIN: 06682759

Sohil Dilipkumar Parekh
Chief Financial Officer

Puja Aggarwal
Company Secretary and Compliance Officer

Place : Bengaluru
Date : May 04, 2026

Statement of Changes in Equity

For the year ended March 31, 2026

CIN: L40100KA2013PLC093769

(Amounts in ₹ crores, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Equity Shares of ₹ 1 each		Equity Shares of ₹ 37 each	
	No. of Shares	Amount	No. of Shares	Amount
As at April 01, 2024	**1,11,030**	**0.01**	**3,530**	**0.00**
Issue of equity share during the year (refer note 12.1.1(i)(b))	9,07,236	0.09	-	-
Issue of bonus shares during the year (refer note 12.1.1(i)(c))	2,96,58,520	2.97	-	-
Issue of equity shares by sub-division of face value from ₹ 37 to ₹ 1 (refer note 12.1.1(i)(c))	1,30,610	0.01	(3,530)	(0.00)
Issue of equity shares by conversion of Compulsory Convertible Preference Shares (CCPS) (refer note 12.1.1 (i) (d))	25,98,36,073	25.98	-	-
As at 31 March 2025	**29,06,43,469**	**29.06**	**-**	**-**
Issue of equity shares during the year (refer note 12.1.1 (i) (a))	8,18,16,199	8.18	-	-
Shares issued on exercise of employee stock options during the year	1,02,13,496	1.02	-	-
As at 31 March 2026	**38,26,73,164**	**38.27**	**-**	**-**

B. INSTRUMENTS ENTIRELY EQUITY IN NATURE - COMPULSORILY CONVERTIBLE PREFERENCE SHARES (CCPS)

Particulars	Compulsorily convertible preference shares of ₹ 1 each		Compulsorily convertible preference shares of ₹ 10 each		Compulsorily convertible preference shares of ₹ 37 each	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
As at April 01, 2024	**74,732**	**0.01**	**7,35,227**	**0.74**	**23,490**	**0.09**
Issue of compulsorily convertible preference shares during the year (refer note 12.2.11 and 12.2.12)	-	-	-	-	-	-
Conversion of CCPS into Equity shares (refer note 12.2.12(ix))	(74,732)	(0.01)	(7,35,227)	(0.74)	(23,490)	(0.09)
As at March 31, 2025	**-**	**-**	**-**	**-**	**-**	**-**
As at March 31, 2026	**-**	**-**	**-**	**-**	**-**	**-**

Statement of Changes in Equity (Contd.)

For the year ended March 31, 2026

CIN: L40100KA2013PLC093769

(Amounts in ₹ crores, unless otherwise stated)

C. OTHER EQUITY

Particulars	Reserves and Surplus			Total
	Retained earnings	Securities Premium	Stock Options Outstanding Account	
As at April 01, 2024	**(2,909.26)**	**3,332.66**	**121.66**	**545.06**
Loss for the year	(812.28)	-	-	(812.28)
Other Comprehensive loss for the year	(4.64)	-	-	(4.64)
Issue of equity shares on settlement of stock options during the year (refer note 12.1.1(i)(b))	-	16.94	(17.01)	(0.07)
Issue of bonus equity shares by utilisation of security premium during the year (refer note 12.1.1(i)(c))	-	(2.97)	-	(2.97)
Charge against share based payments during the year	-	-	83.03	83.03
Modification of terms of employee share based payments	-	-	5.11	5.11
Issue of compulsorily convertible preference shares during the year (refer note 12.2.12(iii))	-	-	86.56	86.56
Conversion of Series F CCPS classified as stock options into equity shares (refer note 12.2.12 (vii))	-	85.65	(87.59)	(1.94)
Conversion of Series G CCPS classified as financial liability into equity shares (refer note 12.2.12 (viii))	-	597.75	-	597.75
Utilisation of Securities Premium for Conversion of CCPS into equity shares (refer note 12.2.12 (ix))	-	(20.97)	-	(20.97)
Stock options settled/cancelled during the year	-	-	(10.71)	(10.71)
Transfer to retained earnings on cancellation of stock options during the year	(5.98)	-	5.98	-
As at March 31, 2025	**(3,732.16)**	**4,009.06**	**187.03**	**463.93**
Loss for the year	(517.17)	-	-	(517.17)
Other Comprehensive income for the year	0.42	-	-	0.42
Charge against share based payments during the year	-	-	58.43	58.43
Transfer on account of exercise of employee stock options	-	125.30	(126.24)	(0.94)
Addition during the year on fresh issue of shares	-	2,617.82	-	2,617.82
Utilisation towards share issue expenses	-	(88.13)	-	(88.13)
As at March 31, 2026	**(4,248.91)**	**6,664.05**	**119.22**	**2,534.36**

The accompanying notes 1-52 form an integral part of these financial statements

As per our report of even date.

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration no.008072S

Gurvinder Singh
Partner
Membership no.110128

Place : Bengaluru
Date : May 04, 2026

For and on behalf of the board of directors of
Ather Energy Limited (formerly known as Ather Energy Private Limited)

Tarun Sanjay Mehta
Executive Director and Chief Executive Officer
DIN: 06392463

Swapnil Babanlal Jain
Executive Director and Chief Technical Officer
DIN: 06682759

Sohil Dilipkumar Parekh
Chief Financial Officer

Puja Aggarwal
Company Secretary and Compliance Officer

Place : Bengaluru
Date : May 04, 2026

Statement of Cash Flows

For the year ended March 31, 2026

CIN: L40100KA2013PLC093769

(Amounts in ₹ crores, unless otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flows from operating activities		
Loss before tax	(517.17)	(812.28)
Adjustments for:		
Depreciation and amortisation expense	172.89	171.02
Warranty cost	60.35	60.17
Assets discarded	0.18	1.27
Finance costs	82.20	110.62
(Reversal) / Allowance for doubtful advance and receivables (net)	(1.72)	8.90
Provision/Liability no longer required written back	(0.02)	(7.54)
Sundry balances written off	0.02	0.01
Unrealized foreign exchange loss / (gain) (net)	3.29	(1.72)
Share based payment expense, (net)	58.43	83.14
Interest income	(133.32)	(19.01)
Gain on sale of property, plant and equipment, (net)	-	(0.02)
Gain on termination of lease	-	(0.26)
Net gain on disposal / fair valuation of investments carried at fair value through profit & loss	(17.20)	(21.80)
Operating loss before working capital changes	**(292.07)**	**(427.50)**
Changes in working capital:		
(Increase)/decrease in inventories	(36.93)	(127.84)
(Increase)/decrease in trade receivables	3.53	(10.38)
(Increase)/decrease in other financial assets	35.18	(34.41)
(Increase)/decrease in other assets	(101.19)	(137.80)
Increase / (decrease) in trade payables	267.65	159.37
Increase / (decrease) in other financial liabilities	21.25	(93.85)
Increase / (decrease) in other liabilities and provisions	134.23	(46.04)
Cash generated from / (used in) operations	**31.65**	**(718.45)**
Income taxes refund / (paid) (net)	0.24	(2.25)
Net cash generated from / (used in) operating activities	**31.89**	**(720.70)**
B. Cash flows from investing activities		
Capital expenditure on property, plant and equipment and intangible assets, capital work in progress and intangible assets under development including capital advances and payable on purchase of property, plant and equipment.	(506.07)	(339.00)
Proceeds from disposal of property, plant and equipment	0.35	0.04
Investments in term deposits	(3,728.80)	(245.00)
Redemption of term deposits	2,121.91	153.80
(Investments in) / Proceeds from mutual funds (net)	(534.04)	12.60
Interest received	120.14	39.40
Net cash used in investing activities	**(2,526.51)**	**(378.16)**
C. Cash flows from financing activities		
Proceeds from issue of compulsorily convertible preference shares (including securities premium)	-	86.61
Proceeds from issue of equity shares (including securities premium, net off IPO expenses)	2,540.03	-
Proceeds from exercise of employee stock option plan	0.07	-
Principal Payment of lease liabilities	(25.77)	(21.14)
Proceeds from non- current borrowings (including current maturities)	548.71	410.00

Statement of Cash Flows (Contd.)

For the year ended March 31, 2026

CIN: L40100KA2013PLC093769

(Amounts in ₹ crores, unless otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Repayment of non- current borrowings (including current maturities)	(395.48)	(258.33)
(Repayment) / Proceeds from current borrowings (net)	(86.17)	583.00
Finance costs	(84.86)	(97.25)
Net cash generated from financing activities	**2,496.53**	**702.89**
Net increase / (decrease) in cash and cash equivalents	**1.91**	**(395.97)**
Cash and cash equivalents at the beginning of the year	69.80	227.90
Liquid mutual funds at the beginning of the year	40.23	278.10
Cash and cash equivalents at the end of the year	**111.94**	**110.03**
Reconciliation of cash and cash equivalents		
Cash on hand	0.32	0.09
Balances with banks in current accounts and term deposits	111.62	69.71
Liquid mutual funds	-	40.23
Total	**111.94**	**110.03**

Notes:

1. The above Statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows".
2. Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, are given below:

Particulars	As at April 01, 2025	Net cash flows	Changes in fair values / Accruals	Unrealised foreign exchange fluctuation	Others#	As at March 31, 2026
Non-current borrowings (including current maturities)	364.23	153.23	(4.39)	-	-	513.07
Current borrowings	85.62	(86.17)	-	0.55	-	-
Interest accrued	-	(84.86)	84.86	-	-	-
Lease liabilities	169.37	(25.77)	-	-	7.55	151.15
Total	**619.22**	**(43.57)**	**80.47**	**0.55**	**7.55**	**664.22**

#Others includes ₹ 7.55 crores on account of addition of new leases (net of reversal of lease liability on termination of leases).

Particulars	As at April 01, 2024	Net cash flows	Changes in fair values / Accruals	Unrealised foreign exchange fluctuation	Others*	As at March 31, 2025
Non-current borrowings (including current maturities)	211.36	151.67	1.20	-	-	364.23
Current borrowings	103.54	583.00	(0.22)	(0.70)	(600.00)	85.62
Interest accrued	0.10	(97.25)	97.15	-	-	-
Lease liabilities	162.84	(21.14)	-	-	27.67	169.37
Total	**477.84**	**616.28**	**98.13**	**(0.70)**	**(572.33)**	**619.22**

*Others includes ₹ (600.00) crores on account of conversion of Series G CCPS classified as financial liability into equity shares (refer note 12.2.12 (viii)) and ₹ 27.67 crores on account of addition of new leases (net of reversal of lease liability on termination of leases).

The accompanying notes 1-52 form an integral part of these financial statements.

As per our report of even date.

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration no.008072S

Gurvinder Singh
Partner
Membership no.110128

Place : Bengaluru
Date : May 04, 2026

For and on behalf of the board of directors of
Ather Energy Limited (formerly known as Ather Energy Private Limited)

Tarun Sanjay Mehta
Executive Director and Chief Executive Officer
DIN: 06392463

Swapnil Babanlal Jain
Executive Director and Chief Technical Officer
DIN: 06682759

Sohil Dilipkumar Parekh
Chief Financial Officer

Puja Aggarwal
Company Secretary and Compliance Officer

Place : Bengaluru
Date : May 04, 2026

Notes to the Financial Statements

For the year ended March 31, 2026

1. MATERIAL ACCOUNTING POLICIES

1.1 Corporate Information

Ather Energy Limited (Formerly known as Ather Energy Private Limited) ('the Company') (CIN: L40100KA2013PLC093769) is a pure-play EV company selling electric two-wheelers (E2Ws) and associated product ecosystem comprising software, charging infrastructure and smart accessories, all of which are conceptualised and designed by Ather in India. The Company is engaged in the development, manufacturing, and distribution of E2Ws and related products. The Company is incorporated and domiciled in India. The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on June 21, 2024 and consequently the name of the Company has changed to Ather Energy Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies on August 27, 2024. The Company has completed its Initial Public Offer (IPO) and accordingly the Company's equity shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on May 06, 2025. The Company's registered office is located at 3rd floor, Tower D, IBC knowledge park, #4/1, Bannerghatta main road, Bengaluru, Karnataka, India, 560029.

These financial statements for the year ended March 31, 2026, have been approved by the Board of Directors and authorised for issuance on May 04, 2026.

1.2 Basis of Preparation

The financial statements of the Company comprise of the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other comprehensive income), the Statement of Changes in Equity, the Statement of Cash Flows for the year ended on that date, and notes to financial statements, including a summary of material accounting policies, and other explanatory information (collectively, the "financial statements").

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act, on an accrual basis.

The financial statements have been prepared on a historical cost basis, except for certain financial instruments, defined benefit liabilities and share based payment arrangements that are measured at fair value at the end of each reporting year, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency and all values are rounded to the nearest crore, except when otherwise indicated. The comparative figures have been converted from ₹ million to ₹ crore to maintain the consistency in presentation, any minor variances arising from this change are solely attributable to rounding off adjustments. The number '0.00' in financial statements denotes amount less than ₹ 50,000.

1.3 Summary of Material Accounting Policies

1.3.1 Current versus non- current classification

The Company presents assets and liabilities in the financial statements based on current/ non-current classification.

An asset is classified as current when it satisfies any of the following criteria;

a) It is expected to be realized in, or is intended for sale or consumption in the Company's normal operating cycle;

b) It is held primarily for the purpose of being traded;

c) It is expected to be realized within twelve months after the reporting date; or

d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria;

a) It is expected to be settled in the Company's normal operating cycle;

b) It is held primarily for the purpose of being traded;

c) It is due to be settled within twelve months after the reporting date; or

d) It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

The Company has determined its operating cycle as twelve months for the above purpose of classification as current and non-current.

1.3.2 Fair Value Measurement

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

c) The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

For recurring and non-recurring fair value measurements categorised within Level 3 of the fair value hierarchy, mention a description of the valuation processes used by the entity (including, for example, how an entity decides its valuation policies and procedures and analyses changes in fair value measurements from period to period).

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Notes to the Financial Statements

For the year ended March 31, 2026

1.3.3 Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected. Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

a. Intangible assets and intangible assets under development

Capitalisation of cost in intangible assets and intangible assets under development is based on management's judgement that technological and economic feasibility is confirmed and asset under development will generate economic benefits in future. Based on the impairment assessment carried out, the Company's management has determined that these assets have not suffered any impairment loss.

b. Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c. Provisions and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in the financial statements. Contingent loss that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Contingent gains are not recognized until the contingency has been resolved and amounts are received or receivable.

The Company is a party to certain tax and other disputes with government authorities. Due to the uncertainty associated with such cases, it is possible that, on conclusion of such matters at a future date, the final outcome may differ significantly.

d. Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date. As at reporting date, management assessed that the useful lives represent the expected utility of the assets to the Company.

e. Provision for warranty

Provisions for warranty-related costs are recognized when the products are sold by the Company. Provision is estimated based on historical experience and/or technical estimates. Provisions are discounted, where necessary, to its present value based on the best estimate required to settle the obligation at the balance sheet date. In certain cases, the Company also has back-to-back contractual arrangement with its suppliers in the event that a vehicle fault is proven to be a supplier's fault. These are reviewed at each reporting date and adjusted to reflect the current best estimates (net of recoveries from vendors).

Notes to the Financial Statements

For the year ended March 31, 2026

f. Share based payment

Employees of the Company receive remuneration in the form of Share-based Payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions). In accordance with the Ind AS 102 Share-based Payment, the cost of equity-settled transactions is measured using the fair value method. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting year has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for a year represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

g. Inventories

The Company estimates the net realisable value (NRV) of its inventories by taking into account their estimated selling price, estimated cost of completion, estimated costs necessary to make the sale. Management periodically reviews the inventory listing to determine if any allowance should be accounted for in the financial statements for obsolete or slow-moving items, and to compare the carrying value of inventory items with their respective net realizable value.

h. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate to the lease being evaluated or for a portfolio of leases with similar characteristics.

1.3.4 Property, Plant and Equipment (PPE)

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes purchase price, related taxes, duties, freight, insurance, etc. attributable to the acquisition, installation of the PPE and borrowing cost if capitalisation criteria are met but excludes duties and taxes that are recoverable from tax authorities.

Machinery spares which can be used only in connection with an item of PPE and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to PPE is capitalised only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Material replacement cost is capitalized provided it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. When replacement cost is eligible for capitalization, the carrying amount of those parts that are replaced are derecognized. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful life.

Notes to the Financial Statements

For the year ended March 31, 2026

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

The Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Amount paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for their intended use before such date are disclosed under capital work-in-progress. The capital work- in-progress is carried at cost, comprising direct cost, related incidental expenses and attributable interest. No depreciation is charged on the capital work in progress until the asset is ready for their intended use.

Depreciation and Amortisation

Depreciation is provided on a pro rata basis on straight line method to allocate the cost, net of residual value over the estimated useful lives of the assets.

Depreciation has been provided on the straight-line method based on the useful life as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets:

Description of Assets	Useful life and Basis of Depreciation based on the Management estimates
a) Plant and Machinery – Laboratory Equipment	2 -10 Years
b) Plant and Machinery – Moulds and Jigs	1 - 8 Years
c) Plant and Machinery – Other than above	2-15 years
d) Leasehold Improvements	Over the primary lease period or the life of the asset whichever is lower.
e) Internally built vehicles	3 years
f) Charging Infrastructure	5 years

The Company, based on technical assessment made by technical expert and Management estimate, depreciates above items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting year, with the effect of any changes in estimate accounted for on a prospective basis.

Right of use assets are depreciated over the primary lease period as the right to use of these assets ceases on expiry of the lease period.

Depreciation on additions is being provided on pro rata basis from the month of such additions.

Depreciation on assets sold, discarded or demolished during the year is being provided up to the month in which such assets are sold, discarded or demolished. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

1.3.5 Intangible Assets

Intangible assets acquired separately: Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses, if any.

Notes to the Financial Statements

For the year ended March 31, 2026

Internally-generated intangible assets – research and development expenditure: Expenditure on research activities is recognised as an expense in the statement of profit and loss in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use / sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in Statement of Profit and Loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

Interest cost incurred is capitalized up to the date the asset is ready for its intended use for qualifying assets, based on borrowings incurred specifically for financing the asset.

Useful lives of other intangible assets:

Other intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The management estimates the useful lives for its intangible assets as follows:

Description of Assets	Useful life and Basis of amortisation based on the Management estimates
a) Software	5 years
b) Patent & other intellectual property rights	5 years
c) Product development (internally generated intangible assets)	2 - 7 years

1.3.6 Impairment of tangible and intangible assets

The Company assesses on annual basis whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from

Notes to the Financial Statements

For the year ended March 31, 2026

other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

An assessment is made on annual basis as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

1.3.7 Inventories

Raw materials, components and stores & spare parts are valued at lower of cost determined on weighted average basis and estimated net realisable value. Cost includes purchase price, freight, taxes and duties and is net of Goods and Services Tax to the extent credit of the tax is availed of.

Work-in-progress and finished goods are valued at lower of cost and estimated net realisable value. Cost includes all direct costs including material procurement cost and appropriate proportion of overheads to bring the goods to the present location and condition.

Due allowance is made for slow/non-moving / obsolete items. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

1.3.8 Revenue from contract with customers and Other Income

Revenue from contract with customers

Revenue is recognised upon transfer of control of promised products or services to customers for an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue excludes taxes or duties collected on behalf of the Government.

- Sale of products

  The Company recognises revenues from sale of products measured at the amount of transaction price (net of variable consideration), when it satisfies its performance obligation at a point in time which is when products are delivered

Notes to the Financial Statements

For the year ended March 31, 2026

to customers, which is when control including risks and rewards and title of ownership pass to the customer, and when there is no longer any unfulfilled obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

The Company offers sales incentives in the form of variable marketing expense to customers, which vary depending on the timing and customer of any subsequent sale of the vehicle. This sales incentive is accounted for as a revenue reduction and is constrained to a level that is highly probable not to reverse the amount of revenue recognised when any associated uncertainty is subsequently resolved. The Company estimates the expected sales incentive by market condition and considers uncertainties including competitor pricing, ageing of retailer stock and local market conditions.

Revenues are recognised when collectability of the resulting receivable is reasonably assured.

- Sale of services

  Income from sale of services and extended warranties are recognised as income at a point in time or over the relevant period of service or extended warranty.

  When the Company sells bundled service and extended period of warranty, such services are treated as a separate performance obligation only if the service or warranty is having a different timing of performance obligation. In such cases, the transaction price allocated towards such service or extended period of warranty based on relative standalone selling price and is recognised as a contract liability until the service obligation has been met. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Company estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

  Sales of services include certain performance obligations that are satisfied over a period of time. Any amount received in advance in respect of such performance obligations that are satisfied over a period of time is recorded as a contract liability and recorded as revenue when service is rendered to customers. Refund liabilities comprise of obligation towards customers to pay for discounts and sales incentives.

Revenue is measured based on the transaction price, which is the consideration, adjusted for variable consideration on account of discounts and other incentives, if any, offered by the Company as a part of the contract with the customer. Revenue also excludes taxes or other amounts collected from customers. No element of financing is deemed present as the sale of goods / services are primarily on a "Cash and Carry" basis.

Contract balances

Trade receivables

A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment due. Refer to accounting policy on Financial instruments – initial measurement and subsequent measurement

Contract liabilities

A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

Warranty obligation

The Company provides warranties for general repairs of defects as per terms of the contract with ultimate customers. These warranties are considered as

Notes to the Financial Statements

For the year ended March 31, 2026

assurance type warranties and are accounted for under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. Warranty expenses is disclosed net of supplier reimbursements.

Other Income

- Interest income is recognised on the accrual basis. For all debt instruments measured at amortised cost, interest income is recognised on time proportion basis, taking into account the amount outstanding and effective interest rate.

1.3.9 Government Grants

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants/subsidy will be received.

When the grant or subsidy from the Government relates to an expense item, it is recognised as income on a systematic basis in the Statement of Profit and Loss over the period necessary to match them with the related costs, which they are intended to compensate.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset, i.e. by equal annual instalments. When loans or similar assistance are provided by Governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value of the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

1.3.10 Employee Benefits

I. Defined Contribution Plan

a. Provident Fund

Contributions in respect of Employees Provident Fund are made to the Regional Provident Fund. These Contributions are recognised as expense in the year in which the services are rendered. The Company has no obligation other than the contribution payable to the Regional Provident fund.

II. Defined Benefit Plan

a. Gratuity

The Company accounts its liability for future gratuity benefits based on actuarial valuation done by an independent actuary, as at the balance sheet date, determined every year using the Projected Unit Credit method. Actuarial gains/losses are immediately recognised in retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not re-classified to profit or loss in subsequent periods. Past service cost is recognised immediately to the statement of profit and loss. Net interest is calculated by applying a discount rate to the net defined benefit liability or asset. The defined benefit obligation recognised in the balance sheet represents the present value of the Defined Benefit Obligation less the Fair Value of Plan Assets out of which the obligations are expected to be settled.

b. Compensated Absences

Accumulated leave (earned leave) can be availed and encashed on termination of employment, subject to terms and conditions of the scheme, the liability is recognised on the basis of an independent actuarial valuation. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

III. Short Term Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet. Short term employee benefits include short term compensated absences which is recognized based on the eligible leave credits on the balance sheet date, and the estimated cost is based on the terms of the employment contract.

1.3.11 Leases

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves– (a) the use of an identified asset, (b) the right to obtain substantially all the economic benefits from use of the identified asset, and (c) the right to direct the use of the identified asset.

As a lessee: The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at the present value of the future lease payments at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

Lease liabilities include the net present value of the following lease payments:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Company is reasonably certain to exercise; and
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method.

Notes to the Financial Statements

For the year ended March 31, 2026

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

1.3.12 Foreign Currency Transactions

Initial recognition

Transactions in foreign currencies entered by the Company are accounted at the exchange rates prevailing on the date of the transaction.

Measurement as at Balance Sheet date

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at reporting date exchange rates.

Non-monetary items carried at historical cost are translated using the exchange rates at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

Treatment of Exchange Differences

Exchange differences arising on settlement/ restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

1.3.13 Taxes on Income

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the Statement of Profit and Loss except to the extent it relates to items recognised directly in equity, in which case it is recognised in equity.

Current Tax is the amount of tax payable on the taxable income for the year and is determined in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Notes to the Financial Statements

For the year ended March 31, 2026

1.3.14 Provisions and Contingencies

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Provisions for warranty-related costs are recognized when the products are sold. Provision is estimated based on historical experience and/or technical estimates. The estimate of such warranty-related costs is reviewed on a annual basis.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Provisions for the costs to restore leased assets to their original condition, as required by the terms and conditions of the lease, are recognised when the obligation is incurred, either at the commencement date or as a consequence of having used the underlying asset during a particular period of the lease, at the Company's best estimate of the expenditure that would be required to restore the assets. Estimates are regularly reviewed and adjusted as appropriate for new circumstances.

1.3.15 Borrowing Costs

Borrowing Costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the borrowing costs. Borrowing Costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date the asset is ready for its intended use is added to the cost of the assets. Capitalisation of Borrowing Costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are expensed in the period they occur.

1.3.16 Earnings Per Share

Basic Earnings Per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares (including equivalent number of equity shares on conversion of compulsorily convertible preference shares) outstanding during the year.

The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

Notes to the Financial Statements

For the year ended March 31, 2026

Notes to the Financial Statements

For the year ended March 31, 2026

1.3.17 Employees Stock Option

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the year in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity settled transactions at each reporting date until the vesting date reflects the extent to which the vesting year has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a year represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

1.3.18 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer accounting policy on 'Revenue from contracts with customers'.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

a. Financial assets at amortised cost

b. Financial assets at fair value through other comprehensive income (OCI)

c. Financial assets at fair value through profit or loss

d. Equity instruments measured at Fair Value Through Other Comprehensive Income

a. Financial assets at amortised cost

A financial asset is subsequently measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

b. Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business where the objective is achieved by both collecting contractual cash flows and selling financial assets and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After the initial measurement, such financial assets are subsequently measured at fair value at each reporting date. Fair value movement are recognised in the other comprehensive income and impairment are recognised in statement of profit & loss. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

c. Financial assets at fair value through profit or loss

A financial assets which is not classified in any of the above categories are subsequently fair valued through profit or loss.

d. Equity instruments measured at Fair Value Through Other Comprehensive Income

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through profit or loss. For all other equity instruments, the Company decides to classify the same either as at Fair value through other comprehensive income or fair value through profit or loss. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at fair value through other comprehensive income, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the fair value through profit or loss category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iii. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognised when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred substantially all the risks and rewards of the asset.

iv. Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

Notes to the Financial Statements

For the year ended March 31, 2026

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The presentation for various financial instruments in the Balance Sheet is described below:

- Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

B. Financial liabilities

i. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include derivatives, financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in the Statement of Profit and Loss. These gains/ losses are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.3.19 Equity

The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided. The transaction costs attributable to new issuance of shares is deferred on the balance sheet and recognized in equity once the instrument is issued.

1.3.20 Statement of Cash Flow

Statement of Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.3.21 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value. Any cash or bank balance held for any specific use is not considered as cash & cash equivalent.

1.3.22 Exceptional items

Exceptional items comprise income or expenses arising from events or transactions that are significant by virtue of their size, nature, or incidence and are not expected to recur frequently in the normal course of business. These items, though arising from ordinary activities, are considered exceptional when their separate disclosure is necessary to enable users to obtain a proper understanding of the Company's financial performance. Accordingly, such items are presented separately in the Statement of Profit and Loss.

1.3.23 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2026, MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, whereby MCA has amended certain Indian Accounting standards which are applicable to the company w.e.f. April 01, 2025.

The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Notes to the Financial Statements

For the year ended March 31, 2026

(Amounts in ₹ crores, unless otherwise stated)

Note no. 2 (a)
PROPERTY, PLANT AND EQUIPMENT

Particulars	Leasehold Improvements	Plant & Machinery	Furniture and Fittings	Vehicles	Office Equipment	Electronic Equipment	IT equipment	Charging Infrastructure	Total
Gross Carrying Amount									
Balance as at April 01, 2024	**36.65**	**184.18**	**6.34**	**4.53**	**11.31**	**6.61**	**24.92**	**13.40**	**287.94**
Additions	5.03	94.91	1.48	3.21	2.08	2.57	7.67	8.70	125.65
Disposals	(0.61)	(1.40)	(0.03)	(0.01)	(0.03)	(0.16)	(1.10)	(1.50)	(4.84)
Balance as at March 31, 2025	**41.07**	**277.69**	**7.79**	**7.73**	**13.36**	**9.02**	**31.49**	**20.60**	**408.75**
Additions	10.03	78.63	2.11	0.62	3.29	3.64	10.47	10.53	119.32
Disposals	(1.59)	(1.10)	(0.71)	(1.62)	(0.29)	(0.07)	(1.67)	(0.31)	(7.36)
Balance as at March 31, 2026	**49.51**	**355.22**	**9.19**	**6.73**	**16.36**	**12.59**	**40.29**	**30.82**	**520.71**
Accumulated depreciation									
Balance as at April 01, 2024	**19.63**	**50.97**	**1.97**	**1.60**	**4.64**	**3.03**	**14.06**	**4.87**	**100.77**
Depreciation expense for the year	5.47	22.22	0.71	1.91	2.12	0.87	6.03	4.92	44.25
Disposals	(0.60)	(0.51)	(0.02)	(0.01)	(0.02)	(0.12)	(1.04)	(1.31)	(3.63)
Balance as at March 31, 2025	**24.50**	**72.68**	**2.66**	**3.50**	**6.74**	**3.78**	**19.05**	**8.48**	**141.39**
Depreciation expense for the year	6.07	54.76	0.85	1.88	2.46	1.21	6.64	3.98	77.85
Disposals	(1.30)	(0.84)	(0.42)	(1.20)	(0.24)	(0.07)	(1.58)	(0.19)	(5.84)
Balance as at March 31, 2026	**29.27**	**126.60**	**3.09**	**4.18**	**8.96**	**4.92**	**24.11**	**12.27**	**213.40**
Carrying amount (net)									
As at March 31, 2025	**16.57**	**205.01**	**5.13**	**4.23**	**6.62**	**5.24**	**12.44**	**12.12**	**267.36**
As at March 31, 2026	**20.24**	**228.62**	**6.10**	**2.55**	**7.40**	**7.67**	**16.18**	**18.55**	**307.31**

Notes:

(a) The above assets are owned by the Company unless otherwise specified.

(b) Refer note 14 for details of property, plant and equipment hypothecated as security towards borrowings

Notes to the Financial Statements

For the year ended March 31, 2026

(Amounts in ₹ crores, unless otherwise stated)

Note no. 2 (b)
RIGHT OF USE ASSETS

Particulars	Buildings	Leasehold Land	Total
Gross Carrying Amount			
Balance as at April 01, 2024	198.35	-	198.35
Additions (refer note (a) below)	30.24	96.77	127.01
Disposals	(10.25)	-	(10.25)
Balance as at March 31, 2025	**218.34**	**96.77**	**315.11**
Additions	8.85	-	8.85
Disposals	(1.36)	-	(1.36)
Balance as at March 31, 2026	**225.83**	**96.77**	**322.60**
Accumulated depreciation			
Balance as at 01 April 2024	49.51	-	49.51
Depreciation expense for the year, net (refer note (b) below)	30.18	0.68	30.86
Disposals	(9.56)	-	(9.56)
Balance as at March 31, 2025	**70.13**	**0.68**	**70.81**
Depreciation expense for the year, net (refer note (b) below)	33.14	1.02	34.16
Disposals	(0.72)	-	(0.72)
Balance as at March 31, 2026	**102.55**	**1.70**	**104.25**
Carrying amount (net)			
As at March 31, 2025	**148.21**	**96.09**	**244.30**
As at March 31, 2026	**123.28**	**95.07**	**218.35**

Notes:

(a) During the year ended March 31, 2025, the Board of Directors of the Company in its meeting held on June 06, 2024 approved investment in approximately 100 acres parcel of land located in Chhatrapati Sambhaji Nagar, Maharashtra on a long-term lease for setting up a project for the manufacturing of Electric Two Wheelers. The Company has entered into sublease agreement with the Maharashtra Industrial Township Limited on August 01, 2024 for leasing of the piece and parcel of the land admeasuring 3,97,976.74 square meters for a period of 95 years for a upfront lease payment of ₹ 95.51 crores and the same has been accounted under the head "Right of use assets".

(b) During the year ended March 31, 2026, Depreciation expenses of ₹ 1.10 crores (year ended March 31, 2025: ₹ 0.68 crores) is capitalised as direct cost with respect to the new factory project which is currently under Capital Work-in-progress.

Movement in lease liabilities:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at the beginning of the year	169.37	162.84
Additions during the year	8.15	28.59
Interest expense during the year	18.59	18.90
Lease payments during the year	(44.36)	(40.04)
Reversal of lease liability on termination of lease during the year	(0.60)	(0.92)
Balance at the end of the year	**151.15**	**169.37**
Current lease liabilities	30.53	26.29
Non current lease liabilities	120.62	143.08

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	45.96	43.90
One to five years	89.92	118.54
More than five years	94.39	108.20
Total undiscounted lease liabilities	**230.27**	**270.64**

Rent and maintenance for the short term leases amounting to ₹ 29.41 crores is debited to Statement of Profit and Loss during the year ended March 31, 2026 (year ended March 31, 2025 : ₹ 15.30 crores).

Note no. 2 (c)
CAPITAL WORK-IN-PROGRESS

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	5.67	0.02
Net movement during the year	96.94	5.65
Balance at the end of the year	**102.61**	**5.67**

Capital work-in-progress (CWIP) ageing as at March 31, 2026

Particulars	Amount in CWIP for a year of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	97.13	5.48	-	-	102.61
Total	**97.13**	**5.48**	**-**	**-**	**102.61**

Capital work-in-progress (CWIP) ageing as at March 31, 2025

Particulars	Amount in CWIP for a year of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	5.67	-	-	-	5.67
Total	**5.67**	**-**	**-**	**-**	**5.67**

Note:
There are no projects for which completion is overdue compared to original plan and cost is not exceeding against the budgeted cost.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

Note no. 2 (d)
INTANGIBLE ASSETS

Particulars	Software	Patents & Other IP Rights	Product Development (Internally generated)	Total
Balance as at April 01, 2024	**15.50**	**0.94**	**285.10**	**301.54**
Additions	7.43	-	70.61	78.04
Disposals	-	-	-	-
Balance as at March 31, 2025	**22.93**	**0.94**	**355.71**	**379.58**
Additions	12.82	-	46.57	59.39
Disposals	(0.03)	-	-	(0.03)
Balance as at March 31, 2026	**35.72**	**0.94**	**402.28**	**438.94**
Accumulated amortisation and impairment				
Balance as at April 01, 2024	**9.24**	**0.94**	**168.51**	**178.69**
Amortisation expense for the year	2.53	-	94.06	96.59
Disposals	-	-	-	-
Balance as at March 31, 2025	**11.77**	**0.94**	**262.57**	**275.28**
Amortisation expense for the year	5.37	-	56.61	61.98
Disposals	(0.03)	-	-	(0.03)
Balance as at March 31, 2026	**17.11**	**0.94**	**319.18**	**337.23**
Carrying amount (net)				
As at March 31, 2025	**11.16**	**-**	**93.14**	**104.30**
As at March 31, 2026	**18.61**	**-**	**83.10**	**101.71**

Note no. 2 (e)
INTANGIBLE ASSETS UNDER DEVELOPMENT

Description of Assets	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	116.27	70.56
Net movement during the year	121.30	45.71
Balance at the end of the year (Refer note (a) below)	**237.57**	**116.27**

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

Intangible Assets Under Development Ageing schedule as at March 31, 2026

Intangible Assets Under Development	Amount in Intangible Assets Under Development for a year of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Project in progress	156.59	65.43	8.48	7.07	237.57
Total	**156.59**	**65.43**	**8.48**	**7.07**	**237.57**

Intangible Assets Under Development Ageing schedule as at March 31, 2025

Intangible Assets Under Development	Amount in Intangible Assets Under Development for a year of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Project in progress	99.85	9.34	0.01	7.07	116.27
Total	**99.85**	**9.34**	**0.01**	**7.07**	**116.27**

Note:
(a) There are no projects for which completion is overdue compared to original plan and cost is not exceeding against the budgeted cost.

Note : The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

NOTE - 3 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Unsecured considered good		
Security deposits	15.64	14.20
Term deposits (with balance maturity of more than 12 months) *	29.18	10.48
Deposits with lenders	-	8.62
Total	**44.82**	**33.30**
Current		
Unsecured considered good		
EV subsidy receivable#	74.92	90.98
Interest accrued on term deposits	11.83	0.20
Deposits with lenders and others	31.97	43.40
Term deposits*	1,177.56	-
Unbilled revenue	1.96	0.50
Other receivables	1.76	0.07
Total	**1,300.00**	**135.15**

* Lien marked against bank guarantees and term loan from banks ₹ 34.53 crores (March 31, 2025: ₹ 10.01 crores)
#net of allowance for doubtful receivable ₹ 10.02 crores (March 31, 2025: ₹ 12.13 crores)

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 4 OTHER ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Unsecured, considered good		
Balances with Government authorities	100.18	105.74
Prepaid expenses	112.47	57.91
Capital advances	121.59	8.90
	334.24	172.55
Unsecured, considered doubtful		
Capital advances	3.07	3.24
Less: Allowance for doubtful advance	(3.07)	(3.24)
Total	**334.24**	**172.55**
Current		
Unsecured, considered good		
Balances with Government authorities	339.11	284.49
Prepaid expenses	53.31	32.21
Share issue expenses	-	23.67
Advances to employees	0.41	0.47
Advance to vendors	12.46	7.89
	405.29	348.73
Unsecured, considered doubtful		
Advance to vendors	0.69	0.69
Less: Allowance for doubtful advance	(0.69)	(0.69)
Total	**405.29**	**348.73**

NOTE - 5 INVENTORIES

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials & components	141.72	130.74
Raw Materials-in-transit	66.09	46.10
Work-in-progress	1.75	-
Finished goods	42.12	32.36
Stock-in-trade	29.88	35.43
Total	**281.56**	**244.63**

Notes:
(a) Mode of valuation has been stated in note 1.3.7
(b) The value of inventories above is stated after net provisions of ₹ 22.61 crores (March 31, 2025: ₹ 13.99 crores) for write-down to net realisable value and provisions for slow-moving and obsolete items.
(c) Refer note 14 for details of inventory given as collateral towards borrowings.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 6 INVESTMENTS

	As at March 31, 2026	As at March 31, 2025
Investments carried at fair value through profit and loss		
Investments in quoted mutual funds (refer note 1 below)		
Aditya Birla Sun Life Money Manager Fund - Regular Plan 21,345.219 Units (March 31, 2025: 21,345.219 Units)	0.83	0.77
Aditya Birla Sun Life Overnight Fund - Direct Plan Nil (March 31, 2025: 72,544.881 Units)	-	10.02
Aditya Birla Sun Life Liquid Fund - Direct Plan 10,24,514.115 Units (March 31, 2025: Nil)	45.60	-
Axis Overnight Fund - Direct Plan Nil (March 31, 2025: 1,48,671.532 Units)	-	20.12
DSP Liquid Fund - Direct Plan 2,17,680.402 Units (March 31, 2025 : Nil)	85.78	-
DSP Savings Fund - Direct Plan 88,49,701.269 Units (March 31, 2025: Nil)	50.20	-
DSP Savings Fund - Regular Plan Nil (March 31, 2025: 73,557.351 Units)	-	10.09
HDFC Money Market Fund - Direct Plan 8,216.207 Units (March 31, 2025: Nil)	5.01	-
Axis Liquid Fund - Direct Plan 82,747.611 Units (March 31, 2025: Nil)	25.36	-
Axis Money Market Fund - Direct Plan 91.173 Units (March 31, 2025: Nil)	0.01	-
SBI Liquid Fund - Direct Plan 46,849.918 Units (March 31, 2025 : Nil)	20.17	-
Kotak Liquid Fund - Direct Plan 59,620.281 Units (March 31, 2025 : Nil)	33.18	-
Tata Money Market Fund - Direct Plan 49774.646 Units (March 31, 2025: Nil)	25.08	-
LIC MF Money Market Fund - Direct Plan 1,19,955.864 Units (March 31, 2025: Nil)	15.12	-
Nippon India Liquid Fund - Direct Plan 1,31,352.761 Units (March 31, 2025 : Nil)	88.59	-
ICICI Pru Liquid Fund - Direct Plan 23,24,927.876 Units (March 31, 2025 : Nil)	94.78	-
Invesco India Liquid Fund - Direct Plan 21,308.633 Units (March 31, 2025 : Nil)	8.06	-

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

	As at March 31, 2026	As at March 31, 2025
HDFC Liquid Fund - Direct Plan 1,00,265.52 Units (March 31, 2025:Nil)	54.24	-
	552.01	**41.00**
Investments in Commercial Paper of IL&FS Financial Services Limited	18.21	18.21
Less: Allowance for diminution in value of investments (refer note 2 below)	(18.21)	(18.21)
	-	-
Total	**552.01**	**41.00**
(a) Aggregate amount of quoted investments and market value thereof;	552.01	41.00
(b) Aggregate amount of unquoted investments; and	18.21	18.21
(c) Aggregate amount of impairment in value of investments.	(18.21)	(18.21)

Note 1: Detail of lien marked investments

	As at March 31, 2026	As at March 31, 2025
Name of the security		
Aditya Birla Sun Life Money Manager Fund - Regular Plan Nil (March 31, 2025: 21,345.219 units)	-	0.77
Total	**-**	**0.77**

Note 2: The Company invested in Commercial Paper (CP) of IL&FS Financial Services Limited (ILFS) with a maturity date of October 22, 2018. ILFS has defaulted on the payment on such maturity date. The Company has created provision for doubtful investment for 100% of the cost of investments on its evaluation of recoverability. The interest income on the CP has not been recognised in the Statement of Profit and Loss in the current year as well as previous year. However, during the previous year, the Company received a sum of ₹ 1.38 crores from IL&FS Financial Services Limited as a part of the Interim Distribution process and hence the Company had reversed the allowance made for diminution in the value of investment to the extent of amount received.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 7 TRADE RECEIVABLES

	As at March 31, 2026	As at March 31, 2025
Secured		
Trade Receivables - considered good	4.36	5.30
Unsecured		
Trade Receivables - considered good	3.94	6.54
Trade Receivables - Credit impaired	0.72	0.16
	9.02	**12.00**
Less : Allowance for credit impaired receivables	(0.72)	(0.16)
Total	**8.30**	**11.84**

Note:
(a) Refer note 14 for details of trade receivables given as collateral towards borrowings.
(b) Trade receivables from related party has been disclosed in note 36.
(c) Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

Trade receivables ageing as at March 31, 2026

Particulars	Outstanding for the following periods from transaction date						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
- Considered good	0.43	7.75	0.12	-	-	-	8.30
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	0.31	0.29	0.12	-	0.72
Disputed							-
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Total	**0.43**	**7.75**	**0.43**	**0.29**	**0.12**	**-**	**9.02**
Less : Allowance for credit impaired receivables							(0.72)
Total							**8.30**

Trade receivables ageing as at March 31, 2025

Particulars	Outstanding for the following periods from transaction date						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
- Considered good	-	11.33	0.51	-	-	-	11.84
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	0.16	-	-	0.16
Disputed							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Total	**-**	**11.33**	**0.51**	**0.16**	**-**	**-**	**12.00**
Less : Allowance for credit impaired receivables							(0.16)
Total							**11.84**

NOTE - 8 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	0.32	0.09
Balances with banks		
- in current accounts	78.12	69.71
- in term deposits accounts (with original maturity of less than 3 months)	33.50	-
Total	**111.94**	**69.80**

NOTE - 9 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Bank balances other than cash and cash equivalents		
- Earmarked deposits with banks*	63.70	67.70
- Term deposit accounts (with original maturity of more than 3 months but less than 12 months)	647.51	232.93
Total	**711.21**	**300.63**

*Lien marked against bank guarantee and term loan from banks

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 10 LOANS

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Unsecured, considered good		
Loans to employees	0.17	0.42
Total	**0.17**	**0.42**

NOTE - 11 CURRENT TAX ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Tax deduction at source	4.42	4.66
Total	**4.42**	**4.66**

NOTE - 12 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Authorised Capital				
Equity Share Capital				
Equity Shares of ₹ 1 each	1,00,00,00,000	100.00	60,00,00,000	60.00
Preference Share Capital				
Compulsorily Convertible Preference shares of ₹ 37 each	-	-	23,490	0.09
Series A Compulsorily Convertible Preference Shares of ₹ 1 each	-	-	74,732	0.01
Series B Compulsorily Convertible Preference Shares of ₹ 10 each	-	-	99,826	0.10
Series B1 Compulsorily Convertible Preference Shares of ₹ 10 each	-	-	29,347	0.03
Series C Compulsorily Convertible Preference Shares of ₹ 10 each	-	-	29,699	0.03
Series C1 Compulsorily Convertible Preference Shares of ₹ 10 each	-	-	20,688	0.02
Series D Compulsorily Convertible Preference Shares of ₹ 10 each	-	-	88,040	0.09
Series E Compulsorily Convertible Preference Shares of ₹ 10 each	-	-	1,93,789	0.19
Series E1 Compulsorily Convertible Preference Shares of ₹ 10 each	-	-	51,359	0.05
Series E2 Compulsorily Convertible Preference Shares of ₹ 10 each	-	-	2,29,120	0.23
Series F Compulsorily Convertible Preference Shares of ₹ 1 each	-	-	74,148	0.01
Compulsorily Convertible Preference Shares of ₹ 10 each	-	-	3,91,56,331	39.16
Total	**1,00,00,00,000**	**100.00**	**64,00,70,569**	**100.00**

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Issued, Subscribed and Paid up Share Capital				
Equity Share Capital (refer note 12.1 below)				
Equity Shares of ₹ 1 each	38,26,73,164	38.27	29,06,43,469	29.06
Preference Share Capital (instrument entirely equity in nature) (refer note 12.2 below)	-	-	-	-
TOTAL	**38,26,73,164**	**38.27**	**29,06,43,469**	**29.06**

Note: During the year ended March 31, 2025, the Company has issued 74,148 number of Series F Compulsorily convertible preference shares of ₹ 1 each and 1,65,28,925 number of Series G Compulsorily convertible preference shares of ₹ 10 each (refer note 12.2.11 and 12.2.12).

12.1. Equity Share Capital

12.1.1 Equity Shares of ₹ 1 each Fully paid up.

(i) Reconciliation of shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	29,06,43,469	29.06	1,11,030	0.01
Add: Issue of equity shares (refer note (a) and (b) below)	8,18,16,199	8.18	9,07,236	0.09
Add: Issue of bonus shares during the year (refer note (c) below)	-	-	2,96,58,520	2.97
Add: Issue of equity shares by sub-division of face value from ₹ 37 to ₹ 1 (refer note (c) below)	-	-	1,30,610	0.01
Add: Issue of equity shares by conversion of Compulsory Convertible Preference Shares (CCPS) (refer note (d) below)	-	-	25,98,36,073	25.98
Add: Shares issued on exercise of employee stock options during the year	1,02,13,496	1.02	-	-
Closing Balance	**38,26,73,164**	**38.27**	**29,06,43,469**	**29.06**

Notes :

(a) During the year ended March 31, 2026, the Company has completed Initial Public Offer ("IPO") of 9,28,67,945 equity shares of face value of ₹ 1 each at an issue price of ₹ 321 per share, comprising of fresh issue of 8,18,16,199 shares, out of which 8,17,16,199 equity shares were issued at an offer price of ₹ 321 per equity share to all the allottees and 1,00,000 equity shares were issued at an offer price of ₹ 291 per equity share, after a discount of ₹ 30 per equity share to employees aggregating to ₹ 2,626.00 crores and offer for sale of 1,10,51,746 equity shares by the selling shareholders aggregating to ₹ 354.80 crores. Pursuant to the IPO, the equity shares of the Company are listed on the National Stock Exchange ("NSE") and Bombay Stock Exchange ("BSE") on May 06, 2025.

(b) The Board of Directors of the Company vide their resolution dated July 04, 2024 approved the allotment of 9,07,236 Equity shares of ₹ 1 each (adjusted for Bonus Issuance) to Tarun Sanjay Mehta and Swapnil Babanlal Jain pursuant to exercise of stock options.

(c) The Board of Directors of our Company in its meeting held on June 18, 2024 and shareholders of our Company in the Extraordinary General Meeting held on June 21, 2024 approved the issuance of bonus equity share of ₹ 1 each in the ratio of 260:1 and 224:1 for the equity shares of ₹ 1 each and for the equity shares of ₹ 37 each respectively and also approved the sub-division of 3,530 equity shares of ₹ 37 each into 1,30,610 equity shares of ₹ 1 each. The conversion ratio of the Compulsory Convertible Preference Shares into Equity Shares and the employee stock options along with its price per option have been adjusted accordingly.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

(d) The Board of Directors vide their resolution dated February 25, 2025 approved the conversion of 74,148 Series F CCPS into 1,93,52,628 equity shares in the conversion ratio of 261:1 with the face value of ₹ 1 each ranking pari-passu with the existing equity shares of the Company (refer note 12.2.12 (vii)). Further, the Board of Directors vide their resolution dated 08 March, 2025 approved the conversion of Compulsory Convertible Preference Shares (Series Seed One, Series Seed Two, Series Seed Three and Series Seed Four), Series A, Series B, Series B1, Series C, Series C1, Series D, Series E, Series E1, Series E2, Series Bonus CCPS and Series G classes of Compulsory Convertible Preference Shares ("CCPS") issued and allotted by the Company from time to time aggregating to 1,73,62,374 Outstanding CCPS of the Company into 24,04,83,445 fully paid up equity shares of face value of ₹ 1 each ranking pari-passu with the existing equity shares of the Company (refer note 12.2.12 (viii) and (ix)).

(ii) Rights, preferences & restrictions attached to this class of share

Each holder of the equity shares is entitled to one vote per share and carries a right to dividends as and when declared by the Company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

12.1.2 Equity Shares of ₹ 37 each

(i) Reconciliation of shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	-	-	3,530	0.01
Add: Issue of equity shares by sub-division of face value from ₹ 37 to ₹ 1 (refer note 12.1.1(i)(c))	-	-	1,27,080	-
Less: Transfer to equity shares of ₹ 1 each post sub-division (refer note 12.1.1(i)(c))	-	-	(1,30,610)	(0.01)
Closing Balance	**-**	**-**	**-**	**-**

12.2. INSTRUMENT ENTIRELY EQUITY IN NATURE - COMPULSORILY CONVERTIBLE PREFERENCE SHARES (CCPS)

12.2.1 Compulsorily Convertible Preference shares of ₹ 37 each (CCPS)

(i) Reconciliation of shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	-	-	23,490	0.09
Add: Issued during the year	-	-	-	-
Less: Conversion of CCPS into Equity shares (refer note 12.2.12(ix) below)	-	-	(23,490)	(0.09)
Closing Balance	**-**	**-**	**-**	**-**

(ii) Rights, preferences & restrictions attached to this class of share

(a) Each preference share were to get converted into 261 equity share of ₹ 1 each (refer note 12.1.1(i) (c)) subject to adjustments for share splits, bonus etc. based on the subscription agreement not later than 20 years from date of issue from FY15.

(b) No dividend shall be payable.

(c) One vote per compulsorily convertible preference shares pari passu with the equity shares.

(d) Right over surplus assets on a pro-rata basis in the event of liquidation.

12.2.2 Series A Compulsorily Convertible Preference Shares of ₹ 1 each (CCPS)

(i) Reconciliation of shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	-	-	74,732	0.01
Add: Issued during the year	-	-	-	-
Less: Conversion of CCPS into Equity shares (refer note 12.2.12(ix) below)	-	-	(74,732)	(0.01)
Closing Balance	**-**	**-**	**-**	**-**

12.2.3 Series B Compulsorily Convertible Preference Shares of ₹ 10 each (CCPS)

(i) Reconciliation of shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	-	-	99,826	0.10
Add: Issued during the year	-	-	-	-
Less: Conversion of CCPS into Equity shares (refer note 12.2.12(ix) below)	-	-	(99,826)	(0.10)
Closing Balance	**-**	**-**	**-**	**-**

12.2.4 Series B1 Compulsorily Convertible Preference Shares of ₹ 10 each (CCPS)

(i) Reconciliation of shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	-	-	29,347	0.03
Add: Issued during the year	-	-	-	-
Less: Conversion of CCPS into Equity shares (refer note 12.2.12(ix) below)	-	-	(29,347)	(0.03)
Closing Balance	**-**	**-**	**-**	**-**

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

12.2.5 Series C Compulsorily Convertible Preference Shares of ₹ 10 each (CCPS)

(i) Reconciliation of shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	-	-	29,699	0.03
Add: Issued during the year	-	-	-	-
Less: Conversion of CCPS into Equity shares (refer note 12.2.12(ix) below)	-	-	(29,699)	(0.03)
Closing Balance	-	-	-	-

12.2.6 Series C1 Compulsorily Convertible Preference Shares of ₹ 10 each (CCPS)

(i) Reconciliation of shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	-	-	20,688	0.02
Add: Issued during the year	-	-	-	-
Less: Conversion of CCPS into Equity shares (refer note 12.2.12(ix) below)	-	-	(20,688)	(0.02)
Closing Balance	-	-	-	-

12.2.7 Series D Compulsorily Convertible Preference Shares of ₹ 10 each (CCPS)

(i) Reconciliation of shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	-	-	88,040	0.09
Add: Issued during the year	-	-	-	-
Less: Conversion of CCPS into Equity shares (refer note 12.2.12(ix) below)	-	-	(88,040)	(0.09)
Closing Balance	-	-	-	-

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

12.2.8 Series E Compulsorily Convertible Preference Shares of ₹ 10 each (CCPS)

(i) Reconciliation of shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	-	-	1,93,789	0.19
Add: Issued during the year	-	-	-	-
Less: Conversion of CCPS into Equity shares (refer note 12.2.12(ix) below)	-	-	(1,93,789)	(0.19)
Closing Balance	-	-	-	-

12.2.9 Series E1 Compulsorily Convertible Preference Shares of ₹ 10 each (CCPS)

(i) Reconciliation of shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	-	-	51,359	0.05
Add: Issued during the year	-	-	-	-
Less: Conversion of CCPS into Equity shares (refer note 12.2.12(ix) below)	-	-	(51,359)	(0.05)
Closing Balance	-	-	-	-

12.2.10 Series E2 Compulsorily Convertible Preference Shares of ₹ 10 each (CCPS)

(i) Reconciliation of shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	-	-	2,04,391	0.20
Add: Issued during the year	-	-	-	-
Less: Conversion of CCPS into Equity shares (refer note 12.2.12(ix) below)	-	-	(2,04,391)	(0.20)
Closing Balance	-	-	-	-

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

12.2.11 Series F Compulsorily Convertible Preference Shares of ₹ 1 each (CCPS)

(i) Reconciliation of shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	-	-	-	-
Add: Issued during the year (refer note 12.2.12(iii) below)	-	-	74,148	0.01
Less: Conversion of Series F CCPS into Equity shares (refer note 12.2.12(vii) below)	-	-	(74,148)	(0.01)
Closing Balance	-	-	-	-

12.2.12 Compulsorily Convertible Preference Shares of ₹ 10 each (CCPS)

(i) Reconciliation of shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Opening Balance (refer note 12.2.12(ii) below)	-	-	18,088	0.02
Add: Issued during the year (Series G) (refer note 12.2.12(v) below)	-	-	1,65,28,925	16.53
Less: Conversion of CCPS into Equity shares (refer note 12.2.12(viii) below)	-	-	(1,65,47,013)	(16.55)
Closing Balance	-	-	-	-

(ii) Rights, preferences & restrictions attached to the above 12.2.2 to 12.2.10 and 12.2.12 (except Series G) classes of shares

(a) Preference share holders were entitled to receive a dividend at the rate of 0.001% per annum on each preference share held by such holder, if declared by the Board of Directors. In the event the Company declares a dividend on the Equity Shares at a rate which is higher than the rate mentioned herein, the holders of Preference Shares shall be entitled to receive, in priority to the holders of Equity Shares, a dividend at a rate per preference share as would equal the product of (i) the higher dividend rate payable on each equity share and (ii) the number of equity shares issuable upon conversion of such preference share. All dividends to such shareholders shall be non-cumulative.

(b) On the occurrence of a liquidation event, the preference share holders were entitled to receive out of the proceeds or assets of the Company available for distribution to its shareholders, on a pari passu basis and prior and in preference to any distribution of proceeds of such liquidation event to the holders of equity shares by reason of their ownership thereof, an amount per share equal to the sum of the applicable original issue price, plus declared but unpaid dividends thereon.

(c) Preference shares were to be converted to such number of equity shares (refer note 12.2.12 (ix)), at the conversion ratio then in effect:

- In the event the preference share holder requires Company to convert all or a part of such preference shares held by such holder;
- upon the earlier of (i) the closing of an IPO, or (ii) the date, or the occurrence of an event, specified by vote or written consent or agreement of the requisite number of investors.
- upon the date that is twenty (20) years after the date on which such series of Preference Shares were first issued by the Company.

(d) Holders of preference shares enjoyed such voting rights available to the extent permissible under law, carry voting rights as if the preference shares have been fully converted into equity shares. Each preference share shall entitle the holder to the number of votes equal to the number of whole or fractional equity shares into which such preference share could then be converted. If applicable law does not permit any holder of preference shares to exercise voting rights on all or any matters submitted to the vote of the Shareholders of the Company (including the holders of equity shares) (the "Non-Voting Preference Shares"), then until the conversion of all such Non-Voting Preference Shares into equity shares, each shareholder shall vote in accordance with the instructions of the holders of such Non-Voting Preference Shares at a general meeting of the shareholders or provide proxies without instructions to the holders of the Non-Voting Preference Shares for the purposes of a general meeting of the shareholders, in respect of such number of equity shares held by each of them such that a relevant percentage of the equity shares of the Company are voted in the manner required by the holders of the Non-Voting Preference Shares.

(iii) The Board of Directors of the Company in its meeting held on May 16, 2024 and shareholders of the Company in the Extraordinary General Meeting held on May 28, 2024 approved the issuance of 74,148 Series F Compulsory Convertible Preference Shares ("Series F CCPS") with face value of ₹ 1 per share at a premium of ₹ 11,673 per share, aggregating to ₹ 11,674 per share for cash on preferential basis. The Board of Directors vide their resolution dated July 09, 2024 allotted 74,148 Series F – CCPS of face value of ₹ 1 each with a premium of ₹ 11,673 per share to the Promoters, Tarun Sanjay Mehta and Swapnil Babanlal Jain, and considering the terms of the conversion of Series F CCPS linked with achievement of internal rate of return, the same has been accounted as share based payments in accordance "IND AS 102-Share-based Payment" under the head other equity (refer note 12.2.12 (vii)).

(iv) Rights, preferences & restrictions attached to the Series F CCPS

(a) Preference share holders were entitled to receive a dividend at the rate of 0.001% per annum on each preference share held by such holder, if declared by the Board of Directors. In the event the Company declares a dividend on the Equity Shares at a rate which is higher than the rate mentioned herein, the holders of Preference Shares were entitled to receive, in priority to the holders of Equity Shares, a dividend at a rate per preference share as would equal the product of (i) the higher dividend rate payable on each equity share and (ii) the number of equity shares issuable upon conversion of such preference share. All dividends to such shareholders shall be non-cumulative.

(b) On the occurrence of a liquidation event, the preference share holders were entitled to receive out of the proceeds or assets of the Company available for distribution to its shareholders, on a pari passu basis and prior and in preference to any distribution of proceeds of such liquidation event to the holders of equity shares by reason of their ownership thereof, an amount per share equal to the sum of the applicable original issue price, plus declared but unpaid dividends thereon.

(c) Preference shares were to be converted up to a maximum of 1,93,52,628 equity shares (refer note 12.2.12. (vii)) upon meeting the conversion criteria upon occurrence of either of the following, whichever is earlier –

(i) An IPO of the Company prior to agreed date; or

(ii) An Exit Event as specified in the terms of issue of CCPS prior to the agreed date

(iii) upon the date that is twenty (20) years after the date on which such series of Preference Shares were first issued by the Company.

(d) Holders of preference shares enjoyed such voting rights available to the extent permissible under law, carry voting rights as if the preference shares have been fully converted into equity shares. Each preference share entitled the holder to the number of votes equal to the number of whole or fractional equity shares into which such preference share would be converted. If applicable law did not permit any holder of preference shares to exercise voting rights on all or any matters submitted to the vote of the Shareholders of the Company (including the holders of equity shares) (the "Non-Voting Preference Shares"), then until the conversion of all such Non-Voting Preference Shares into equity shares, each shareholder shall vote in accordance with the instructions of the holders of such Non-Voting Preference Shares at a general meeting of the shareholders or provide proxies without instructions to the holders of the Non-Voting Preference Shares for the purposes of a general meeting

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

of the shareholders, in respect of such number of equity shares held by each of them such that a relevant percentage of the equity shares of the Company are voted in the manner required by the holders of the Non-Voting Preference Shares.

(v) The Board of Directors vide their resolution dated July 29, 2024 approved the issue of 1,65,28,925 Series G CCPS of face value of ₹ 10 each at a premium of ₹ 353 per share to India – Japan Fund (Represented by and acting through its investment manager, National Investment and Infrastructure Fund Limited). Further, our Board of Directors by the resolution dated 04 September 2024, allotted 1,65,28,925 to Series G CCPS at an issue price of ₹ 363 for an aggregate consideration of ₹ 600 crores. Considering the terms of the conversion of Series G CCPS into variable number of equity shares, the same has been accounted as Financial liability under the head "Borrowings" in accordance with IND AS 32 - Financial Instruments - Presentation" (refer note 12.2.12 (viii)).

(vi) Rights, preferences & restrictions attached to the Series G CCPS

(a) Preference share holders were entitled to receive a dividend at the rate of 0.001% per annum on each preference share held by such holder, if declared by the Board of Directors. In the event the Company declared a dividend on the Equity Shares at a rate which is higher than the rate mentioned herein, the holders of Preference Shares were to be entitled to receive, in priority to the holders of Equity Shares, a dividend at a rate per preference share as would equal the product of (i) the higher dividend rate payable on each equity share and (ii) the number of equity shares issuable upon conversion of such preference share. All dividends to such shareholders shall be non-cumulative.

(b) On the occurrence of a liquidation event, the preference share holders were entitled to receive out of the proceeds or assets of the Company available for distribution to its shareholders, on a pari passu basis and prior and in preference to any distribution of proceeds of such liquidation event to the holders of equity shares by reason of their ownership thereof, an amount per share equal to the sum of the applicable original issue price, plus declared but unpaid dividends thereon.

(c) Preference shares were to be converted up to a maximum of 3,18,26,050 equity shares (refer note 12.2.12 (viii)), at the conversion ratio then in effect:

- In the event the preference share holder requires Company to convert all or a part of such preference shares held by such holder;
- upon the earlier of (i) filing of UDRHP, or (b) a subsequent equity fund raise for a minimum amount of USD 75 million or (iii) the date, or the occurrence of an event, specified by vote or written consent or agreement of the requisite number of investors.

(d) Holders of preference shares enjoyed such voting rights available to the extent permissible under law, carry voting rights as if the preference shares have been fully converted into equity shares. Each preference share entitled the holder to the number of votes equal to the number of whole or fractional equity shares into which such preference share could then be converted. If applicable law does not permit any holder of preference shares to exercise voting rights on all or any matters submitted to the vote of the Shareholders of the Company (including the holders of equity shares) (the "Non-Voting Preference Shares"), then until the conversion of all such Non-Voting Preference Shares into equity shares, each shareholder shall vote in accordance with the instructions of the holders of such Non-Voting Preference Shares at a general meeting of the shareholders or provide proxies without instructions to the holders of the Non-Voting Preference Shares for the purposes of a general meeting of the shareholders, in respect of such number of equity shares held by each of them such that a relevant percentage of the equity shares of the Company are voted in the manner required by the holders of the Non-Voting Preference Shares.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

(vii) The Board of Directors vide their resolution dated February 25, 2025 approved the conversion of 74,148 Series F CCPS into 1,93,52,628 equity shares in the conversion ratio of 261:1 with the face value of ₹ 1 each ranking pari-passu with the existing equity shares of the Company.

(viii) The Board of Directors vide their resolution dated March 08, 2025 approved the conversion of 1,65,28,925 Series G CCPS into 2,24,65,447 fully paid up equity shares of face value of ₹ 1 each ranking pari-passu with the existing equity shares of the Company.

(ix) Further, the Board of Directors vide their resolution dated March 08, 2025 approved the conversion of Series Seed One, Series Seed Two, Series Seed Three, Series Seed Four, Series A, Series B, Series B1, Series C, Series C1, Series D, Series E, Series E1, Series E2 and Series Bonus CCPS (collectively referred as "Outstanding CCPS") issued and allotted by the Company from time to time aggregating to 8,33,449 Outstanding CCPS of the Company into 21,80,17,998 fully paid up equity shares of face value of ₹ 1 each ranking pari-passu with the existing equity shares of the Company. The conversion ratio for each of the series of CCPS is as below:

Particulars	Outstanding CCPS	Conversion Ratio	Numbers of resulting Equity shares
Compulsorily Convertible Preference shares of ₹ 37 each	23,490	261:1	61,30,890
Series A Compulsorily Convertible Preference Shares of ₹ 1 each	74,732	261:1	1,95,05,052
Series B Compulsorily Convertible Preference Shares of ₹ 10 each	99,826	261:1	2,60,54,586
Series B1 Compulsorily Convertible Preference Shares of ₹ 10 each	29,347	277.57764:1	81,46,071
Series C Compulsorily Convertible Preference Shares of ₹ 10 each	29,699	261.01756:1	77,51,961
Series C1 Compulsorily Convertible Preference Shares of ₹ 10 each	20,688	261.0378:1	54,00,351
Series D Compulsorily Convertible Preference Shares of ₹ 10 each	88,040	261:1	2,29,78,440
Series E Compulsorily Convertible Preference Shares of ₹ 10 each	1,93,789	261:1	5,05,78,929
Series E1 Compulsorily Convertible Preference Shares of ₹ 10 each	51,359	261:1	1,34,04,699
Series E2 Compulsorily Convertible Preference Shares of ₹ 10 each	2,04,391	261:1	5,33,46,051
Compulsorily Convertible Preference Shares of ₹ 10 each	18,088	261:1	47,20,968

12.3 Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	% Holding	No of Shares	% Holding
EQUITY SHARE CAPITAL				
12.3.1 Equity Shares of ₹ 1 each				
Swapnil Babanlal Jain	1,92,57,732	5.03%	2,05,17,732	7.06%
Tarun Sanjay Mehta	1,92,57,732	5.03%	2,05,17,732	7.06%
Hero MotoCorp Limited	11,50,83,252	30.07%	11,50,83,252	39.60%
Caladium Investment Pte Ltd	3,54,10,916	9.25%	4,65,14,376	16.00%
SBI Small Cap Fund	2,75,58,296	7.20%	-	0.00%
India-Japan Fund	2,24,65,447	5.87%	2,24,65,447	7.73%
National Investment And Infrastructure Fund II	-	-	2,04,12,027	7.02%
Internet Fund III Pte. Ltd.	-	-	1,97,60,832	6.80%

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

12.4 Details of equity Shares held by Promoters*

As at March 31, 2026

Particulars	No. of shares at the end of the year	% of total shares	% change during the year
Nominal value of ₹ 1 each			
Tarun Sanjay Mehta	1,92,57,732	5.03%	-28.71%
Swapnil Babanlal Jain	1,92,57,732	5.03%	-28.71%
Hero MotoCorp Limited	11,50,83,252	30.07%	-24.05%
Mehta Family Trust (Represented by Tarun Sanjay Mehta) (Promoter group)	5,83,000	0.15%	-43.45%
Tarun Swarna Family Trust (Represented by Tarun Sanjay Mehta) (Promoter group)	5,22,000	0.14%	-24.05%
Swapnil Jain Family Trust (Represented by Swapnil Babanlal Jain) (Promoter group)	6,52,500	0.17%	-24.05%
Jain Family Trust (Represented by Swapnil Babanlal Jain) (Promoter group)	6,52,500	0.17%	-24.05%

As at March 31, 2025

Particulars	No. of shares at the end of the year	% of total shares	% change during the year
Nominal value of ₹ 1 each			
Tarun Sanjay Mehta	2,05,17,732	7.06%	-82.50%
Swapnil Babanlal Jain	2,05,17,732	7.06%	-80.31%
Hero MotoCorp Limited	11,50,83,252	39.60%	100.00%
Mehta Family Trust (Represented by Tarun Sanjay Mehta) (Promoter group)	7,83,000	0.27%	-90.03%
Tarun Swarna Family Trust (Represented by Tarun Sanjay Mehta) (Promoter group)	5,22,000	0.18%	-90.03%
Swapnil Jain Family Trust (Represented by Swapnil Babanlal Jain) (Promoter group)	6,52,500	0.22%	100.00%
Jain Family Trust (Represented by Swapnil Babanlal Jain) (Promoter group)	6,52,500	0.22%	100.00%

* Promoters as defined in the Companies Act, 2013.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 13 OTHER EQUITY

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Securities Premium		
Balance at the beginning of the year	4,009.06	3,332.66
Add : Addition during the year on fresh issue of shares	2,617.82	-
Less : Utilisation towards share issue expense	(88.13)	-
Add : Issue of equity shares on settlement of stock options during the year (refer note 12.1.1(i)(b))	-	16.94
Add : Transfer on account of exercise of employee stock options	125.30	-
Less : Issue of bonus equity shares by utilisation of security premium during the year (refer note 12.1.1(i)(c))	-	(2.97)
Add : Conversion of Series F CCPS classified as stock options into Equity shares (refer note 12.2.12 (vii))	-	85.65
Add : Conversion of Series G CCPS classified as financial liability into Equity shares (refer note 12.2.12 (viii))	-	597.75
Add : Utilisation of Securities Premium for Conversion of CCPS into Equity shares (refer note 12.2.12 (ix))	-	(20.97)
Balance at the end of the year	**6,664.05**	**4,009.06**
(ii) Retained earnings		
Balance at the beginning of the year	(3,732.16)	(2,909.26)
Add : Loss for the year	(517.17)	(812.28)
Add : Other Comprehensive gain / (loss)	0.42	(4.64)
Add : Transfer from stock option outstanding account on cancellation/ cash settlement	-	(5.98)
Balance at the end of the year	**(4,248.91)**	**(3,732.16)**
(iii) Stock Options Outstanding Reserve		
Balance at the beginning of the year	187.03	121.66
Less :Issue of equity shares on settlement of stock options during the year (refer note 12.1.1(i)(b))	-	(17.01)
Add : Charge against share based payments during the year	58.43	83.03
Add : Modification of terms of employee share based payments	-	5.11
Add : Issue of compulsorily convertible preference shares during the year (refer note 12.2.12(iii))	-	86.56
Less: Conversion of Series F CCPS classified as stock options into Equity shares (refer note 12.2.12 (vii))	-	(87.59)
Less : Stock options settled/cancelled during the year	-	(10.71)
Add : Transfer to retained earnings on cancellation/cash settlement.	-	5.98
Less: Transfer on account of exercise of employee stock options	(126.24)	-
Balance at the end of the year	**119.22**	**187.03**
	2,534.36	**463.93**

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

Nature and purpose of other reserve

(i) Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Retained earnings

Retained earnings are the accumulated profits / (loss) earned by the Company till date, less transfer to general reserves, dividend and other distributions made to the shareholders.

(iii) Stock Options Outstanding Reserve

The fair value of the equity-settled share based payment transactions with employees is recognised in statement of profit and loss with corresponding credit to stock options outstanding reserve. The amount of cost recognised is transferred to equity share capital and security premium on exercise of the related stock options.

NOTE - 14 BORROWINGS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current (at amortised cost)		
Secured		
(a) Non convertible debentures	-	116.86
(b) Term loans		
(i) from banks	367.42	-
Total	**367.42**	**116.86**
Current (at amortised cost)		
Secured		
(a) Loans repayable on demand		
(i) from banks	-	85.62
(b) Current maturities of long term debt		
Non convertible debentures	-	241.18
Term loan		
(i) from banks	145.65	6.19
Total	**145.65**	**332.99**
	513.07	**449.85**

Note:

Above amounts are net off unamortised borrowing costs.

(i) Terms and repayment:

(a) Secured term loans from banks and others carry interest rate ranging from 8.85% p.a to 9.5% p.a. These loans are repayable in monthly / quarterly installments as per the terms of the respective loan agreements. Tenure of these loans are ranging from 2.5 to 4 years.

(b) The Company has availed short term credit facilities in the form of working capital loans to meet the working capital requirements of the Company and these facilities carry an floating interest from 8.4% p.a. to 10.5% p.a. These are repayable on demand.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

(c) The Company has issued redeemable Non-convertible debentures for the purpose of general corporate purposes and the terms of the debentures are as below:

Face value (₹)	Number of debentures	Allotted on	Outstanding as at 31 March 2026	Outstanding as at 31 March 2025	Interest rate	Repayment
1,00,000	2,000	05 February 2025	-	20.00	14.85% p.a. payable on monthly basis	Redeemable in 20 equal installments of ₹ 1,00,00,000, each commencing from May 01, 2025 #
1,00,000	2,000	19 November 2024	-	18.95	14.85% p.a. payable on monthly basis	Redeemable in 19 equal installments of ₹ 1,05,20,000, each commencing from April 01, 2025 #
1,00,000	10,000	13 June 2024	-	100.00	14.50% p.a. payable on monthly basis	Redeemable in 21 equal installments of ₹ 476,19,048 each commencing from April 30, 2025 #
1,00,000	5,000	30 May 2024	-	47.62	14.50% p.a. payable on monthly basis	Redeemable in 21 equal installments of ₹ 238,09,524 each commencing from March 31, 2025 #
1,00,000	5,000	30 May 2024	-	47.62	14.50% p.a. payable on monthly basis	Redeemable in 21 equal installments of ₹ 238,09,524 each commencing from March 31, 2025 #
1,00,000	6,000	24 July 2024	-	48.00	14.85% p.a. payable on monthly basis	Redeemable in 20 equal installments of ₹ 300,00,000 each commencing from January 01, 2025 #
1,00,000	6,000	04 May 2024	-	36.00	14.85% p.a. payable on monthly basis	Redeemable in 20 equal installments of ₹ 300,00,000 each commencing from September 01, 2024 #
1,00,000	2,000	28 April 2024	-	9.00	14.85% p.a. payable on monthly basis	Redeemable in 20 equal installments of ₹ 100,00,000 each commencing from June 01, 2024
1,00,000	3,000	28 April 2024	-	13.50	14.85% p.a. payable on monthly basis	Redeemable in 20 equal installments of ₹ 150,00,000 each commencing from June 01, 2024
1,00,000	5,000	11 August 2023	-	7.16	14.85% p.a. payable on monthly basis	Redeemable in 21 equal installments of ₹ 2,38,00,000 each commencing from November 01, 2023
1,00,000	5,000	18 August 2023	-	7.16	14.85% p.a. payable on monthly basis	Redeemable in 21 equal installments of ₹ 2,38,00,000 each commencing from November 01, 2023

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

Face value (₹)	Number of debentures	Allotted on	Outstanding as at 31 March 2026	Outstanding as at 31 March 2025	Interest rate	Repayment
1,00,000	1,500	02 September 2023	-	2.14	14.85% p.a. payable on monthly basis	Redeemable in 21 equal installments of ₹ 71,42,857 each commencing from November 01, 2023
1,00,000	1,500	02 September 2023	-	2.14	14.85% p.a. payable on monthly basis	Redeemable in 21 equal installments of ₹ 71,42,857 each commencing from November 01, 2023

*Excluding amount of unamortised processing charges and provision of back-end fees

#During the year ended March 31, 2026, the Company has made prepayment of non convertible debentures amounting to ₹ 220.91 crores (March 31, 2025 : ₹ Nil).

(ii) Term of security:

(a) **Term loans and Working capital loans from banks:**

Term Loan : First pari passu charge on Movable / Immovable Property, Plant and Equipment of the company both present and future, Pari passu charge on brand and trademark/IPR/Intangibles of the technology stock/product suite if any. Second pari passu charge on current assets both present and future.

Working Capital Loans : Pari passu charge on Current Assets of the company both present and future, Pari passu charge on Brand and Trademark / IPR / Intangibles of the technology stock / product suite, Cash margin of 25% by way lien on fixed deposits

(b) **Non-convertible debentures**

First Pari-passu charge on existing and future property, plant and equipment, Cash and cash equivalents & all intellectual property rights, Second pari-passu charge on existing and future Current assets of the company which has been released as on March 31, 2026.

(iii) Additional disclosures:

1. The Company has borrowings from banks on the basis of security of current assets and the statements of current assets filed by the Company with banks are in agreement with the books of accounts.
2. The Company has utilised the borrowings for the purpose for which it was taken.
3. Charges or satisfaction of charges are registered with ROC within the statutory period, there are no charges or satisfaction yet to be registered with ROC beyond the statutory period as at March 31, 2026.
4. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 15 LEASE LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Lease liability (Refer note 2(b))	120.62	143.08
Total	**120.62**	**143.08**
Current		
Lease liability (Refer note 2(b))	30.53	26.29
Total	**30.53**	**26.29**

NOTE - 16 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Deposits received from dealers	6.93	11.94
Total	**6.93**	**11.94**
Current		
Payable to employees	40.51	23.98
Payable on purchase of Property, Plant and Equipment	10.43	10.23
Payable towards refund of charger price to customer (refer note below)	9.81	10.50
Deposits received from dealers	7.60	-
Other Liabilities	5.48	0.71
Total	**73.83**	**45.42**

Note:
In response to a show cause notice (“"SCN"”) dated March 29, 2023 from IFCI Limited on behalf of the Ministry of Heavy Industries (“"MHI"”) in relation to certain matters under the FAME II and Phased Manufacturing Program (“PMP”) guidelines, the Company vide its undertaking dated May 23, 2023, without prejudice agreed to voluntarily refund the price of the “Off board chargers” to all customers who purchased an off board charger as an accessory prior to April 12, 2023.

As at March 31, 2026, the Company has refunded an amount of ₹ 147.97 crores (upto March 31, 2025: ₹ 147.28 crores) to the customers for liability towards “"Off-board chargers"”. Against the outstanding liability of ₹ 9.81 crores as at March 31, 2026, a deposit is maintained in a bank account managed by IFCI Limited, which will be refunded back to the Company on actual payment of charger refund to customers and on submission of relevant documents of such refund.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 17 PROVISIONS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Provision for Employee benefits		
Provision for Gratuity (refer note 34)	38.15	26.12
Provision for compensated absences	23.29	17.67
	61.44	**43.79**
Other provisions		
Provision for warranties (refer note (a) below)	30.21	32.28
Provision for site-restoration expense (refer note (b) below)	3.75	3.14
	33.96	**35.42**
Total	**95.40**	**79.21**
Current		
Provision for Employee benefits		
Provision for Gratuity (refer note 34)	2.93	1.66
Provision for compensated absences	4.22	3.10
	7.15	**4.76**
Other provisions		
Provision for warranties (refer note (a) below)	115.96	109.72
Provision for repair and others (refer note (c) below)	1.85	4.38
	117.81	**114.10**
Total	**124.96**	**118.86**

(a) Movement of provision for warranty

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	142.00	107.61
Addition during the year	65.09	80.74
Unwinding of interest	6.39	8.24
Utilised during the year	(66.77)	(37.76)
Unused amounts reversed during the year	(0.54)	(16.83)
Closing balance	**146.17**	**142.00**
Non Current	30.21	32.28
Current	115.96	109.72

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

(b) Movement of site-restoration expense

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	3.14	2.75
Addition during the year	0.28	0.41
Unwinding of interest	0.38	0.29
Unused amounts reversed during the year	(0.05)	(0.31)
Closing balance	**3.75**	**3.14**
Non Current	3.75	3.14
Current	-	-

(c) Movement of provision for repairs and others

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	4.38	8.99
Addition during the year	-	0.35
Utilised during the year	(2.53)	(3.11)
Unused amounts reversed during the year	-	(1.85)
Closing balance	**1.85**	**4.38**
Non Current	-	-
Current	1.85	4.38

NOTE - 18 OTHER LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Subsidy received from Government (refer note below)	2.10	2.10
Deferred Government Grant	0.21	1.04
Deferred revenue	160.96	80.21
Total	**163.27**	**83.35**
Current		
Statutory dues payable	25.22	14.52
Interest payable to vendors registered under the MSMED Act	3.35	2.63
Deferred revenue	35.79	22.08
Advance received from customers	125.89	49.49
Total	**190.25**	**88.72**

Note:
The Company had received an amount towards incentive under the Tamil Nadu Electric Vehicle Policy 2019 subject to fulfilment of certain conditions. Pending fulfilment of the attached conditions, the Company has disclosed the incentive received as other liabilities in line with Ind AS-20.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 19 TRADE PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro and small enterprises (MSME)	58.06	48.35
Total outstanding dues of creditors other than micro and small enterprises	771.96	512.55
Total	**830.02**	**560.90**

(a) Trade Payables ageing as at March 31, 2026

Particulars	Outstanding for the following periods from the due date					Total
	Not due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed						
- MSME	37.76	20.26	0.01	0.03	-	58.06
- Others	389.50	136.48	3.07	0.11	0.07	529.23
Disputed						
- MSME	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Total	**427.26**	**156.74**	**3.08**	**0.14**	**0.07**	**587.29**
Accrued expenses						**242.73**
Total						**830.02**

(b) Trade Payables ageing as at March 31, 2025

Particulars	Outstanding for the following periods from the due date					Total
	Not due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed						
- MSME	34.58	13.65	0.12	0.00	-	48.35
- Others	226.18	129.29	0.30	0.06	0.02	355.85
Disputed						-
- MSME	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Total	**260.76**	**142.94**	**0.42**	**0.06**	**0.02**	**404.20**
Accrued expenses						**156.70**
Total						**560.90**

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

(c) Relationship with struck off Companies

Based on the information available with the Company, balances outstanding with nature of transaction with struck off companies are as below :

Name of struck off Company	Nature of transactions	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025	Relationship with the Struck off Company, if any
Dynaspede Integrated Systems (P) Limited	Advance to Vendor	-	0.00	-
Sew Eurodrive India Private Limited	Trade Payables	-	-	-

DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Principal amount remaining unpaid to suppliers	58.06	48.35
(ii) Interest due on unpaid principal amount to suppliers	0.03	0.03
(iii) The amount of interest paid along with the amounts of the payment made to the suppliers beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (without adding the interest under MSME Development Act)	0.73	0.82
(v) The amount of interest accrued and remaining unpaid	3.35	2.63
(vi) Amount of further interest remaining due and payable even in the succeeding year.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

NOTE - 20 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from sale of product and services		
Sale of finished products	3,207.99	1,998.44
Sale of stock-in-trade	176.15	107.11
Sale of service	278.38	145.07
Other operating revenue	9.24	4.39
Total	**3,671.76**	**2,255.01**

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

A. Reconciliation of Revenue from operations with the contracted price:

Description	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract price	4,136.39	2,625.47
Less: Trade discounts, Incentives, etc	(464.63)	(370.46)
Total	**3,671.76**	**2,255.01**

B. Disaggregation of revenue:

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition. Refer note 33 for revenue by geography.

C. Assets and liabilities related to contracts with customers:

Description	As at March 31, 2026	As at March 31, 2025
Contract assets		
Trade receivable	8.30	11.84
Total	**8.30**	**11.84**
Contract liabilities		
Advance from customers	125.89	49.49
Deferred revenue	196.75	102.29
Total	**322.64**	**151.78**

D. Revenue recognised in the below mentioned year that was included in the contract liability balance at the beginning of the year:

Description	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue recognised from contract liabilities at the beginning of the year	49.49	93.90

E. Movement in deferred revenue during the year:

Description	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	102.29	47.90
Add: Net addition during the year	122.73	71.33
Less: Revenue recognised during the year	(28.27)	(16.94)
Closing balance	**196.75**	**102.29**

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

F. Timing of revenue recognition:

Description	For the year ended March 31, 2026	For the year ended March 31, 2025
Good and services transferred at a point in time	3,643.49	2,238.07
Service transferred over time	28.27	16.94
Total	**3,671.76**	**2,255.01**

NOTE - 21 OTHER INCOME

	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income		
Interest on term deposit	131.77	15.48
Unwinding of interest on financial assets measured at amortised cost	1.55	3.53
Income on financial assets carried at fair value through profit or loss		
Net gain on disposal / fair valuation of investments carried at fair value through profit & loss	17.20	21.82
Other non-operating income		
Provision/Liability no longer required written back	0.02	7.54
Gain on termination of lease	-	0.26
Other non operating income	0.78	1.58
Total	**151.32**	**50.21**

NOTE - 22 COST OF MATERIAL CONSUMED

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Raw Materials and components consumed:		
Inventory at the beginning of the year	177.00	98.91
Add: Purchases during the year	2,838.96	1,904.97
Less: Inventory at the end of the year	(207.81)	(177.00)
Total	**2,808.15**	**1,826.88**

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 23 PURCHASE OF STOCK-IN-TRADE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchase of stock-in-trade	97.04	100.67
Total	**97.04**	**100.67**

NOTE - 24 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year		
- Finished Goods	32.36	8.92
- Work-in-Progress	-	0.04
- Stock-in-trade	35.43	8.79
	67.79	**17.75**
- Stock-in-trade capitalised	**(1.62)**	**(0.76)**
Inventories at the end of the year		
- Finished Goods	42.12	32.36
- Work-in-Progress	1.75	-
- Stock-in-trade	29.88	35.43
	73.75	**67.79**
Total	**(7.58)**	**(50.80)**

NOTE - 25 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages (Refer note (i) below)	457.75	360.10
Employee share based payment expenses, net	58.43	83.14
Contribution to provident and other funds	21.58	17.27
Gratuity (refer note 34)	12.01	7.36
Staff welfare expenses	34.14	20.80
	583.91	**488.67**
Less : Transfer to intangible assets under development	(102.31)	(76.29)
Total	**481.60**	**412.38**

Notes:
(i) The above amount is net of capitalisation for the year ended March 31, 2026 : ₹ 6.31 crores (for the year ended March 31, 2025 : ₹ Nil) to Capital work-in-progress.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 26 FINANCE COSTS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest cost on financial liabilities at amortised cost:		
Interest on borrowings (Refer note (i) below)	44.39	75.61
Interest on lease liabilities (Refer note (ii) below)	18.57	18.90
Interest on delayed payments to vendors registered under the MSMED Act	0.73	0.82
Interest on others	6.77	10.66
Exchange differences regarded as an adjustment to borrowing costs	0.36	1.24
Other borrowing costs	11.38	3.39
Total	**82.20**	**110.62**

Notes:
(i) The above amount is net of capitalisation for the year ended March 31, 2026 : ₹ 1.69 crores (for the year ended March 31, 2025 : ₹ Nil) to Intangible assets under development.
(ii) The above amount is net of capitalisation for the year ended March 31, 2026 : ₹ 0.02 crores (for the year ended March 31, 2025 : ₹ Nil) to Capital work-in-progress.

NOTE - 27 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (refer note 2(a))	77.85	44.25
Depreciation of right-of-use assets (refer note 2(b))	33.06	30.18
Amortization of other intangible assets (refer note 2(d))	61.98	96.59
Total	**172.89**	**171.02**

NOTE - 28 OTHER EXPENSES*

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Advertisement and marketing	198.69	144.59
Consumables	20.62	22.03
Freight and carriage outwards	57.71	33.64
Electricity charges	20.18	11.44
Insurance	2.34	4.51

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Legal, professional and consultancy charges	52.29	50.86
Contractual manpower charges	69.55	30.46
Warranty cost	60.35	60.17
Web server charges and subscriptions	33.42	28.54
Rent and maintenance	29.41	15.30
Repairs and maintenance		
- Plant & machinery	3.09	1.17
- Vehicles	0.36	0.67
- Others	3.17	4.82
Charging infrastructure maintenance charges	5.35	4.87
Communication charges	17.50	15.30
Software license fee	41.09	30.65
Travelling and conveyance	38.75	37.24
Recruitment / training expenses	3.12	4.57
Security charges	6.52	5.00
Assets discarded	0.18	1.27
Foreign exchange loss	7.56	2.62
(Reversal) / Allowance for doubtful advance and receivables, (net)	(1.72)	8.90
Sundry balances written off	0.02	0.01
Rates and taxes	8.18	5.76
Payment to auditors		
- Statutory audit fee and others**	0.75	0.50
- Certification fees	0.01	0.08
- Reimbursement	0.06	0.05
Miscellaneous expenses	22.36	21.71
Total	**700.91**	**546.73**

*Total other expenses are net of capitalisation for the year ended March 31, 2026 : ₹ 67.47 crores (for the year ended March 31, 2025 : ₹ 35.22 crores) to Intangible assets under development.

** Above fees for the year ended March 31, 2025 does not include fees of ₹ 2.40 crores which are considered as share issue expenses under other current asset.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 29 EXCEPTIONAL ITEMS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Impact of New Labour Codes (refer note below)	5.04	-
Total	**5.04**	**-**

Note:
On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code 2020, ("Labour Codes") which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment. The labour codes, amongst other things introduces changes, including a uniform definition of wages and enhanced benefits relating to compensated absences. The Company has assessed the financial implications of these changes which has resulted in an increase in liability by ₹ 5.04 crores towards gratuity and compensated absences. Considering the impact arising out of an enactment of the new legislation is an event of non-recurring nature, the Company has presented this incremental amount as Exceptional Item in the Statement of Profit and Loss for the year ended March 31, 2026. The Company continues to monitor the finalization of Central / State rules and clarifications from the Government on other aspects of the New Labour Codes and will evaluate further impact, if any, on the measurement of liability pertaining to employee benefits.

NOTE - 30 IMPAIRMENT TESTING OF TANGIBLE ASSETS, INTANGIBLE ASSETS AND INTANGIBLES ASSETS UNDER DEVELOPMENT

The Company does its impairment evaluation on an annual basis and based on such evaluation, the estimated recoverable amount of the Cash Generating Unit (CGU) exceeded its carrying amount. For the purpose of impairment testing, tangible assets, intangible assets (Product Design & Development) and intangible assets under development are allocated to the CGU. For this, the Company as a whole is considered as CGU.

The recoverable amount of the above CGU has been determined based on 'value in use' model, where in the value of cash generating unit is determined as a sum of the net present value of the projected post tax cash flows for a period of 5 years and terminal value. The terminal value of cash generating unit is arrived at by extrapolating cash flows of latest forecasted year to perpetuity using a constant long-term growth rate.

Determination of value in use involves significant estimates and assumptions that affect the reporting CGU's expected future cash flows. The Company has performed sensitivity analysis for all key assumptions and concluded that it is unlikely to cause the carrying amount of the CGU exceed its estimated recoverable amount. The key assumptions used for the calculations on an annual basis were as follows:"

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	15.49%	18.30%
Long-term growth rate	5.00%	5.00%

Note: The actual results of operations and cash flows could be different from the estimates.

NOTE - 31 EARNINGS PER SHARE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Loss for the year attributable to owners of the Company	(517.17)	(812.28)
Weighted average number of equity shares outstanding during the year	36,97,60,420	25,19,24,661
Earnings/ (loss) per share basic and diluted (in ₹) (face value of ₹ 1 each)	(13.99)	(32.24)

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

Notes:

(a) There are potential equity shares as on March 31, 2026 and March 31, 2025 in the form of stock options issued. As these are antidilutive, they are ignored in the calculation of diluted earning per share and accordingly the diluted earning per share is the same as basic earning per share.

(b) The Board of Directors of the Company in its meeting held on June 18, 2024 and shareholders of the Company in the Extraordinary General Meeting held on June 21, 2024 approved the issuance of bonus equity share of ₹ 1 each in the ratio of 260:1 and 224:1 for the Equity shares of ₹ 1 each and for the equity shares of ₹ 37 each respectively and also approved the sub-division of 3,530 equity shares of ₹ 37 each into 1,30,610 equity shares of ₹ 1 each. The number of shares used for the calculation of earnings per share, and the earnings per share (including that in the comparative year), have been adjusted for pursuant to Paragraph 64 of Ind AS 33 - "Earnings Per Share", prescribed under Section 133 of the Companies Act, 2013.

NOTE - 32 TAX EXPENSE

(a) Effective tax rate

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Loss before tax	(517.17)	(812.28)
Tax @ 31.20%	(161.36)	(253.43)
Tax effect of :		
Expenses disallowed/(allowed) for tax	0.30	(1.44)
Deferred tax asset not recognised on account of absence of certainty on availability of future taxable profit	162.60	249.20
Others	(1.54)	5.67
Tax expense	**-**	**-**

(b) Un-recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities		
Right of use assets	38.46	46.22
	38.46	46.22
Deferred tax assets		
Property, plant and equipment	16.67	10.02
Carry forward business losses and unabsorbed depreciation	1,185.27	1,051.75
Lease liabilities	47.16	52.84
Provisions for employee benefits	25.98	21.03
Others	40.26	24.86
	1,315.34	1,160.50
Unrecognised deferred tax assets (net)	**1,276.88**	**1,114.28**

The Company has not recognised deferred tax asset of ₹ 1,276.88 crores (March 31, 2025: ₹ 1,114.28 crores) generated mainly on account of carried forward loss (including unabsorbed depreciation) as there is no reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 33 OPERATING SEGMENTS

The Company primarily operates in the automotive segment. The automotive segment includes all activities related to development, design, manufacture, assembly and sale of vehicles, as well as sale of related parts and accessories. The board of directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit.

Therefore, based on the guiding principles given in Ind AS 108 on 'Operating Segments', the Company's business activity fall within a single operating segment, namely automotive segment.

Geographical information

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customers		
India	3,625.60	2,240.63
Other countries	46.16	14.38
	3,671.76	**2,255.01**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Non-current assets		
India	1,301.79	910.45
Other countries	-	-
	1,301.79	**910.45**

Information about major customers

No single customer accounted for more than 10% of the revenue for the year ended March 31, 2026 and March 31, 2025.

NOTE - 34 EMPLOYEE BENEFIT PLANS

A. Contribution to provident fund (Defined contribution):

The Company make contributions to provident fund which is a defined contribution plan and the Company has no obligation other than to make the specified contributions. During the year, the Company has charged ₹ 16.76 crores (March 31, 2025 : ₹ 13.64 crores) to the statement of profit and loss towards defined contribution plans.

B. Gratuity (Defined benefit plan):

The Company provides for gratuity for employees in India as per the Code on Social Security, 2020. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination / death / disablement is the employees last drawn wages per month computed proportionately for 15 days salary multiplied for the number of years of service. The Gratuity plan of the Company is unfunded.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

Changes in the present value of obligation

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Present value of defined benefit obligation at the beginning of the year	27.78	17.23
Expenses recognised in statement of profit and loss		
Current service cost	9.80	6.17
Past Service Cost	3.40	-
Interest expense	2.04	1.19
Re-measurement or actuarial (gain) / loss arising from		
Demographic assumptions	-	0.81
Financial assumptions	(1.14)	3.03
Experience adjustments	0.72	0.80
Benefit payments	(1.52)	(1.45)
Present value of defined benefit obligation at the end of the year	**41.08**	**27.78**
Fair value of plan assets as at the end of the year	-	-
Net liability recognised in the Balance Sheet	**41.08**	**27.78**
Current portion of the above	**2.93**	**1.66**
Non current portion of the above	**38.15**	**26.12**

Expense recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2026“	For the year ended March 31, 2025
Current service cost	9.80	6.17
Past service cost and (gain)/losses from settlements	3.40	-
Net interest expense	2.04	1.19
Total	**15.24**	**7.36**

Remeasurement effects recognised in other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Actuarial (gain) and loss arising from changes in financial assumptions	(1.14)	3.03
Actuarial (gain) and loss arising from demographic assumptions	-	0.81
Actuarial (gain) and loss arising from experience adjustments	0.72	0.80
Remeasurement (gain)/loss recognised in other comprehensive income	**(0.42)**	**4.64**

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	6.95%	6.60%
Salary escalation rate	12% until 4 years inclusive, then 10%	12% until 5 years inclusive, then 10%
Attrition rate	12.50%	12.50%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate table	Indian Assured Lives Mortality (2012-14) Ultimate table

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate		
100 bps Increase	(2.98)	(2.15)
100 bps Decrease	3.41	2.47
Salary escalation rate		
100 bps Increase	2.14	1.66
100 bps Decrease	(2.11)	(1.62)
Attrition rate		
25% Increase	(1.25)	(1.38)
25% Decrease	1.21	1.54

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied for calculation of the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous year.

Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2026	As at March 31, 2025
Within 1 year	2.93	1.66
1-5 year	18.46	11.70
5-10 year	16.34	10.86
10 years and above	41.81	29.79
Weighted average duration	7.75 years	8.29 years

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 35 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):

A.

Particulars	As at March 31, 2026	As at March 31, 2025
Contingent liabilities		
(a) Claims against the Company not acknowledged as debt (Custom Duties, GST, Income tax & other litigation) (refer note below)	62.31	61.17
Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	505.15	39.76

Note :

(i) The Company received a pre - show cause intimation notice dated March 21, 2024 and subsequently a show cause notice dated April 16, 2024 ("SCN") from the Office of the Assistant Commissioner, Chennai under section 73 of the Central Goods and Services Tax Act, 2017 read with rules and regulations, made thereunder. The GST department had taken up the scrutiny in accordance with the above section and observed discrepancies in the input tax credit availed for the Fiscal year 2022-2023 and raised a demand of ₹ 59.81 crores. Against this demand, the Company filed a reply dated May 14, 2024 explaining the fact that input tax credit has been availed in accordance with law and which was also reconciled with annual return and hence there was no discrepancy noticed. However, thereafter, an order was issued against the Company dated November 04, 2024 confirming the above stated demand. The Company has filed an application for rectification before the Assistant Commissioner, Nungambakkam, Tamil Nadu (the "AC") of the order issued, on the grounds that the order has been passed without consideration of the submissions made. The Company does not foresee the demand materialising as the allegations made are merely on the manner of disclosures made by the Company in the Annual return filed for the said fiscal period. The matter is currently pending further adjudication.

B. The Ministry of Environment, Forest and Climate Change (MoEFCC) notified the Battery Waste Management Rules, 2022, on August 22, 2022 and issued amendments to the same from time to time. These regulations apply to producers (Manufacturers and Importers included), dealers, consumers, and entities involved in the collection, segregation, transportation, refurbishment, and recycling of all types of waste batteries. These regulations have significant implications for the Company being the producer of the batteries (obligation to be met even if the entity ceases operations). Further guidance or details regarding the practical challenges and concerns related to waste collection and the associated costs are awaited. Consequently, the Company is unable to reliably estimate a range of possible outcomes and potential impacts of these rules as at March 31, 2026. The Company will continue to assess its ability to measure the obligation as and when further guidance/details are available from the Ministry.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 36 RELATED PARTY DISCLOSURES

List of related parties with whom transactions occurred during the year ended March 31, 2026 and year ended March 31, 2025 and/or has an outstanding balance as of March 31, 2026 and March 31, 2025 and their relationship.

Party which has significant influence

1. Hero MotoCorp Limited

Party over which Hero MotoCorp Limited has significant influence

1. Hero FinCorp Limited

Key Managerial Personnels (KMPs)

1. Tarun Sanjay Mehta - Executive Director and Chief Executive Officer
2. Swapnil Babanlal Jain - Executive Director and Chief Technical Officer
3. Kaushik Dutta - Independent Director (w.e.f. May 06, 2024)
4. Neelam Dhawan - Independent Director (w.e.f. August 27, 2024)
5. Sanjay Nayak - Independent Director (w.e.f. August 27, 2024)
6. Pankaj Sood - Non-executive Director
7. Ram Kuppuswamy - Non-executive Director
8. Vivek Anand - Non-executive Director (w.e.f. November 10, 2025)
9. Niranjan Kumar Gupta - Non-executive Director (upto May 06, 2025)
10. Nilesh Shrivastava - Director (upto May 27, 2025)
11. Puja Aggarwal - Company Secretary and Compliance Officer
12. Sohil Dilipkumar Parekh - Chief Financial Officer

Entity in which KMP / Close member of KMP has significant influence

1. Mehta Family Trust (Represented by Tarun Sanjay Mehta)
2. Tarun Swarna Family Trust (Represented by Tarun Sanjay Mehta)
3. Swapnil Jain Family Trust (Represented by Swapnil Babanlal Jain)
4. Jain Family Trust (Represented by Swapnil Babanlal Jain)

Related party transactions:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Issue of compulsorily convertible preference shares (CCPS)#		
Tarun Sanjay Mehta	-	43.28
Swapnil Babanlal Jain	-	43.28
Issue of equity shares on account of exercise of stock options (refer note 12.1.1(i)(b))		
Tarun Sanjay Mehta	-	10.74
Swapnil Babanlal Jain	-	10.74
Settlement on account of exercise of stock options		
Tarun Sanjay Mehta	-	5.37
Swapnil Babanlal Jain	-	5.37

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Issue of bonus equity shares (refer note 12.1.1(i)(c))		
Hero MotoCorp Limited	-	0.03
Tarun Sanjay Mehta	-	1.03
Swapnil Babanlal Jain	-	1.03
Mehta Family Trust (Represented by Tarun Sanjay Mehta)	-	0.08
Tarun Swarna Family Trust (Represented by Tarun Sanjay Mehta)	-	0.05
Swapnil Jain Family Trust (Represented by Swapnil Babanlal Jain)	-	0.07
Jain Family Trust (Represented by Swapnil Babanlal Jain)	-	0.07
Repayment of term loan		
Hero FinCorp Limited	-	107.63
Interest on term loan*		
Hero FinCorp Limited	-	8.01
Finance charges on relinquishment of right to subscribe liability		
Hero FinCorp Limited	-	0.46
Deposit refunded by lender		
Hero FinCorp Limited	-	2.44
Interest subvention		
Hero FinCorp Limited	-	0.23
Revenue from charging infrastructure usage		
Hero MotoCorp Limited	4.63	1.37
Expense on charging infrastructure usage		
Hero MotoCorp Limited	0.95	0.67
Commission income		
Hero FinCorp Limited	0.04	0.01
Fair valuation impact/cancellation of right to subscribe liability		
Hero FinCorp Limited	-	(2.53)
Sitting fee paid to Independent Directors		
Neelam Dhawan	0.28	0.12
Sanjay Nayak	0.22	0.09
Kaushik Dutta	0.23	0.17
Remuneration paid to Independent Directors ##		
Neelam Dhawan	0.68	-
Sanjay Nayak	0.61	-
Kaushik Dutta	0.65	-
Managerial remuneration paid to key managerial personnel		
Short-term employee benefits**	8.47	7.61
Share based payments	4.10	4.39

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

Balances outstanding with respect to related parties

Particulars	As at March 31, 2026	As at March 31, 2025
Receivable towards income accounted		
Hero MotoCorp Limited	1.18	0.18
Hero FinCorp Limited	-	0.00
Payable towards expenses accounted		
Hero MotoCorp Limited	0.25	0.07
Liability towards key managerial personnel**		
Employee benefits	3.28	2.00
Share based payments	3.74	3.67
Remuneration payable to Independent Directors		
Neelam Dhawan	0.37	-
Sanjay Nayak	0.33	-
Kaushik Dutta	0.32	-
Sitting Fees payable to Independent Directors		
Neelam Dhawan	0.01	-
Kaushik Dutta	0.02	-

During the year ended March 31, 2025, the Company has converted CCPS into equity shares and as a result of which 96,76,314 equity shares, 96,76,314 equity shares and 11,37,45,626 equity shares have been allotted to Tarun Sanjay Mehta, Swapnil Babanlal Jain and Hero Motocorp Limited respectively.

* Excludes ₹ Nil during year ended March 31, 2026 (March 31, 2025 : ₹ 0.57 crores) charged to statement of profit & loss on account of effective interest rate calculation as per Ind AS.

Includes remuneration approved and paid for financial year ended March 31, 2025

** The Actuarial Valuation Report of Gratuity and Compensated absence liabilities are taken for the entire Company without any bifurcation to any specific employee, hence it is not included in related party transaction.

Note:
All related party transactions were entered at an arm's length basis and in the ordinary course of business.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 37 FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT

i) The carrying value of financial assets by categories is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at fair value through statement of profit and loss (FVTPL)		
Investment in mutual funds	552.01	41.00
	552.01	**41.00**
Measured at amortised cost		
Trade receivables	8.30	11.84
Cash and cash equivalents	111.94	69.80
Other balances with banks	711.21	300.63
Loans	0.17	0.42
Other financial assets	1,344.82	168.45
	2,176.44	**551.14**

ii) The carrying value of financial liabilities by categories is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at amortised cost		
Borrowings	513.07	449.85
Lease liabilities	151.15	169.37
Trade payables	830.02	560.90
Other financial liabilites	80.76	57.36
	1,575.00	**1,237.48**

The management assessed that carrying value of cash and cash equivalent, other balances with banks, trade receivables, trade payables, other financial assets, other financial liabilities, lease liabilities and borrowings approximates their fair value largely due to short-term maturities of these instruments.

iii) Fair value hierarchy

The section explains the judgement and estimates made in determining the fair value of the financial instruments that are:

a) recognised and measured at fair value.

b) measured at amortised cost and for which fair values are disclosed in the financial statement.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels as mentioned under Indian accounting standards.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of quoted equity share, quoted debt instruments and mutual fund investments. The fair values of investments in units of mutual fund are based on the Net Asset Value (NAV) as per the fund statement.

Level 2 - This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

Level 3 - This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

There are certain financial assets and liabilities which are measured at fair value at the end of each reporting year. Following table gives information about how the fair values of these financial assets and liabilities are determined:

Particulars	Fair value as at March 31, 2026		
	Level 1	Level 2	Level 3
Financial assets and measured at fair values			
Investments	552.01	-	-
Particulars	**Fair value as at March 31, 2025**		
	Level 1	**Level 2**	**Level 3**
Financial assets and measured at fair values			
Investments	41.00	-	-

There were no transfers between level 1 and level 2 for recurring fair value measurements during the above year. There were no significant inter-relationships between unobservable inputs that materially affects fair values.

NOTE - 38 FINANCIAL RISK MANAGEMENT FRAMEWORK

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors. The Company is constantly evaluating micro and macro economic factors influencing the business including, economical, geo-political and other risks which may have a bearing on the business or operations. The Company is of the view that the impact of these risks would not have a material impact on the business in medium to long term business plans. The Company continuously monitor these risks and other developments to identify significant uncertainties.

A. CREDIT RISK

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company has adopted a policy of dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. This information is supplied by independent rating agencies wherever available and if not available, the Company uses other publicly available financial information and its own trading records to rate its major customer. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. The Company usually collects advances from the customers and hence these risk would not have material impact on the business.

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in mutual funds, trade receivables and other financial assets. None of the financial instruments of the Company result in material concentrations of credit risks.

B. LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The above borrowings of the Company with carrying value of ₹ 513.07 crores are in compliance with the quarterly / annual covenant requirement as applicable for the respective lending arrangements. Basis the Management's estimates, the Company will meet the financial and non financial covenants for a period of twelve months from the end of the reporting year.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Carrying value	Less than 1 Year	1-5 Years	5 years and above	Total
As at March 31, 2026					
Trade Payable	830.02	826.73	3.29	-	830.02
Borrowings	513.07	191.24	404.47	-	595.71
Lease liabilities	151.15	45.96	89.92	94.39	230.27
Other financial liabilities	80.76	80.76	-	-	80.76
	1,575.00	**1,144.69**	**497.68**	**94.39**	**1,736.76**
As at March 31, 2025					
Trade Payable	560.90	560.40	0.50	-	560.90
Borrowings	449.85	370.37	121.49	-	491.86
Lease liabilities	169.37	43.90	118.54	108.20	270.64
Other financial liabilities	57.36	57.36	-	-	57.36
	1,237.48	**1,032.03**	**240.53**	**108.20**	**1,380.76**

C. MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. All such transactions are carried out within the guidelines set by the Board of Directors and Risk Management Committee.
There has been no significant changes to the Company's exposure to market risk or the methods in which they are managed or measured.

i. Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long term borrowings and short term borrowings with variable rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing costs.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

Interest rate risk exposure

Particulars	As at March 31, 2026	As at March 31, 2025
Floating rate borrowings	513.07	91.81

Sensitivity analysis

A reasonably possible change of 100 basis points (bps) in interest rates at the reporting date would have increased / (decreased) in equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	As at March 31, 2026	As at March 31, 2025
(Increase) or decrease in loss		
Interest rates – increase by 100 basis points (100 bps)	(5.13)	(0.92)
Interest rates – decrease by 100 basis points (100 bps)	5.13	0.92

ii. Currency Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities and borrowings when transactions are denominated in a different currency from the Company's functional currency.

Foreign currency sensitivity

The following table details the Company's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currencies. (+) / (-) 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the reporting year end for a 1% change in foreign currency rates. A positive number below indicates an increase in loss whereas a negative number below indicates reduction in loss to the company on account of weakening / strengthening of functional currency by 1% against the relevant foreign currency.

Particulars	USD	EURO
As at March 31, 2026		
A. Exposure		
In foreign currency (absolute numbers)		
Trade payables	1,49,82,830	1,18,738
Trade receivable	74,797	-
Other receivable	39,235	-
In functional currency (₹ in crores)		
Trade payables	141.82	1.29
Trade receivable	0.71	-
Other receivable	0.37	-

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

Particulars	USD	EURO
Increase or (decrease) in loss for the year ended March 31, 2026		
B. Sensitivity analysis		
1% Increase (in functional currency, ₹ in crores)		
Trade payables	1.42	0.01
Trade receivable	(0.01)	-
Other receivable	(0.00)	-
1% Decrease (in functional currency, ₹ in crores)		
Trade payables	(1.42)	(0.01)
Trade receivable	0.01	-
Other receivable	0.00	-
As at March 31, 2025		
A. Exposure		
In foreign currency (absolute numbers)		
Trade payables	63,32,506	2,600
Trade receivable	5,46,570	-
Borrowings	53,54,250	-
In functional currency (₹ in crores)		
Trade payables	54.19	0.02
Trade receivable	4.68	-
Borrowings	45.82	-
Increase or (decrease) in loss for the year ended March 31, 2025		
B. Sensitivity analysis		
1% Increase (in functional currency, ₹ in crores)		
Trade payables	0.54	0.00
Trade receivable	(0.05)	-
Borrowings	0.46	-
1% Decrease (in functional currency, ₹ in crores)		
Trade payables	(0.54)	(0.00)
Trade receivable	0.05	-
Borrowings	(0.46)	-

iii. **Other price risk**

The Company's exposure to price risk arises for investment in mutual funds held by the Company. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE - 39 CAPITAL MANAGEMENT

The Company's capital management objectives are:
- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.
- to augment requisite resources for future infrastructure requirements

For the purpose of debt to total equity ratio, debt considered is long-term borrowings (including current maturities), short-term borrowings and current and non-current lease liabilities. Total equity comprise of issued share capital and all other equity reserves.

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	As at March 31, 2026	As at March 31, 2025
Total equity attributable to the equity shareholders	2,572.63	492.99
Total Equity (a)	**2,572.63**	**492.99**
Long term borrowings (including current maturities)	513.07	364.23
Short term borrowings	-	85.62
Lease liabilities	151.15	169.37
Total debt (b)	**664.22**	**619.22**
Debt to equity ratio (b)/(a)	**0.26**	**1.26**

Notes to the Financial Statements

For the year ended March 31, 2026

(Amounts in ₹ crores, unless otherwise stated)

NOTE - 40 ADDITIONAL REGULATORY REQUIREMENT

The following are analytical ratios for the year ended March 31, 2026 and March 31, 2025 :

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Variance	Reason for variance
Current ratio - (no. of times)	Current assets	Current liabilities	2.42	0.99	144.44%	Increase is mainly on account of increase in current assets during the current year, pursuant to surplus fund of IPO parked in term deposits (Refer note 43)
Debt-equity ratio - (no. of times)	Non-current borrowings (+) current borrowings (+) lease liability	Total equity	0.26	1.26	-79.37%	Decrease is mainly on account of increase in total equity pursuant to IPO (Refer note 43)
Debt service coverage ratio - (no. of times)	Profit/(loss) before depreciation & amortisation + finance costs + exceptional items and tax	Interest expenses + Principal repayments of long-term debt + payment of lease liabilities	(0.52)	(1.38)	-62.32%	Improvement mainly on account of reduction in loss during the year.
Return on equity ratio - (no. of times)	Loss for the year	Average Equity	(0.34)	(1.56)	-78.21%	Improvement mainly on account of reduction in loss during the year and increase in average equity pursuant to IPO (Refer note 43).
Inventory turnover ratio - (no. of times)	Cost of goods sold	Average inventory	11.01	10.39	5.97%	-
Trade receivable turnover ratio - (no. of times)	Revenue from operations	Average trade receivables	364.62	336.56	8.34%	-
Trade Payable turnover ratio - (no. of times)	Total purchases & other expenses, other than non-cash expenses	Average trade payable	5.14	5.15	-0.19%	-
Net capital turnover ratio - (no. of times)	Revenue from operations	Average working capital (i.e. Current assets (-) Current liabilities)	3.74	33.00	-88.67%	Decrease in working capital turnover ratio is mainly due to increase in average working capital on account of increase in current assets pursuant to surplus fund of IPO parked in term deposits partially offset by increase in revenue from operations during the year.
Net profit/(loss) ratio (%)	Loss for the year	Revenue from operations	-14.09%	-36.02%	-60.89%	Improvement mainly due to decrease in loss and increase in revenue from operation for the year.
Return on capital employed (%)	Earning before interest and tax	Capital employed (i.e. Tangible net worth + debt)	-14.24%	-80.11%	-82.22%	Improvement in return on capital employed is due to reduction in losses during the year.
Return on investment	Net gain on disposal / fair valuation of investments carried at fair value through profit & loss	Time weighted average investment	6.57%	7.24%	-9.25%	-

Notes to the Financial Statements

For the year ended March 31, 2026

(Amounts in ₹ crores, unless otherwise stated)

NOTE - 41

a. Details of the stock option plans of the Company

Areas	Employee stock option plan	Founders stock option plan
Exercise of options while in employment	In an event or at the discretion of the Board	Prior to a Liquidity event
Resignation / Termination (other than due to Breach)	Allowed to carry vested options till exercise event	Allowed to carry vested options till liquidity event
Retirement	Allowed to carry vested options till exercise event	Not applicable
Death	Unvested options shall vest immediately and nominee allowed to carry vested options till exercise event	Unvested options shall vest immediately and nominee allowed to carry vested options till liquidity event
Termination due to permanent incapacity	Unvested option shall be vested immediately and allowed to carry vested options till exercise event	Unvested options shall vest immediately allowed to carry vested options till liquidity event.
Abandonment	Vested and unvested options shall be cancelled	Options Lapse
Any other reasons	At the discretion of the Board	At the discretion of the Board
Reconstruction	As per the recommendation by Nomination and Remuneration Committee ("NRC")	As defined in Liquidity event
Lapse	**Vested Options :** Failure to Exercise within designated five-year Exercise Period / Abandonment / Breach of Conduct **Unvested Options :** Abandonment / Breach of Conduct / Resignation/Termination	Termination due to breach
Lock in Period	Not applicable	Not defined

The activity of the Plans are as follows:

Particulars	Shares arising out of Employee stock option plan (refer note 12.1.1(i)(c))		Shares arising out of Founders stock option plan (refer note 12.1.1(i)(b&c))	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Outstanding at the beginning of the year	1,65,31,312	46,579	-	3,476
Granted/adjustment	13,63,537	26,78,257	-	-
Increased consequent to issue of bonus shares (refer note 12.1.1(i)(c))	-	1,39,78,777	-	9,03,760
Exercised	(1,02,13,496)	-	-	(9,07,236)
Cancelled	(5,51,000)	(1,72,301)	-	-
Cash settled	-	-	-	-
Outstanding at the end of the year	**71,30,353**	**1,65,31,312**	-	-
Exercisable at the end of the year	**42,53,133**	**1,06,81,730**	-	-
Weighted average remaining contractual life	**3.18 years**	**2.54 years**	-	-

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

The fair value for the above stock options on the date of grant using the Black Scholes Merton Model with the following assumptions

Particulars	Employee stock option plan	
	As at March 31, 2026	As at March 31, 2025
Weighted average share price (₹)	251.29	1 to 299*
Exercise Price (₹)	0.0038 to 1*	0.0038 to 1*
Expected Volatility	35%	35%
Expected life of the Options	5-8 years	5-8 years
Expected Dividends (%)	0%	0%
Risk free interest rate (%)	6.76% - 7.25%	6.92% - 7.41%

* Include impact of issue of bonus share

Notes:

(a) The Board of Directors vide their resolution dated July 09, 2024 allotted 74,148 Series F – CCPS of face value of ₹ 1 each with a premium of ₹ 11,673 per share and the said CCPS accounted as share based payments considering the terms of the issue of Series F CCPS in accordance "IND AS 102-Share-based Payment" under the head other equity. Further, the Board of Directors vide their resolution dated February 25, 2025 approved the conversion of 74,148 Series F CCPS into 1,93,52,628 equity shares in the conversion ratio of 261:1 with the face value of ₹ 1 each ranking pari-passu with the existing equity shares of the Company. The conversion ratio of the CCPS into Equity Shares have been adjusted as per Bonus issuance.

b. Details of the cash settled share based payment plans of the Company

Areas	Stock Appreciation Rights Plan 2020 (""Ather SARs 2020"")	Founders stock option plan
Exercise of options while in employment	Cash Settlement on Liquidity Events	Prior to a Liquidity event
Resignation / Termination (other than due to Breach)	Allowed to carry vested SARs till liquidity event	Allowed to carry vested options till liquidity event
Retirement	Allowed to carry vested SARs till liquidity event	Not Applicable
Death	Unvested options shall vest immediately and nominee allowed to carry vested options till liquidity event	Unvested options shall vest immediately and nominee allowed to carry vested options till liquidity event
Termination due to permanent incapacity	Unvested options shall vest immediately and allowed to carry vested options till liquidity event	Unvested options shall vest immediately allowed to carry vested options till liquidity event.
Abandonment	Vested and unvested options shall be cancelled	Options Lapse
Any other reasons	At the discretion of the Committee	At the discretion of the Board
Reconstruction	As defined in Liquidity event	As defined in Liquidity event
Lapse	Resignation/ Termination due to breach	Termination due to breach
Lock in Period	Not applicable	Not defined

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

The activity of the Plans are as follows:

Particulars	Shares arising out of Ather SARs 2020		Shares arising out of Founders stock option plan	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Outstanding at the beginning of the year	-	3,752	-	1,738
Increased consequent to issue of bonus shares (refer note 12.1.1(i)(c)))	-	9,75,520	-	4,51,880
Granted/adjustment	-	-	-	-
Settled / adjustment	-	(9,79,272)	-	(4,53,618)
Outstanding at the end of the year	-	-	-	-
Weighted average remaining contractual life	-	-	-	-

Notes :

(a) The Board of Directors of our Company in its meeting held on June 18, 2024 and shareholders of our Company in the Extraordinary General Meeting held on June 21, 2024 approved the issuance of bonus equity share of ₹ 1 each in the ratio of 260:1 and 224:1 for the equity shares of ₹ 1 each and for the equity shares of ₹ 37 each respectively and also approved the sub-division of 3,530 equity shares of ₹ 37 each into 1,30,610 equity shares of ₹ 1 each. The conversion ratio of the Compulsory Convertible Preference Shares into Equity Shares and the employee stock options along with its price per option was adjusted accordingly.

NOTE 42

As of balance sheet date, the Company has an aggregate sum of ₹ 0.09 crores equivalent to USD 8,916.42 and EURO 450.00 (March 31, 2025: ₹ 0.17 crores equivalent to USD 17,920.07 and EURO 1,700) payable to overseas Companies towards import of goods and services which are outstanding beyond the prescribed time limit for payment as per the extant Foreign Exchange Management Act (FEMA) regulations.

NOTE 43 - INITIAL PUBLIC OFFER PROCEEDS UTILISATION

During the year ended March 31, 2026, the Company has completed Initial Public Offer ("IPO") of 92,867,945 equity shares of face value of ₹ 1 each at an issue price of ₹ 321 per share, comprising of fresh issue of 8,18,16,199 shares, out of which 8,17,16,199 equity shares were issued at an offer price of ₹ 321 per equity share to all the allottees and 1,00,000 equity shares were issued at an offer price of ₹ 291 per equity share, after a discount of ₹ 30 per equity share to employees aggregating to ₹ 2,626.00 crores and offer for sale of 1,10,51,746 equity shares by the selling shareholders aggregating to ₹ 354.80 crores. Pursuant to the IPO, the equity shares of the Company are listed on the National Stock Exchange ("NSE") and Bombay Stock Exchange ("BSE") on May 06, 2025.

Details of utilisation of IPO proceeds of ₹ 2,626.00 crores as at March 31, 2026 is summarized as below:

Particulars	Proposed utilisation as per offer document	Utilised upto March 31, 2026	Unutilised upto March 31, 2026
Capital expenditure to be incurred by Company for establishment of an E2W factory in Maharashtra, India	927.20	139.63	787.57
Repayment/ pre-payment, in full or part, of certain borrowings	40.00	40.00	-
Investment in research and development	750.00	272.42	477.58
Expenditure towards marketing initiatives	300.00	90.44	209.56
General corporate purposes	498.80	358.50	140.30
Issue Expenses	110.00	107.94	2.06
Total	**2,626.00**	**1,008.93**	**1,617.07**

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

Out of the above unutilised IPO proceeds as at March 31, 2026, ₹ 1,615.00 crores is temporarily invested in fixed deposits with scheduled commercial banks, ₹ 2.06 crores is lying in public offer account and ₹ 0.01 crores is lying in monitoring account.

NOTE 44

Pursuant to China's imposition of an export ban on certain categories of heavy rare earth magnets, there has been a disruption in the global supply chain and the Company's operation was impacted to some extent. The Company, through its motor suppliers, had to make temporary adjustments and deviations from Phased Manufacturing Program ("PMP") guidelines in the manufacturing process for traction motors (specifically concerning the domestic fitment of magnets). While this being a temporary change affecting the Company's ability to submit demand incentive claims under the PM E-DRIVE scheme, the Company has decided to defer submission of claims for demand incentives and revenue recognition to the extent of ₹ 24.52 crores on these specific vehicles sold during the year ended March 31, 2026.

NOTE 45

During the year ended March 31, 2026, the Board of Directors of the Company approved for the incorporation of two Wholly Owned Subsidiary (""WOS"") companies, a) A Corporate Agent WOS to offer and facilitate insurance policies which will enable the Company to streamline its insurance offerings, enhance customer experience and generate a recurring revenue stream by leveraging its existing user base. b) A Hong Kong based WOS to support the Company's critical procurement functions and enhance supply chain resilience within the Asia-Pacific (APAC) region.

NOTE 46

According to the management's evaluation of events subsequent to the balance sheet date, there were no significant adjusting events that occurred other than those disclosed/given effect to, in these financial statements as of March 31, 2026.

NOTE 47

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

NOTE 48 : OTHER STATUTORY DISCLOSURES

A. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall;
   i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
   ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries"

B. The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
   i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
   ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the Financial Statements

For the year ended March 31, 2026 (Amounts in ₹ crores, unless otherwise stated)

NOTE 49

As at March 31, 2026, there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

NOTE 50

The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2026 and March 31, 2025.

NOTE 51

The Company has not entered into any scheme of arrangement which has an accounting impact during the year ended March 31, 2026 and March 31, 2025.

NOTE 52

There is no income surrendered or disclosed as income during the year ended March 31, 2026 and March 31, 2025 in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

For and on behalf of Board of Directors of
Ather Energy Limited (formerly known as Ather Energy Private Limited)

Tarun Sanjay Mehta
Executive Director and Chief Executive Officer
DIN: 06392463

Swapnil Babanlal Jain
Executive Director and Chief Technical Officer
DIN: 06682759

Sohil Dilipkumar Parekh
Chief Financial Officer

Puja Aggarwal
Company Secretary and Compliance Officer

Date: May 04, 2026
Place: Bengaluru

ATHER

Registered Office Address
3rd Floor, Tower D, IBC Knowledge Park, # 4/1, Bannerghatta Main Road, Bengaluru 560 029, Karnataka, India.

Corporate Office Address
13th Floor, Tower D, IBC Knowledge Park, # 4/1, Bannerghatta Main Road, Bengaluru 560 029, Karnataka, India.

Email: cs@atherenergy.com
ir@atherenergy.com

Website: www.atherenergy.com

Concept, Content & Design (info@wyatt.co.in)