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This is a public announcement for information purposes only and is not a prospectus announcement and does not constitute an invitation or offer to acquire, purchase or subscribe to securities. Not for release, publication or distribution directly or indirectly, outside India. Initial public offer of Equity Shares (as defined below) on the main board of BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), and together with BSE, the "Stock Exchanges" in compliance with Chapter II of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations").

OLA ELECTRIC

OLA ELECTRIC MOBILITY LIMITED



Please scan the QR code to view the RHP

Our Company was incorporated as Ola Electric Mobility Private Limited at Bengaluru, Karnataka as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated February 3, 2017, issued by the Registrar of Companies, Central Registration Centre. Subsequently, our Company was converted to a public limited company and the name of our Company changed to Ola Electric Mobility Limited pursuant to a Shareholders' resolution dated October 5, 2023 and a fresh certificate of incorporation dated November 17, 2023 was issued by the Registrar of Companies, Karnataka at Bengaluru ("ROC"). For further details, see "History and Certain Corporate Matters - Brief History of our Company" on page 227 of the red herring prospectus dated July 26, 2024 filed with the RoC on July 27, 2024 ("RHP" or "Red Herring Prospectus").

Registered Office: Regent Irisignia, #414, 3rd Floor, 4th Block, 17th Main, 100 Feet Road, Koramangala, Bengaluru 560 034, Karnataka, India. Tel: +91 98 3544 0050. Website: www.olelectric.com. Contact person: Pramadana Tomar, Company Secretary and Compliance Officer. E-mail: info@olelectric.com. Corporate Identity Number: U74996KA2017PLC09619

OUR PROMOTER: BHAVISH AGGARWAL

INITIAL PUBLIC OFFERING OF UP TO (A) EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OF OLA ELECTRIC MOBILITY LIMITED (OUR "COMPANY" OR THE "COMPANY") FOR CASH AT PRICE OF ₹ 14 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 4 PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ 140 MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO (A) EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ 55.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 84,341,397 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ 843.41 MILLION (THE "OFFER FOR SALE"). THE OFFER INCLUDES A RESERVATION OF UP TO (A) EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AGGREGATING UP TO ₹ 55.00 MILLION (CONSTITUTING UP TO 1% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE (A) AND (A) (% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY).

DETAILS OF THE OFFER FOR SALE

The details of the Top 10 selling shareholders are as below:

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
Bhavish Aggarwal	Promoter Selling Shareholder	Up to 37,915,211 equity shares of face value of ₹ 10 each aggregating up to ₹ 379.15 million	Nil ¹
Indus Trust	Promoter Group Selling Shareholder	Up to 4,178,996 equity shares of face value of ₹ 10 each aggregating up to ₹ 41.79 million	
Alpha Wave Ventures II, LP	Investor Selling Shareholder	Up to 3,782,883 equity shares of face value of ₹ 10 each aggregating up to ₹ 37.83 million	62.38
Alpine Opportunity Fund VI, LP	Investor Selling Shareholder	Up to 630,336 equity shares of face value of ₹ 10 each aggregating up to ₹ 6.30 million	111.51
Internet Fund III Pta Ltd	Investor Selling Shareholder	Up to 6,360,891 equity shares of face value of ₹ 10 each aggregating up to ₹ 63.61 million	11.70
MacRicht Investments Pvt. Ltd.	Investor Selling Shareholder	Up to 1,354,978 equity shares of face value of ₹ 10 each aggregating up to ₹ 13.55 million	75.11
Matrix Partners India Investments III, LLC	Investor Selling Shareholder	Up to 3,727,534 equity shares of face value of ₹ 10 each aggregating up to ₹ 37.28 million	8.22
SVF II Ostich (DE) LLC	Investor Selling Shareholder	Up to 23,657,268 equity shares of face value of ₹ 10 each aggregating up to ₹ 236.57 million	51.37
Tekne Private Ventures XIV, Ltd.	Investor Selling Shareholder	Up to 975,581 equity shares of face value of ₹ 10 each aggregating up to ₹ 9.76 million	113.12
Ashna Advisors LLP	Investor Selling Shareholder	Up to 601,828 equity shares of face value of ₹ 10 each aggregating up to ₹ 6.02 million	71.15

¹As certified by B.B. & Associates, Chartered Accountants, by their certificate dated July 26, 2024. Calculated on a fully diluted basis.

²The average cost of acquisition per Equity Share for Bhavish Aggarwal is below ₹ 0.01.

³The average cost of acquisition per Equity Share for Indus Trust is below ₹ 228 equity shares of face value of ₹ 10 each were acquired by way of gift on January 18, 2019 and 141,958,544 equity shares of face value of ₹ 10 each were acquired pursuant to a bonus issue by our Company on December 23, 2021.

For further details, see "The Offer" beginning on page 79 of the RHP.

We are a pure EV player in India building vertically integrated technology and manufacturing capabilities for EVs and EV components. We manufacture EVs and certain core EV components at the Ola Futurefactory. We have delivered seven products and additionally announced four new products. We operate a direct-to-customer omnichannel distribution network across India, comprising 870 experience centres and 431 service centres as at March 31, 2024, and our Ola Electric website.

The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations.

QIB Portion: Not less than 75% of the Net Offer | Non-Institutional Portion: Not more than 15% of the Net Offer | Retail Portion: Not more than 10% of the Net Offer
Employee Reservation Portion: Up to (A) Equity Shares of face value of ₹ 10 each aggregating up to ₹ 55 million

PRICE BAND: ₹ 72 TO ₹ 76 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH

THE FLOOR PRICE AND THE CAP PRICE ARE 7.2 TIMES AND 7.6 TIMES THE FACE VALUE OF THE EQUITY SHARES RESPECTIVELY

BIDS CAN BE MADE FOR A MINIMUM OF 195 EQUITY SHARES AND IN MULTIPLES OF 195 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH THEREAFTER

A DISCOUNT OF ₹ 7 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION

SINCE COMPANY HAS INCURRED LOSS IN FINANCIAL YEAR 2023 BASED ON RESTATED IND AS SUMMARY STATEMENTS, THE BASIC AND DILUTED EPS IS NEGATIVE, AND HENCE, THE PRICE TO EARNINGS RATIO IS NOT ASCERTAINABLE

In accordance with the recommendation of Independent Directors of our Company, pursuant to their resolution dated July 27, 2024, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the "Basis for Offer Price" section on page 146 of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in the "Basis for Offer Price" section on page 146 of the RHP and provided below in this advertisement.

In making an investment decision, potential investors must only rely on the information included in the RHP and the terms of the Offer, including the risks involved and not rely on any other external sources of information about the Offer available in any manner.

RISKS TO INVESTORS

For details refer to section titled "Risk Factors" on page 29 of the RHP

1. Losses and negative cash flow from operating activities in the past: We have incurred losses and negative cash flows from operating activities since our inception, including in Fiscals 2024, 2023 and 2022 as set forth in the following table:

Particulars	Amount in ₹ million		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Loss Before Tax	(15,844.00)	(14,720.79)	(7,841.50)
Net cash used in Operating Activities	(6,330.87)	(15,072.71)	(8,849.54)

Our Material Subsidiaries, OET and OCT have continuously incurred losses since its inception.

2. Limited operating history: Incorporated in 2017, we delivered our first electric vehicle ("EV") scooter in December 2021. As we have a limited operating history in manufacturing EVs, there is a limited historical basis on which we can make judgments regarding our ability to develop, manufacture, and deliver EVs or their components or our future results of operations, including our ability to achieve profitability in the future. If we fail to address any or all of the risks and challenges pertaining to EV industry, our business may be materially and adversely affected.

3. Majority portion of our Objects are towards investment into research and development purposes: We intend to utilize ₹ 16,000 million out of the Net Proceeds for investment into research and development purposes of our Company, which constitutes a significant portion of the Net Proceeds which we propose to raise pursuant to the Offer. We cannot assure you that such investment into research and development will proceed as planned and result in creation of tangible assets or achieve results as anticipated.

4. Risk associated with investment in research and development and technology: We have heavily invested in and plan to continue investing in R&D and technology, including developing our cell manufacturing capabilities through the BIC. There is no assurance that we will realise returns on such investments. The following table sets forth our R&D spend, which comprises intangible assets under development and research costs.

Particulars	Fiscal 2024			Fiscal 2023			Fiscal 2022		
	(in ₹ million, except as stated otherwise)								
Additions to intangible assets under development ⁽¹⁾ (A)	3,061.65			4,216.29			1,601.50		
Additions to intangible assets under development as a % of total spend on research and product development (%) (D = A/C)	79.50%			83.05%			91.08%		
Research cost ⁽²⁾ (B)	789.41			860.82			156.90		
Research cost as a % of total spend on research and product development (%) (E = B/C)	20.50%			16.95%			8.92%		
Total spend towards research and product development (C = A+B)	3,851.06			5,077.11			1,758.40		
Research and product development as a % of revenue from operations (%)	7.69			19.30			47.09		

Notes:

(1) Intangible assets under development are capitalised expenses in the Restated Consolidated Financial Information.

(2) Expenditure on research activities are recognised in the statement of profit and loss of the Restated Consolidated Financial Information. For further details see, "Restated Consolidated Financial Information - Notes forming part of the Restated Consolidated Financial Information - Note 29: Other Expenses" on page 308 of the RHP.

5. Supply and Pricing risk: While we manufacture certain EV components, others are sourced from third-party domestic and foreign suppliers. In Fiscals 2024, 2023 and 2022, imported supplies comprised 37.03%, 31.11% and 29.76% of the cost of materials consumed, while domestic supplies comprised 62.97%, 68.89% and 70.24% of the cost of materials consumed. Our Company can experience disruptions in the supply or an increase in prices of components and raw materials, which could result in an increase in the price and impact the delivery timelines.

6. Ineligibility/elimination of Government incentives/ subsidies: We benefit from certain government incentives such as the FAME Phase II subsidies, subsidies from the government of Tamil Nadu and goods and services tax reimbursements. Any reduction or elimination of government incentives such as the Electricity Mobility Promotion Scheme, 2024, Automobile PLI Scheme, Cell PLI Scheme, subsidies from the governments, and GST reimbursement or the ineligibility of any of our electric vehicles for such subsidy would increase the retail price of our electric vehicles and could adversely affect customer demand for our electric vehicles and affect our ability to achieve profitability.

7. Risk related to sourcing of raw materials from China: We plan to continue to source raw materials from suppliers in China for the purpose of cell manufacturing. We may be exposed to the possibility of product supply disruption and increased costs in the event of changes in the policies, rules and regulations of the Indian or Chinese government, including as a result of any political tensions, which could result in trade tariffs, increased freight charges or prices of cathode active material and anode active material, or a complete halt on imports from China.

8. Performance and quality related risk: We design and develop new EV products and certain core EV components in-house, such as the motor and drivetrain, battery packs, electronics and software. We import cells from foreign cell manufacturing companies, and plastic parts, electronic child parts and metal parts from other domestic and foreign suppliers. We cannot guarantee that the components or raw materials sourced will be free from defects or quality issues.

9. Risks associated to Ola Gigafactory: We intend to utilize ₹ 12,276.41 million of the Net Proceeds to fund our capital expenditure requirements to expand the Ola Gigafactory's manufacturing capacity. We have also relied on the D&B Report, which provides certain risks like risks in relation to obtaining required approvals from governmental

authorities in a timely manner, technological risk, time and cost overrun in relation to Phase 1(b) and Phase 2 etc. We may experience cost overruns and face significant delays in completing the remaining phases of the Ola Gigafactory.

The Ola Gigafactory will be expanded in phases as set out below:

Sl. No.	Phase	Cumulative capacity*	Expected date of completion and operationalisation*
1.	Phase 1(b)	5 GWh	February 28, 2025
2.	Phase 2	6.40 GWh	April 30, 2025
3.	Further phases	20 GWh	Quarter 2 of Calendar Year 2026

*In terms of the D&B Report

10. Intellectual property rights risk: We regard our trademarks, service marks, patents, domain names, trade secrets, proprietary technologies, and similar intellectual property as critical to our success. We have 88 registered patents and 217 patent applications pending in India under the Patents Act, 1970, as of July 24, 2024. We may not be able to protect our intellectual property rights and prevent the unauthorised use of our intellectual property, which could harm our business and competitive position. Further, we do not own the trademark for our brand name 'Ola'.

11. Product concentration risk: We derive our revenue solely from the sale of limited electric vehicle scooter models. If our electric vehicle scooters are not well-received by the market, our business could be adversely affected. The following table provides a breakdown of the revenue contribution of each of our EV scooter models in the past three Fiscals:

	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (₹ million)	Revenue contribution as a percentage of revenue from operations (%)	Revenue contribution (₹ million)	Revenue contribution as a percentage of revenue from operations (%)	Revenue contribution (₹ million)	Revenue contribution as a percentage of revenue from operations (%)
Ola S1 Pro (Gen 1)	16,869.67	33.67%	15,305.84	58.18%	3,177.29	85.09%
Ola S1 Pro (Gen 2)	13,001.22	25.95%	-	-	-	-
Ola S1	1,342.84	2.68%	7,724.05	29.36%	-	-
Ola S1 Air	9,482.67	18.93%	-	-	-	-
Ola S1 X+	5,339.42	10.66%	-	-	-	-

12. Full warranty cycle has not been completed: We are yet to complete a full warranty cycle in respect of our EVs. We could, in the future, become subject to warranty claims, resulting in significant expenses, which would in turn materially and adversely affect our financial condition, results of operations, and prospects. In addition, if we are able to increase our sales volumes and expand our product line, in line with our business strategy, we could experience an increase in the number of warranty claims and be required to increase our warranty provisions.

13. Failure to achieve the Cell PLI Scheme Capacity: Under the Cell PLI Scheme, we are required to manufacture cells as per the committed capacity specified in our bid and the Programme Agreement. Accordingly, we are required to achieve 1 GWh capacity in the first year in Fiscal 2024 which we achieved on March 22, 2024, 5 GWh capacity in the second year, 10 GWh capacity in the third year and 20 GWh capacity by the fourth year. Pursuant to the Programme Agreement, in the case where we fail to achieve the agreed upon capacity, which is assessed on a quarterly basis, the Government of India has the right to deduct twice the shortfall in the committed capacity from the total subsidy payable to us.

14. Competition Risk: In the competitive market in which we operate in, our competitors may be able to source raw materials at lower prices or manufacture their EVs in a more cost-efficient manner. In order to remain competitive in the market, we may be compelled to reduce the prices of our EVs. Such reduction in pricing may in turn adversely impact our ability to achieve profitability as well as our business, prospects and results of operations.

15. Inadequate access to public charger guns: Demand for our EVs will depend in part upon the availability of a public charging infrastructure, as EV users must rely on public charging infrastructure to charge their vehicles while travelling. Inadequate access to public charger guns could cause customers to face difficulties in recharging their EVs, particularly during long distance travels. To the extent we are unable to meet customer expectations or experience difficulties in providing our charging solutions, our reputation and business, prospects, financial condition, results of operations, and cash flows may be materially and adversely affected.

16. Driving range on a single charge of our electric vehicles declines over time: The driving range of our EVs on a single charge declines principally as a function of usage, time, and charging patterns. According to the Redseer Report, a single battery charge provides a range of 70-115 km on average (for lithium-ion batteries) for E2Ws. Since we only commenced delivery of our first scooter model, the Ola S1 Pro, in December 2021, we are unable to accurately assess the actual deterioration of battery life in the long term. Such battery deterioration and the related decrease in range may negatively influence potential customer decisions whether to purchase our EVs, which may harm our ability to market and sell our EVs

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