

March 24, 2025

Ola Electric Technologies Private Limited: Update on entity

Summary of rating(s) outstanding

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating outstanding
Long-Term – Fund based - Term Loan	732.0	732.0	[ICRA]A (Negative)
Long-Term interchangeable - Letter of Credit/Bank Guarantee	(340.0)	(340.0)	[ICRA]A (Negative)
Long-Term/Short-Term - Fund Based/Non-Fund based facilities	1,061.0	1,061.0	[ICRA]A (Negative)/ [ICRA]A1
Long-Term/Short-Term - Unallocated limits	94.0	94.0	[ICRA]A (Negative)/ [ICRA]A1
Total	1,887.0	1,887.0	

*Instrument details are provided in Annexure I

Rationale

Material Event

Ola Electric Mobility Limited (parent entity of Ola Electric Technologies Private Limited (OETPL)) informed the stock exchange via a public release on March 15, 2025, that a petition has been filed under Section 9 of the Insolvency and Bankruptcy Code, 2016 by Rosmerta Digital Services Limited (RDSL), an operational creditor of OETPL. The petition has been submitted before the National Company Law Tribunal – Bengaluru Bench (NCLT, Bengaluru), alleging to default in payment towards the services rendered by the operational creditor and seeking initiation of the Corporate Insolvency Resolution Process (CIRP) against OETPL.

Impact of Material Event

ICRA notes that the company had informed the stock exchange via a public release dated February 19, 2025, that the company had initiated a renegotiation the terms of agreement with its agencies, namely Rosmerta Digital Services Private Limited and Shimnit India Private Limited, to reduce cost and enhance vehicle registration process efficiencies; the same was likely to impact the registration numbers for the month of February 2025 on VAHAN Portal. As per discussions with the management, OETPL proceeded to discontinue its contracts with the two vendors and has brought the registration process for its vehicles inhouse. The company has sought appropriate legal advice with regards to the petition filed by RDSL and intends to take all necessary and appropriate steps to protect its interests and object to the allegations in the matter. ICRA will continue to monitor the developments with regards to the petition and its impact thereof on the company's credit profile.

ICRA also notes that as a result of the change in registration process, there was a large gap between vehicle registrations as per VAHAN portal in February 2025 (which stood at ~8,600 units) and sales as per the company's regulatory filing dated February 28, 2025 (claimed sales of ~25,000 units in February 2025). As per discussions with the management, the registration backlog is likely to get corrected over March-April 2025. ICRA will continue to track the trend in the company's vehicle registrations/market share, with the same remaining key with regards to the company's efforts to break even at an operational level.

ICRA takes cognisance of media articles with regards to audits being undertaken across certain company's showrooms with regards to their compliance to regulatory requirements. The management of the company has informed that the company remains compliant with the various regulatory requirements; any adverse developments in this regard has a potential to impact the company's sales and remain a key rating sensitivity. Further ICRA also notes that Ola Cell Technologies Private

Limited (a subsidiary of OEML) has received letter from IFCI Limited, which is the project management agency for the PLI ACC (Production Linked Incentive Advanced Chemistry Cell) scheme by Ministry of Heavy Industries, regarding the Non-achievement of Milestone -1 as per schedule M of the Programme Agreement (where in the company has failed to establish the ACC production capacity as stipulated in the ACC PLI scheme). ICRA understands that the company is engaged in with the relevant authorities in this regard and developments in this regard remain a monitorable.

Please refer to the following link for the previous detailed rationale that captures key rating drivers and their description, liquidity position, rating sensitivities: [Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Auto Components
Parent/Group support	Not Applicable
Consolidation/Standalone	ICRA has taken a consolidated view on OETPL and its parent, OEMPL, for arriving at the ratings; ICRA has considered the consolidated financials of OEMPL. As on March 31, 2024, OEMPL had 10 subsidiaries (including step-down subsidiaries), including OETPL

About the company

Incorporated in January 2021, OET is a pure EV OEM in India and is involved in building vertically integrated technology and manufacturing capabilities for EVs and EV components, including cells. The company manufactures EVs and certain core EV components like battery packs, motors and vehicle frames at the company's Futurefactory in Krishnagiri, Tamil Nadu. OET has delivered seven products (OLA S1 Pro, OLA S1, OLA S1 Air, OLA S1 X+, OLA S1 X 2, 3, 4 kWh) and additionally announced 12 new products (Roadster X (3 variants), Roadster (3 variants), Roadster Pro (2 variants), OLA S1 gig (2 variants), OLA S1 Z (2 variants)), which are due to commence delivery. OET commenced delivery of its first EV model, Ola S1 Pro, in December 2021. This was followed by the delivery of Ola S1 in September 2022, Ola S1 Air in August 2023, Ola S1 X+ in December 2023 and Ola S1 X (2 kWh), Ola S1 X (3 kWh) and Ola S1 X (4 kWh) in May 2024. On August 15, 2024, the company announced a line-up of motorcycles and on November 26, 2024, an e-commerce-focused scooter line-up.

OET is a 100% subsidiary of Ola Electric Mobility Ltd (OEML), a start-up company in the electric vehicle manufacturing & mobility space. The company had raised ~US\$ 792 million equity since inception till IPO (August 2, 2024) from reputed investors like SoftBank, Tiger Global Capital, Matrix Partners, Falcon Edge Capital, etc. It is a part of the Ola Group (promoted by Mr. Bhavish Aggarwal), which is present in multiple businesses viz., ride-hailing, financial services etc.

The company launched its IPO on August 2, 2024, which consisted of an offer for sale up to 84.94 million shares and a fresh issue of Rs. 5,500 crore. The size of the issuance was Rs. 6,145 crore in total.

Key financial indicators (audited)

Consolidated	FY2023	FY2024	H1FY2025*
Operating income	2,651.4	5,103.4	2,858.0
PAT	(1,472.1)	(1,584.4)	(842.0)
OPBDIT/OI	-46.5%	-22.7%	-20.4%
PAT/OI	-55.5%	-31.0%	-29.5%
Total outside liabilities/Tangible net worth (times)	1.4	2.8	0.9
Total debt/OPBDIT (times)	(1.4)	(2.3)	(2.9)
Interest coverage (times)	(11.4)	(6.2)	(3.9)

Source: Company, ICRA Research; * Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. Crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current (FY2025)						Chronology of rating history for the past 3 years					
FY2025						FY2024		FY2023		FY2022	
Instrument	Type	Amount rated (Rs. crore)	Mar 24, 2025	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Term Loan	Long-Term	732.0	[ICRA]A (Negative)	Dec 13, 2024	[ICRA]A (Negative)	May 15, 2023	[ICRA]A (stable)	Dec 23, 2022	[ICRA]A (stable)	Nov 03, 2021	[ICRA]A (stable)
			-	-	-	Nov 30, 2023	[ICRA]A (stable)	-	-	-	-
interchangeable - Letter of Credit/Bank Guarantee	Long-Term	(340.0)	[ICRA]A (Negative)	Dec 13, 2024	[ICRA]A (Negative)	May 15, 2023	[ICRA]A (stable)	Dec 23, 2022	[ICRA]A (stable)	Nov 03, 2021	[ICRA]A (stable)
			-	-	-	Nov 30, 2023	[ICRA]A (stable)	-	-	-	-
Fund Based/Non-Fund based facilities	Long-Term/Short-Term	1,061.0	[ICRA]A (Negative)/[ICRA]A1	Dec 13, 2024	[ICRA]A (Negative)/[ICRA]A1	May 15, 2023	[ICRA]A (stable)/[ICRA]A1	Dec 23, 2022	[ICRA]A (stable)/[ICRA]A1	-	-
			-	-	-	Nov 30, 2023	[ICRA]A (stable)/[ICRA]A1	-	-	-	-
Unallocated limits	Long-Term/Short-Term	94.0	[ICRA]A (Negative)/[ICRA]A1	Dec 13, 2024	[ICRA]A (Negative)/[ICRA]A1	May 15, 2023	[ICRA]A (stable)/[ICRA]A1	Dec 23, 2022	[ICRA]A (stable)/[ICRA]A1	-	-
			-	-	-	Nov 30, 2023	[ICRA]A (stable)/[ICRA]A1	-	-	-	-

Complexity level of the rated instrument

Instrument	Complexity indicator
Long-Term – Fund based - Term Loan	Simple
Long-Term interchangeable - Letter of Credit/Bank Guarantee	Very Simple
Long-Term/Short-Term - Fund Based/Non-Fund based facilities	Simple
Long-Term/Short-Term - Unallocated limits	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Long-Term – Fund based - Term Loan	2021	NA	2031	732.0	[ICRA]A (Negative)
NA	Long-Term interchangeable - Letter of Credit/Bank Guarantee	NA	NA	NA	(340.0)	[ICRA]A (Negative)
NA	Long-Term/Short-Term - Fund Based/Non-Fund based facilities	NA	NA	NA	1,061.0	[ICRA]A (Negative)/ [ICRA]A1
NA	Long-Term/Short-Term - Unallocated limits	NA	NA	NA	94.0	[ICRA]A (Negative)/ [ICRA]A1

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company name	Ownership	Consolidation approach
Ola Electric Mobility Limited	Parent Entity	Full Consolidation
Ola Electric Technologies Private Limited	100% (Rated Entity)	Full Consolidation
Ola Cell Technologies Private Limited	100%	Full Consolidation
Ola Electric Charging Private Limited	100%	Full Consolidation
Ola Electric Mobility Inc. (USA)	100%	Full Consolidation
Ola Electric Mobility B.V. (Netherlands)	100%	Full Consolidation
Etergo B.V. (Netherlands)*	100%	Full Consolidation
Etergo Operations B.V. (Netherlands)**	100%	Full Consolidation
Ola Electric UK Private Limited (UK)*	100%	Full Consolidation
EIA Trading (Shanghai) Co. Ltd. (China)*	100%	Full Consolidation
Ola Electric Technologies B.V.*	100%	Full Consolidation

Source: company; *Wholly owned subsidiary of Ola Electric Mobility B.V., ** Wholly owned subsidiary of Etergo B.V.

ANALYST CONTACTS

Shamsher Dewan
+91 124 4545328
shamsherd@icraindia.com

Srikumar Krishnamurthy
+91 44 45964318
ksrikumar@icraindia.com

Rohan Kanwar Gupta
+91 124 4545808
rohan.kanwar@icraindia.com

Akshit Goel
+91 124 4545808
akshit.goel@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



© Copyright, 2025 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.