

Bajaj Auto-backed Yulu plans IPO in 2-3 years

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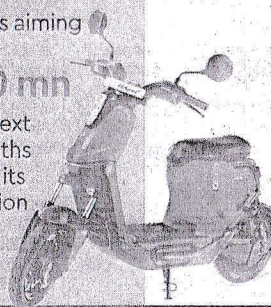
BUOYED BY AN uptick in business, Bengaluru-based shared mobility firm Yulu is targeting an initial public offering (IPO) in the next two-three years, co-founder and CEO Amit Gupta said. The company is also close to achieving profitability, he said.

"We will be almost breaking even at the Ebitda (earnings before interest, taxes, depreciation and amortisation) level by FY25 end. We turned Ebitda-positive in September. There will be a continuous margin expansion from here on and will become profitable in FY26," Gupta told *FE*.

Backed by Bajaj Auto, Yulu is aiming to raise \$100 million in the next 12 months, which will be used to fund

ON PROFITABILITY ROAD

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■ Aims to more than double its fleet size to 100,000 electric two-wheelers

■ Plans to hold road shows for the latest fundraise – to be its Series C round

■ Magna and Bajaj Auto have a 19% stake each in Yulu and will be participating in the Series C round

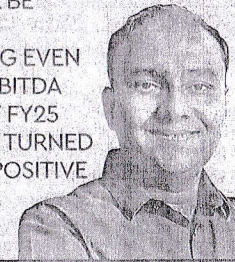
its expansion — including more than doubling its fleet size to 100,000 electric two-wheelers. The company plans to hold road shows for the latest fundraise, which will be its Series

C round, before going for the next round of equity funding next year.

"Magna and Bajaj Auto have a 19% stake each in Yulu. Both will be participating in the Series C round.

AMIT GUPTA,
co-founder and CEO, Yulu

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We would like to get on board a financial institution investor to lead this round who can become our long-term investor. This will help our IPO plans," Gupta added.

Medium-term expansion plans include offering its two-wheelers on lease financing. Its current fleet sits on the books as the vehicles are bought outright using a mix of equity and debt. In the next three-four quarters Yulu plans to enter lease financing.

"There are conversations with some players from Far East who are keen to come in and put their funds. That will be the time when we will start putting in more assets under leasing financing which will not be on our books," Gupta added.

Quick commerce has given a significant boost to Yulu's operations. The value proposition of Yulu's purpose-built EV platform has enabled it to build partnerships with food delivery and q-comm firms like Zomato, Zepto, Blinkit, Swiggy and others.