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Business Transformation at Ola: A Study of Technology, Mobility, and Market Dynamics

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Abstract: This case study looks at how Ola changed from a ride-hailing startup to a multifaceted mobility and electric car technology corporation between 2011 and 2025. Ola's strong financial velocity is highlighted in the report, starting with early angel investments and moving on to large-scale international financing from investors including SoftBank, Tiger Global, Temasek, Hyundai, and Kia. Ola's significant acquisitions—including TaxiForSure, Foodpanda India, Ridlr, Pickup.ai, Etergo BV, GeoSpoc, and Avail Finance—enabled quick expansion, technological strengthening, and a shift toward electric mobility capabilities. The report also lists the main difficulties that Ola has experienced, such as worries about data privacy, fare transparency, driver discontent, regulatory non-compliance, EV safety incidents, layoffs, and leadership departures. The COVID-19 epidemic emerged as a significant turning point, producing a 95% revenue reduction and leading to organizational reform, downsizing, and renewed focus on operational efficiency. Post-2020, Ola shifted heavily toward electric mobility with the development of Ola FutureFactory, S1 electric scooters, in-house Ola Maps and Ola Cloud, and its first lithium-ion cell (NMC 2170), establishing itself as a vertically integrated EV-tech enterprise. In line with growing macro trends in clean mobility and digital commerce, Ola's future strategy by 2025 will focus on EV production, battery innovation, technological independence, and IPO readiness.

Keywords: “Ride-hailing industry”, “Business expansion”, “Market growth”, “India mobility sector”.

Introduction: Ola was started in Dec.2010 by Bhavish Aggarwal and Ankit Bhati under the parent company ANI technologies Pvt. Ltd. Ola was started with cab booking and serves as cab aggregator and bridges the gap between cab owners and commuters. Ola name is derived from Spanish word ‘Hola’ which indicates Ola services are as easy and friendly as that, just like saying ‘hello’. Ola which started with cab aggregator business in Mumbai, now headquartered in silicon valley of India i.e. Bangalore. Ola has transformed itself from just providing cab services to wide variety of choice now available to commuters as per their budget and comfort they can opt from Auto, Bike, Share, Micro, Mini, Prime Sedan, Prime Play, Prime SUV, luxury. Ola say they provide cabs for every occasion if one wants to travel within city- than CITY TAXI with 24/7 availability, then, for going outstation cabs too are available with presence in 90+ cities and with over 500 one-way routes. Then comes rentals which comes with package for 1 hour to 12 hours. What makes Ola so popular is its facility of providing cabs for every pocket, then it provides secure and safer rides- as they have installed live ride tracking software and verified drivers with an emergency button. Ola provides its commuters with entertainment option through Ola Play- where one can play song, watch videos, with free Wi-Fi facility. It also provides a membership program named Ola Select- where one enjoys prime sedan at mini fares, with zero wait time and no fear of peak pricing. To make hassle free payment one adds money to Ola Money through debit/ credit card, and can pay with click of button. Currently Ola offers 11

major services in over 250+ cities and also launched its services in India, Australia, New Zealand, and UK.

THE IDEA: Idea of starting Ola came into Bhavish mind, when he himself had to take cab to go from Bangalore to Bandipur for work and ended up with bad experience with cab driver. The driver stopped the car and asked for negotiating the price again which was decided by them when hiring the cab but when Bhavish refused to pay the extra, from which was decided earlier, driver abandon him en-route his destination.

This is when Bhavish realized it's not faced by him alone, there are so many other who face the similar situation every day, there was no transparency in fare charges taken, even some didn't stick to their promises, poor quality cab services, arrive late, charge more and many more problems. This is when he realized how much potential this cab booking business holds and decided to start Ola Cabs with Co-founder Ankit Bhati. When they started they partnered with number of Taxi drivers and added a touch of modern technology. With this commuter can book cab through app or through call centers. Ola cabs promises transparency in fare which is shown when someone choose pick up location and drop location. Now Ola is not limited to Cabs along with it provides variety of choice from Auto, Bike, Share, Micro, Mini, Prime Sedan, Prime Play, Prime SUV, Luxury based on customer choice.

GROWTH OF OLA OVER THE YEARS: Ola has undergone extraordinary growth since its inception in December 2010, when Bhavish Aggarwal and Ankit Bhati launched it as an online cab aggregator in Mumbai, eventually transferring its base to Bangalore. The company developed swiftly, releasing OLA Mini in 2012, giving cab rides at auto-like pricing, followed by a strategic agreement with Makemytrip in 2013 to supply rental cars for client pick-ups and drop-offs. By establishing Ola Fleet, a company that provides driver-partners with taxi lending services, Ola bolstered its ecosystem in 2015. Continuing its diversification, Ola developed Ola Play in 2016, an in-cab entertainment system that boosted commuter experience. The corporation made a huge step towards sustainability in 2017 by launching its first electric car project in Nagpur, launched by the Maharashtra Chief Minister. This was followed in 2018 by Ola’s ambitious “Mission: Electric”, intending to deliver one million EVs to Indian roads. During the pandemic in April 2020, Ola provided an Emergency Cab Service for non-COVID travel in Gurugram.

Large-scale EV production and technological advancements characterized Ola's subsequent growth period. In 2021, it established the world’s largest electric two-wheeler factory, the Ola Future Factory, in Tamil Nadu, with a planned capacity of 10 million scooters a year, along with unveiling its first EV scooters—the S1 and S1 Pro.

Strengthening in-house capabilities, Ola replaced Google Maps with its self-developed Ola Maps in 2022, and also purchased Avail Finance to grow its fintech business, Ola Money. Ola Electric surpassed 2 lakh EV two-wheeler sales annually by 2023 and collected an additional ₹3,200 crore to expedite battery cell research and development as well as its Gigafactory project.

In order to lower operational costs and improve data control, Ola moved from Google Cloud to its own Ola Cloud infrastructure in 2024, marking a significant technological milestone with the introduction of its first in-house lithium-ion cell, NMC 2170.

FUNDING HISTORY OF OLA:

Fig. 1 Funding History of Ola:

Date	Deal Size	Investors
April, 2011	\$330k	Kunal Bahl, Anupam Mital, Rehan Khan
April, 2012	\$5 million	Tiger Global Management
November, 2013	\$20 million	Matrix Printers, Tiger Global Management
July, 2014	\$41 million	Stead view Capital, Sequoia Capital

October, 2018	\$210 million	Soft Bank Group, Tiger Global and Matrix Partners India
April, 2015	\$403 million	DST Global, GIC, Softbank and Falcon Edge Capital
November, 2015	\$500 million	Baillie Gifford, Falcon Edge Capital, Tiger Global, Softbank Group and DST Global
February, 2017	\$330 million	Soft Bank
April, 2017	\$260 million	Soft Bank Capital
May, 2017	\$104 million	RNT Capital Advisors and Falcon Edge Capital
August, 2017	\$36 million	Tekne Capital
October, 2017	\$1.1 billion	Tencents Holdings and SoftBank Group
August, 2018	\$225 million	Temasek Holdings
September, 2018	\$50 million	China Eurasian Economic Cooperation Fund, Sailing Capital
January, 2019	\$88 million	Steadview Capital
February, 2019	\$92 million	Sachin Bansal
March, 2019	\$300 million	Hyundai Motor Co. & Kia Motors Corp
July, 2019	\$11.4 million	Deshe Holdings, DIG Investment
September, 2019	\$5.1 million	ARK Ola Pre IPO Private Investment Trust
Dec 2021	US\$ 500 million	Raised by Ola (parent firm) via term-loan / debt instruments
Dec 2021	US\$ ~139 million	Investors included financial services firms (e.g., Edelweiss, etc.).
Feb 22, 2022	20.11 million	Raised from funds such as Arrow Capital Partners / Axis Growth Avenues AIF (pre-IPO / growth round).
Oct 26, 2023	US\$ 384 million	Led by Temasek Holdings + debt from State Bank of India (SBI). Funds to scale EV manufacturing & build lithium-ion cell “Gigafactory”.
May 2023	US\$ 300 million	Equity funding round for expanding EV production capacity
Apr 2024	\$ 50 million	Raised through EvolutionX Debt Capital (backed by Temasek + others) to shore up balance sheet ahead of IPO

Source: Startuptalky.com

Interpretation: Ola began in 2011 with modest angel money, but between 2012 and 2015 it garnered significant venture capital from Tiger Global, Matrix, Sequoia, and SoftBank, which enabled it to grow quickly throughout India. From 2015–2018, Ola raised multiple big rounds—including a \$1.1 billion investment in 2017—signaling strong worldwide confidence and backing expansion, technical upgrades, and early EV ambitions. Between 2018–2019, significant investors like Temasek, Hyundai, Kia, and Sachin Bansal invested heavily, bolstering Ola’s mobility, financial services, and electric car aspirations. From 2021 onward, funding turned toward debt and pre-IPO capital, with large rounds in 2021, 2023, and 2024 utilized mainly to enhance EV manufacturing, develop battery cell technology, and prepare for IPO. All things considered, Ola’s finance evolved from early growth capital to significant international investments, and ultimately to financing centered on EVs and IPOs.

ACQUISITION MADE BY OLA:

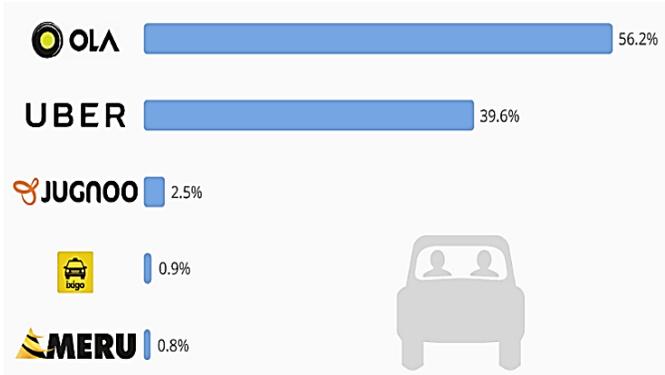
Date of Acquisition	Acquired Company	Origin
March 2, 2015	TaxiForSure.com	Bangalore
March 11, 2015	Geotagg	Chennai
March 21, 2016	Qarth	Chennai
December 19, 2017	Foodpanda India	Berlin, Germany
April 3, 2018	Ridlr	Mumbai
August 13, 2019	Pikup.ai	Bangalore
May 2020	Etergo BV	Amsterdam, Netherlands. (Acquired by Ola Electric — the EV arm; deal announced May 2020.)
Oct 2021	GeoSpoc	Pune, India. (GeoSpoc team & IP acquired to build Ola’s next-gen mapping / location capabilities.)
Mar 2022	Avail Finance	Bengaluru, India. (Ola group signed agreement to buy neo-bank Avail to bolster Ola Financial services.)

Source: Crunchbase.com, owler.com

Interpretation: Ola’s acquisition pattern demonstrates a clear strategy of improving its core mobility company, expanding into food delivery, enhancing technology, and supporting its EV ambitions. Early acquisitions like TaxiForSure (2015), Geotagg (2015), and Qarth (2016) helped Ola expand geographically and increase tech capabilities in mapping and payments. The acquisition of Foodpanda India (2017) indicated Ola’s foray into the food delivery business. Later, acquiring Ridlr (2018) and Pikup.ai (2019) aided its shift toward smart mobility, automation, and public transport integration. Ola purchased Etergo BV (2020) to have access to cutting-edge EV scooter technologies as it transitioned to electric automobiles. By strengthening its own mapping and location intelligence, the acquisition of GeoSpoc (2021) decreased reliance on external platforms. Finally, acquiring Avail Finance (2022) extended Ola’s fintech ecosystem under Ola Money. Overall, the purchases highlight Ola’s shift from a ride-hailing platform to a diverse mobility, technology, and EV-focused ecosystem.

BUSINESS MODEL OF OLA: Trip Commission is major source of revenue for Ola, Ola charges commission that varies between 15-20% of the total fare, depends on the vehicle and location. While calculating total fair on which commission charges are based on various factor such as- Base fair, total time of the Ride, waiting time, fare based on distance per km, demands for cabs, advanced charge is levied if the customer books the cabs in advance, convenience fee, toll and parking fee, cancellation fee. Second major source of Income is In- Cab advertisements – Ola charges commission from different brands & products for live ads played during rides for promotional purposes, even some advertisement tools used are brochures, leaflets. Ola earns certain percentage of revenue through Ola Money, whenever a user makes payment through Ola money on these merchants.

MARKET SHARE OF OLA:



Source: statista.com

Ola is running ahead in the market with 56.2% of market share. As per Ola records it has made 1.5 billion booking for the year ended March,2019 which means 28 million weekly bookings, includes booking for autos, bikes, cabs as well as for all markets including international and food delivery. India is home market for Ola while Uber belongs to US both has access to good number of investors and are competing well. Along with Uber there are many small players are also in the list

SWOT ANALYSIS OF OLA:

<p>STRENGTHS</p> <ul style="list-style-type: none"> • First mover advantage as Taxi aggregator. • Offers wide range of product line from auto, bike to various range of cars. • Acquisition of TaxiForSure made it to Number 1 in India. • Simple and user friendly Interface • Strong brand recognition • Strong Data analytics technology • Lower Investment- Ola being a aggregator service provider doesn't need fleet of cars. 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • No control on Behavior of Drivers. • Customer Support Services are not up to the mark. • Fake Rides- Ola drivers just to increase their ride counts for the day asks riders to book fake rides leading to loss in revenue. • Dependence on Internet to book ride- although offline booking started but not helpful and appropriate. • Ratio of tech-savvy people is less.
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Wider market- to enhance customer base. • Increasing Internet Penetration- Focus on to expand their services to Tier 2 and Tier 3 cities as well. • Poor Government transport opens door for Ola to capitalize on the opportunity. • Rising consumer disposable income. • Acquisition of small players. • Shifting of consumers towards 	<p>THREATS</p> <ul style="list-style-type: none"> • Changing Government Regulations about taxi service Industry. • Competition from Uber and emerging players. • Uber has deep pocket and can compete on discounts, offers heavily. • Customer loyalty is less in this Industry.

Source: marketing91.com, scribd.com, mabaskool.com

CONTROVERSIES AND CHALLENGES FACED BY OLA: Ola has experienced various issues over the years, starting with concerns about the security of its mobile app after a massive privacy breach in Bangalore, where client details such as

names, phone numbers, and addresses were unintentionally transferred as SMS messages to a person in Chennai. The business has also received a lot of flak for overcharging, opaque fares, and technical issues that led to inaccurate deductions and delayed refunds. Surge pricing has been one of the greatest complaints mentioned by customers, since the same route often showed varying costs dependent on time, day, demand, and even the driver or passenger profile, causing impressions of unfair pricing. In addition, Ola has garnered criticism for lowering driver incentives, increasing commissions, demanding large security deposits, and not passing on rate hikes to drivers, causing dissatisfaction among its driving partners. A number of events with drivers being the victims of robbery, kidnapping, or even murder—such as the 2019 Pune case in which a passenger killed a driver in order to steal his car—have raised serious concerns about safety. When the Delhi Transport Authority discovered that almost 40% of Ola drivers lacked the necessary commercial permits, regulatory issues surfaced, casting doubt on the company's verification processes. More problems emerged between 2021 and 2025. When Ola migrated from Google Cloud to its own Ola Cloud system, experts questioned the readiness, security, and stability of the new platform. Additionally, the company was criticized for several rounds of layoffs that affected the tech and support teams. Former workers claimed that there was excessive pressure and a bad work environment. Ola Electric drew public criticism when a few units of its S1 scooters caught fire, triggering discussions about battery safety and manufacturing quality. Customers also complained about delays in scooter deliveries, abrupt pricing adjustments, and inadequate service center support. The ambitious battery Gigafactory project attracted criticism because to delays, unclear updates, and skepticism over Ola's capabilities to create advanced lithium-ion cells at scale. Investors and analysts began to doubt Ola Electric's financial openness and readiness after the company's IPO plans were repeatedly altered and postponed. Additionally, the rapid turnover of senior executives between 2022 and 2024 fanned concerns about internal debates and the stability of the company's leadership.

FUTURE AHEAD FOR OLA: Due to the COVID-19 pandemic, the statewide lockdown severely damaged the travel industry, causing Ola's income to decline by roughly 95% between April and June 2020. To control costs, CEO Bhavish Aggarwal ordered the layoff of 1,400 staff. Business travel drastically decreased as a result of enterprises switching to remote work, which led Ola to reorganize its operations and concentrate on enhancing productivity and operational excellence. In order to create long-term resilience, the business has expanded its spending in research and development. Major

macrotrends including digital commerce, electric mobility, and contactless services were accelerated by COVID-19, and Ola realized it needed to reorient itself to take advantage of these rapidly expanding prospects.

From 2021 to 2025, Ola's future direction became strongly centered around electric mobility, in-house technology development, and global expansion. A daring move from ride-hailing to manufacturing was made in 2021 with the launch of Ola FutureFactory, the largest electric two-wheeler in the world, and the S1 series. Ola continued strengthening its EV ecosystem by developing its own navigation system (Ola Maps), cloud infrastructure (Ola Cloud), and most importantly, its first in-house lithium-ion cell (NMC 2170) in 2024—positioning itself as a vertically integrated EV-tech company.

Between 2023 and 2025, Ola Electric became India's top EV two-wheeler seller and focused aggressively on establishing its Gigafactory for large-scale cell manufacture. The company also prepared for its IPO by securing large funding rounds and streamlining operations. As digital usage and clean mobility trends continued developing post-pandemic, Ola's strategy turned towards building a self-reliant EV ecosystem, improving technology skills, and expanding creative mobility options to be competitive in the evolving transportation scenario.

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