

INDEPENDENT AUDITOR'S REPORT

To the Members of VE Electro-Mobility Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of VE Electro-Mobility Limited ("the Company"), which comprise the Balance sheet as at March 31 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, 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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive income, 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 (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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 Director's report, 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Responsibility of Management 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 the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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 is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities 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 control 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 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.

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 control 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 accounts 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 ;

- (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) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under section 143(3)(b) and paragraph (i)(vi) below on reporting under rule 11(g);
- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) 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:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - 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, 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, whether, 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, 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, whether, 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; and

- c) Based on such 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, as stated in Note 36 to the financial statements, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in that year, as stated in Note 36 to the financial statements.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sonika Loganey

Partner

Membership Number: 502220

UDIN:

Place of Signature: Gurugram

Date: April 28, 2026

Annexure 1 referred to in paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date

Re: VE Electro-Mobility Limited (‘the Company’)

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 the Property, Plant and Equipment.

(a)(B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) All Property, Plant and Equipment were physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) There is no immovable property held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment during the year ended March 31, 2026.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company’s business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 35(a) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the unaudited books of accounts of the Company. There are no sanctioned working capital limits from financial institutions.
- (iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) 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 to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, goods and services tax, cess and other statutory dues applicable to it. . As explained to us, the Company did not have any dues on account of sales-tax, employees' state insurance, duty of custom, service tax, duty of excise and value added tax .According to the information and explanations given to us, and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), clause 3(xii)(b) and clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) and clause 3(xiv)(b) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in immediate preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 33 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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) (a) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and clause 3(xx)(b) of the Order is not applicable to the Company.
- (xxi) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sonika Loganey

Partner

Membership Number: 502220

UDIN:

Place: Gurugram

Date: April 28, 2026

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF VE ELECTRO-MOBILITY LIMITED

Report on the Internal Financial Controls 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 VE Electro-Mobility Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 ("ICAI"). 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 these financial statements 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") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these 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 these 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 these 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 these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls 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 controls 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 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, the Company has, in all material respects, 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 internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sonika Loganey

Partner

Membership Number: 502220

UDIN:

Place of Signature: Gurugram

Date: April 28, 2026

VE ELECTRO-MOBILITY LIMITED
CIN : U34200DL2022PLC397384
BALANCE SHEET AS AT MARCH 31, 2026

			Rs. in million
Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	277.0	379.8
(b) Right-of-use assets	6	-	1.8
(c) Financial assets			
(i) Other financial assets	7	-	1.7
Total non-current assets		277.0	383.3
Current assets			
(a) Financial assets			
(i) Trade receivables	10	27.3	24.9
(ii) Cash and cash equivalents	11	3.7	2.9
(iii) Bank balances other than (ii) above	12	122.4	-
(iv) Other financial assets	7	-	3.3
(b) Current tax asset	13	2.9	4.4
(c) Other current assets	9	3.2	14.1
Total current assets		159.5	49.6
Total assets		436.5	432.9
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	350.0	350.0
(b) Other equity	15	51.9	23.8
Total equity		401.9	373.8
Non-current liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	16	2.3	2.1
(b) Provisions	17	0.2	0.1
(c) Deferred Tax Liabilities (Net)	8	19.6	10.2
(d) Other non-current liabilities	18	1.5	1.8
Total Non-current liabilities		23.6	14.2
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	6	-	1.9
(ii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	19	5.9	3.2
- Total outstanding dues of creditors other than micro enterprises and small enterprises	19	2.5	17.4
(iii) Other financial liabilities	16	0.5	21.6
(b) Other current liabilities	18	2.1	0.8
Total current liabilities		11.0	44.9
Total liabilities		34.6	59.1
Total equity and liabilities		436.5	432.9

The accompanying notes form an integral part of the financial statements

1 to 38

As per our report of even date attached

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

Per Sonika Loganey
Partner
Membership no.: 502220

Deepa Jain
Chief Financial Officer
PAN: AJYPB0070E

Praveen Kumar Jain
Company Secretary
M.No: 3524

For and on behalf of Board of directors of VE Electro-Mobility Limited
[CIN : U34200DL2022PLC397384]

Vipin Surana
Whole-Time Director
DIN: 03391562

Ken Trolle
Director
DIN: 09758354

Srinivas Balantrapu
Chairman and Director
DIN: 11597236

Place : Gurugram
Date : April 28, 2026

VE ELECTRO-MOBILITY LIMITED
CIN : U34200DL2022PLC397384
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

Rs. in million			
Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	20	149.9	270.2
Other Income	21	7.4	19.7
Total Income		157.3	289.9
Expenses			
Purchase of traded goods	22	-	60.4
Employee benefit expenses	23	30.3	29.5
Finance cost	24	0.2	4.2
Depreciation expenses	25	42.8	81.8
Other expenses	26	46.5	75.3
Total expenses		119.8	251.2
Profit before tax		37.5	38.7
Tax expense			
Deferred tax charge/(benefit)	27	9.4	10.6
Total tax expense		9.4	10.6
Profit for the year		28.1	28.1
Other comprehensive income/ (loss)			
Items that will not be reclassified to profit or loss:			
Remeasurement gain on defined benefit plans		0.0	-
Income tax effect		-	-
Net other comprehensive income not to be reclassified to profit or loss		0.0	-
Total Comprehensive income for the year, net of tax		28.1	28.1
Earnings per share (of Rs.10 each) in Rs.			
Basic and diluted	28	0.80	0.80
The accompanying notes form an integral part of the financial statements	1 to 38		

As per our report of even date attached

For S.R.Batliloi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

Per Sonika Loganey
Partner
Membership no.: 502220

Deepa Jain
Chief Financial Officer
PAN: AJYPB0070E

Praveen Kumar Jain
Company Secretary
M.No: 3524

For and on behalf of Board of directors of VE Electro-Mobility Limited
[CIN : U34200DL2022PLC397384]

Vipin Surana
Whole-Time Director
DIN: 03391562

Ken Trolle
Director
DIN: 09758354

Srinivas Balantrapu
Chairman and Director
DIN: 11597236

Place : Gurugram
Date : April 28, 2026

VE ELECTRO-MOBILITY LIMITED
CIN : U34200DL2022PLC397384
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2026

	Rs. in million	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A.CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	37.5	38.7
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation expenses	42.8	81.8
Gain on sale of property, plant and equipment (net)	(3.9)	(15.9)
Interest income	(3.3)	(1.0)
Finance costs	0.2	4.2
Operating profit before changes in working capital	73.3	107.8
Working capital adjustments:		
Adjustments for (increase) / decrease assets:		
Non-current		
Other financial assets	1.7	(1.1)
Other assets	-	21.7
Current		
Trade receivables	(2.4)	(19.8)
Other financial assets	3.3	(3.3)
Other assets	10.9	18.9
Adjustments for increase / (decrease) in liabilities:		
Non-current		
Other financial liabilities	0.2	0.2
Other liabilities	(0.3)	0.9
Provisions	0.1	-
Current		
Trade payables	(12.2)	11.9
Other financial liabilities	(21.1)	(7.1)
Other liabilities	1.3	(1.4)
Cash generated/(used in) from operating activities	54.8	128.7
Income taxes (paid)/received	1.5	(1.5)
Net cash flows/(used in) from operating activities (A)	56.3	127.2
B.CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment	(1.6)	(444.2)
Proceeds from the sale of Property, plant and equipment	65.5	376.8
Gross Redemption/(Investment) in fixed deposits - Original maturity more than 3 months	(122.4)	4.8
Interest received (finance income)	3.0	1.0
Net cash flow (used in) investing activities (B)	(55.5)	(61.6)
C.CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long term borrowings	-	(68.8)
Interest paid*	-	(3.9)
Payment of principal portion of lease liabilities	-	(2.1)
Net cash flow (used)/generated in financing activities (C)	-	(74.8)
Net increase/ (decrease) in cash and cash equivalents (A)+(B)+(C)	0.8	(9.2)
Cash and cash equivalents at the beginning of the year	2.9	12.2
Cash and cash equivalents at the end of the year	3.7	2.9
Components of cash and cash equivalents		
Balances with banks:		
On current accounts	3.7	2.9
Total cash and cash equivalents (refer note no. 11)	3.7	2.9

*Includes Interest on lease liabilities amounting to Rs. Nil (March 31, 2025: Rs. 0.2 million)

The accompanying notes form an integral part of the financial statements

1 to 38

As per our report of even date attached

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

Per Sonika Loganey
Partner
Membership no.: 502220

Deepa Jain
Chief Financial Officer
PAN: AJYPB0070E

Praveen Kumar Jain
Company Secretary
M.No: 3524

For and on behalf of Board of directors of VE Electro-Mobility Limited
[CIN : U34200DL2022PLC397384]

Vipin Surana
Whole-Time Director
DIN: 03391562

Ken Trolle
Director
DIN: 09758354

Srinivas Balantrapu
Chairman and Director
DIN: 11597236

Place : Gurugram
Date : April 28, 2026

VE ELECTRO-MOBILITY LIMITED
CIN : U34200DL2022PLC397384
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A. Equity share capital (Refer Note 14)

	Rs. in million	
	Number of Shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
Balance as at April 1, 2024	3,50,00,000	350.0
Issue of equity share capital during the year	-	-
Balance as at March 31, 2025	3,50,00,000	350.0
Issue of equity share capital during the year	-	-
Balance as at March 31, 2026	3,50,00,000	350.0

B. Other Equity (Refer Note 15)

For the year ended March 31, 2026

Particulars	Reserves and surplus	Total
	Retained earnings	
As at April 1, 2025	23.8	23.8
Profit for the year	28.1	28.1
Other comprehensive income	-	-
Total comprehensive Income	28.1	28.1
As at March 31, 2026	51.9	51.9

For the year ended March 31, 2025

Particulars	Reserves and surplus	Total
	Retained earnings	
As at April 1, 2024	(4.3)	(4.3)
Profit for the year	28.1	28.1
Other comprehensive income	-	-
Total comprehensive Income	28.1	28.1
As at March 31, 2025	23.8	23.8

The accompanying notes form an integral part of the financial statements

1 to 38

As per our report of even date attached

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

Per Sonika Loganey
Partner
Membership no.: 502220

Deepa Jain
Chief Financial Officer
PAN: AJYPB0070E

Praveen Kumar Jain
Company Secretary
M.No: 3524

**For and on behalf of Board of directors of VE Electro-Mobility Limited
[CIN : U34200DL2022PLC397384]**

Place : Gurugram
Date : April 28, 2026

Vipin Surana
Whole-Time Director
DIN: 03391562

Ken Trolle
Director
DIN: 09758354

Srinivas Balantrapu
Chairman and Director
DIN: 11597236

1. Corporate Information

VE Electro - Mobility Limited ("the Company") is a public Company (CIN: U34200DL2022PLC397384) domiciled & incorporated on April 27, 2022 under the provisions of the Companies Act, 2013. The Company is engaged in the business of buying, selling, operating, leasing, renting and provide commercial vehicles as a service under gross cost/operating model.

The Company's holding company is VE Commercial Vehicles Limited and the ultimate parent is Eicher Motors Limited. The Company's registered office is situated at 3rd Floor, Select Citywalk, A-3, District Centre, South Delhi, Delhi, India, 110017 and its Corporate Office is located at #96, Sector 32, Gurugram, Haryana, India, 122001.

The financial statements for the year ended March 31, 2026, have been approved by the Board of Directors and authorize for issue on April 28, 2026. The financial statements approved by the Board of directors needs to be adopted by the shareholders at the annual general meeting of the company.

2. Basis of preparation and presentation

2.1 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Act as amended from time to time and presentation requirements of Division II of Schedule III of the Act as applicable.

2.2 Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. All amounts are in INR Millions, figures in this financial statements below INR 0.05 Millions, are shown as '0'.

2.3 Operating Cycle

Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3. Summary of Material Accounting Policies

3.1 Revenue Recognition

Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Effective its incorporation, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Revenue recognition in accordance with Ind AS 115 requires management to make certain judgements of distinct performance obligations like after sales services, warranties, discounts & rebates in the transaction price and allocating the transaction price to the performance obligations.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers on behalf of the government.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.2 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 3.8 Impairment of tangible assets.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.3 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.4 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Where grant is related to an asset, it is recognised in the balance sheet by deduction from the carrying amount of the assets.

3.5 Employee benefits

Retirement benefit

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses or curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plans.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits such as annual leave and sick leave are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

3.6 Taxation

Income Tax expense represents the sum of tax currently payable and deferred tax.

Current income tax is measured at amounts expected to be paid to or recovered from taxation authorities. The tax rates applicable to compute the amount are as per the provisions of the Income Tax Act, 1961 that are enacted or substantively enacted, at the reporting date in India, and includes any adjustment to tax payable in respect of previous years. Current income tax expense is recognised in the statement of Profit and Loss except when relating to items in other comprehensive income or in equity which are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is provided using the balance sheet method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences and Deferred tax assets are recognised for all deductible temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against the deductible temporary differences. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced 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 realized 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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority which intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.7 Property, plant and equipment

Property, plant and equipment (including vehicles, chargers etc.) held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes items directly attributable to the construction or acquisition of the item of property, plant and equipment, and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is charged on a pro-rata basis at the straight line method over estimated economic useful lives of its fixed assets generally in accordance with that provided in the Schedule II to the Act except certain class of assets as mentioned below wherein, the life of the said assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Fixed Asset	Estimated useful life as per Management	As per Schedule II
Vehicles including Batteries	5 to 10 years	6 years

3.8 Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs of disposal and value in use.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.9 Cash and Cash Equivalents

In the Statement of Cash Flows, cash and cash equivalents includes, cheques and balances with banks and short term highly liquid investments with original maturities of three months or less that are readily convertible to known amount of cash.

3.10 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When 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).

3.11 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the

acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.12 Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.12.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI") (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments.

For the impairment policy on debt instruments at FVTOCI, refer 3.12.4

All other financial assets are subsequently measured at fair value.

3.12.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

3.12.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a

measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

3.12.4 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increase significantly since initial recognition.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on historical credit loss experience and adjustments for forward looking information.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

3.13 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' Line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

3.14 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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.

3.15 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

4.0 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company accounting policies, which are described in note 3, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

4.1 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.

4.2 Useful lives of tangible assets

Management reviews the useful lives of its tangible assets at each reporting. As at year end management assesses the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

5 Property, plant and equipment

	Rs. in million		
Particulars	Vehicles	Plant & Machinery	Total
Cost			
At April 1, 2024	339.1	-	339.1
Additions	513.4	13.4	526.8
Disposals	436.0	4.5	440.5
At March 31, 2025	416.5	8.9	425.4
Additions	1.5	0.1	1.6
Disposals	68.9	2.1	71.0
At March 31, 2026	349.1	6.9	356.0
Accumulated depreciation			
At April 1, 2024	45.4	-	45.4
Charge for the year	79.0	0.8	79.8
Disposal	79.6	-	79.6
At March 31, 2025	44.8	0.8	45.6
Charge for the year	42.0	0.8	42.8
Disposal	9.1	0.3	9.4
At March 31, 2026	77.7	1.3	79.0
Net book value			
At March 31, 2025	371.7	8.1	379.8
At March 31, 2026	271.4	5.6	277.0

Notes-

- (i) Cost of vehicles capitalised include cost of batteries purchased
(ii) For details of assets given as security against borrowings - Refer note 35(e).

6 Right-of-use assets

Set out below are the carrying amounts of Right of use assets recognised and the movements during the year

	Rs. in million	
Particulars	Land	Total
Cost		
At April 1, 2024	4.0	4.0
Additions	-	-
Disposals	-	-
At March 31, 2025	4.0	4.0
Additions	-	-
Disposals	4.0	4.0
At March 31, 2026	-	-
Accumulated depreciation		
At April 1, 2024	0.2	0.2
Charge for the year	2.0	2.0
Disposal	-	-
At March 31, 2025	2.2	2.2
Charge for the year	-	-
Disposal	2.2	2.2
At March 31, 2026	-	-
Net book value		
At March 31, 2025	1.8	1.8
At March 31, 2026	-	-

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening lease liabilities	1.9	3.8
Lease liabilities on additions	-	-
Less : Derecognised leases	1.9	-
Add : Accretion of interest	-	0.2
Less : Payments	-	2.1
Closing lease liabilities	-	1.9
Current lease liabilities	-	1.9
Non-current lease liabilities	-	-
The following are the amounts recognised in statement of profit or loss:		
Depreciation expense of right-of-use assets	-	2.0
Interest expense/ (income) on lease liabilities/(Gain on termination of right-of-use assets)	(0.1)	0.2
Expense relating to low-value assets (included in other expenses)	-	0.2
Total amount recognised in profit or loss	(0.1)	2.5

7 Other financial assets

Particulars	Rs. in million	
	As at March 31, 2026	As at March 31, 2025
Non-Current		
Unsecured, considered good		
Security Deposits	-	1.7
Total	-	1.7
Current		
Other Receivable - expenses reimbursement		
Considered good (Refer note (ii) below)*	-	3.3
Total	-	3.3

Note :-

(i) These financial assets are carried at amortised cost.

(ii) *it includes receivable from related party - refer note 29

8 Deferred tax assets/(liabilities) (net)

Particulars	Rs. in million	
	As at March 31, 2026	As at March 31, 2025
Deferred tax asset/(liabilities) on		
Property, plant and equipment	(46.8)	(41.7)
Unabsorbed depreciation & Carry forward losses	25.7	30.8
Others	1.5	0.7
Deferred tax assets/(liabilities) (net)	(19.6)	(10.2)

Movement in Deferred tax assets/(liabilities)**For the year ended March 31, 2026**

Particulars	Rs. in million		
	Opening Balance	Recognised in profit and loss	Closing balance
Deferred tax asset/(liabilities) on:			
Property, plant and equipment	(41.7)	(5.1)	(46.8)
Unabsorbed depreciation & Carry forward losses	30.8	(5.1)	25.7
Others	0.7	0.8	1.5
Deferred tax assets/(liabilities) (net)	(10.2)	(9.4)	(19.6)

For the year ended March 31, 2025

Particulars	Rs. in million		
	Opening Balance	Recognised in profit and loss	Closing balance
Deferred tax asset/(liabilities) on:			
Property, plant and equipment	0.4	(42.1)	(41.7)
Unabsorbed depreciation & Carry forward losses	0.0	30.8	30.8
Others	0.0	0.7	0.7
Deferred tax assets/(liabilities) (net)	0.4	(10.6)	(10.2)

9 Other assets

Particulars	Rs. in million	
	As at March 31, 2026	As at March 31, 2025
Current		
Unsecured, considered good unless otherwise stated		
Advance to supplier	1.0	4.1
Prepaid expense	2.0	0.0
Balance with government authorities		
Considered good	0.2	9.9
	0.2	9.9
Advances to employees	-	0.0
Deferred rent	-	0.1
Total	3.2	14.1

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10 Trade receivables

Particulars	Rs. in million	
	As at March 31, 2026	As at March 31, 2025
Current		
Trade receivables		
Unsecured, considered good		
From related parties (refer note 29)	2.8	1.5
From other than related parties	24.5	23.4
Total	27.3	24.9

Notes-

- (i) These financial assets are carried at amortised cost.
- (ii) Charge has been created on the current assets, both present and future in favour of Kotak Mahindra Bank against credit facilities sanctioned to the Company.
- (iii) Trade receivables balance pertains to related party (refer note 29)
- (iv) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- (v) Trade receivables are non-interest bearing and are generally on terms of 30 to 45 days

Trade receivables ageing schedule

As at March 31, 2026

Particulars	Unbilled	Not due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed - considered good	10.4	14.7	2.2	-	-	-	-	27.3
Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-	-
Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-	-
Total	10.4	14.7	2.2	-	-	-	-	27.3

Trade receivables ageing schedule

As at March 31, 2025

Particulars	Unbilled	Not due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed - considered good	9.9	2.7	12.3	-	-	-	-	24.9
Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-	-
Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-	-
Total	9.9	2.7	12.3	-	-	-	-	24.9

11 Cash and cash equivalents

Particulars	Rs. in million	
	As at March 31, 2026	As at March 31, 2025
Balances with banks:		
On current accounts	3.7	2.9
Total	3.7	2.9

Changes in liabilities arising from financing activities

Particulars	April 1, 2025	Net Cash flows	Others**	March 31, 2026
Obligation under lease	1.9	0.0	1.9	0.0
Total liabilities from financing activities	1.9	0.0	1.9	0.0

Particulars	April 1, 2024	Net Cash flows	Others*	March 31, 2025
Long term Borrowing	68.8	72.7	3.9	0.0
Obligation under lease	3.8	2.1	0.2	1.9
Total liabilities from financing activities	72.6	74.8	4.1	1.9

* Others comprise of lease additions and interest cost.

** Others pertains to derecognition of lease liabilities against right-of-use assets.

12 Other bank balance

Rs. in million		
Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks:		
On deposit accounts (with original maturity more than 3 months but less than 12 months)	122.4	-
Total	122.4	-

13 Current tax assets

Rs. in million		
Particulars	As at March 31, 2026	As at March 31, 2025
Advance tax includes tax deducted at source	2.9	4.4
Total	2.9	4.4

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14 Equity share capital

Particulars	Rs. in million	
	As at March 31, 2026	As at March 31, 2025
Authorised		
50,000,000 (March 31, 2025: 50,000,000) equity shares of Rs. 10 each	500.0	500.0
Total	500.0	500.0
Issued, subscribed and fully paid up		
35,000,000 (March 31, 2025: 35,000,000) equity shares of Rs. 10 each	350.0	350.0
Total	350.0	350.0

(i) Reconciliation of authorised share capital:

Particulars	No. of Shares	Amount (Rs. in million)
Balance as at April 1, 2024	5,00,00,000	500.0
Increased during the year	-	-
Balance at March 31, 2025	5,00,00,000	500.0
Increased during the year	-	-
Balance at March 31, 2026	5,00,00,000	500.0

(ii) Reconciliation of issued, subscribed and fully paid up equity shares:

Particulars	No. of Shares	Amount (Rs. in million)
Balance as at April 1, 2024	3,50,00,000	350.0
Issued during the year	-	-
Balance at March 31, 2025	3,50,00,000	350.0
Issued during the year	-	-
Balance at March 31, 2026	3,50,00,000	350.0

(iii) Details of shares held by holding/ultimate holding company and / or their subsidiaries / associates

	As at March 31, 2026	As at March 31, 2025
Name of shareholder	Number of shares	Number of shares
VE Commercial Vehicles Limited, holding company (including its nominees)	3,50,00,000	3,50,00,000

(iv) Details of shareholders holding more than 5% equity shares in the Company

Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% holding in the class	Number of shares	% holding in the class
VE Commercial Vehicles Limited, holding company (including its nominees)	3,50,00,000	100%	3,50,00,000	100%

(v) Details of Shares held by Promoters

Name of Promoters	As at March 31, 2026			As at March 31, 2025		
	Number of shares	% total Shares	% of changes during the year	Number of shares	% total Shares	% of changes during the year
VE Commercial Vehicles Limited, holding company (including its nominees)	3,50,00,000	100%	-	3,50,00,000	100%	-

Terms/Rights attached to equity shares-

(i) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

15 Other equity

Particulars	Rs. in million	
	As at March 31, 2026	As at March 31, 2025
Retained earnings	51.9	23.8
Total	51.9	23.8
Particulars	Rs. in million	
	As at March 31, 2026	As at March 31, 2025
Retained earnings		
Opening balance	23.8	(4.3)
Add: Profit for the year	28.1	28.1
Closing balance	51.9	23.8

Retained earnings: Retained earnings are the accumulated profit earned by the company till date, less any transfers to general reserves, less dividend (including dividend distribution tax) and other distribution made to the shareholders.

16 Other Financial Liabilities

Particulars	Rs. in million	
	As at March 31, 2026	As at March 31, 2025
Non-Current		
Security deposits	2.3	2.1
Total	2.3	2.1
Current		
Capital creditors	-	21.0
Employees' dues	0.5	0.6
Total	0.5	21.6

Note :-

(i) These financial liabilities are carried at amortised cost.

(ii) Capital creditors pertains to related party (Refer Note 29)

17 Provisions

Particulars	Rs. in million	
	As at March 31, 2026	As at March 31, 2025
Non-current		
Employees benefits*		
Compensated absences	0.1	0.1
Gratuity	0.1	0.0
Total	0.2	0.1

* The provision for employee benefits includes earned leave, sick leave and gratuity.

18 Other liabilities

Particulars	Rs. in million	
	As at March 31, 2026	As at March 31, 2025
Non-current		
Unwinding of discounts on security deposits	0.4	0.7
Other liabilities*	1.1	1.1
Total	1.5	1.8
Current		
Statutory dues	1.9	0.6
Unwinding of discounts on security deposits	0.2	0.2
Total	2.1	0.8

* Other Non-current liabilities include retention amount linked to performance received from operators of lease projects

19 Trade payables

Particulars	Rs. in million	
	As at March 31, 2026	As at March 31, 2025
Current		
Total outstanding dues of micro enterprises and small enterprises	5.9	3.2
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Related parties	1.1	8.9
Other than related parties	1.4	8.5
Total	8.4	20.6

Note:-

(i) Refer Note 31 for disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(ii) Trade payable balance pertains to related party (refer Note 29)

(iii) Trade payables are non-interest bearing and are generally on terms of 30 to 45 days

Trade payables ageing**As at March 31, 2026**

Particulars	Unbilled	Not due	Outstanding for following period from due date of payment			
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Undisputed dues of micro enterprises and small enterprises	5.7	0.2	-	-	-	-
Undisputed dues of creditors other than micro enterprises and small enterprises	1.6	0.9	-	-	-	-
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	7.3	1.1	-	-	-	-

Trade payables ageing**As at March 31, 2025**

Particulars	Unbilled	Not due	Outstanding for following period from due date of payment			
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Undisputed dues of micro enterprises and small enterprises	-	0.7	2.5	-	-	-
Undisputed dues of creditors other than micro enterprises and small enterprises	9.6	2.9	4.9	-	-	-
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	9.6	3.6	7.4	-	-	-

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20 Revenue from operations

Particulars	Rs. in million	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations		
Sale of product - stock in trade	-	64.0
Sale from contract with customers	149.9	206.2
Total	149.9	270.2
Disaggregated revenue information		
(a) Sale of product - stock in trade		
- Commercial Vehicles	-	64.0
	-	64.0
(b) Sale from contract with customers		
- Lease Income	131.2	206.2
- Dealer Margin	18.7	-
	149.9	206.2
Total revenue from operations	149.9	270.2
India	149.9	270.2
Outside India	-	-
Total revenue from operations	149.9	270.2
Disclosure based on time		
Sale of Product - Stock in Trade		
- Goods transferred at point of time	-	64.0
- Goods transferred over period of time	-	-
	-	64.0
Sale from contract with customers		
- Services transferred at point of time	18.7	-
- Services transferred over period of time	131.2	206.2
Total revenue from operations	149.9	270.2
Contract Balances		
Trade Receivables (Refer note 10)	27.3	24.9

21 Other income

Particulars	Rs. in million	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income		
- Deposits with bank	2.7	0.8
- Income tax refund	0.3	0.0
- unwinding of security deposits	0.2	0.2
- Gain on termination of right-of-use assets	0.1	-
Gain on sale of property, plant and equipment (net)	3.9	15.9
Non-operating other income		
- Scrap Sales	0.1	-
- Recovery and compensation	0.1	2.7
Total	7.4	19.7

22 Purchase of traded goods

Particulars	Rs. in million	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Commercial vehicles	-	60.4
Total	-	60.4

23 Employee benefits expenses

	Rs. in million	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, bonus etc.	29.0	29.3
Contribution to provident fund	0.6	0.2
Gratuity expenses*	0.7	0.0
Staff welfare expenses	-	0.0
Total	30.3	29.5

* Gratuity expense includes Rs. 0.6 million cross charged from holding company in respect of employees covered under group gratuity scheme. The balance gratuity expense of Rs. 0.1 million is disclosed in Note 32.

24 Finance costs

	Rs. in million	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense:		
on term loan	-	3.8
on security deposit	0.2	0.2
Interest on lease liabilities	-	0.2
Total	0.2	4.2

25 Depreciation expenses

	Rs. in million	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (Refer Note 5)	42.8	79.8
Depreciation of Right-of-use assets (Refer Note 6)	-	2.0
Total	42.8	81.8

26 Other expenses

	Rs. in million	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contractual manpower expenses	25.0	47.4
Repair & Maintenance expenses		
- Vehicles	13.0	16.6
- Tyres	1.9	1.9
- Others	0.4	0.4
Rates and taxes	0.1	2.4
Legal and professional charges*	0.9	1.3
Insurance	3.4	1.9
Rent	-	0.2
Miscellaneous expenses	1.8	3.2
Total	46.5	75.3

* Includes payment to auditors

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) As Statutory Auditor		
-Audit fee	0.3	0.3
b) Reimbursement of expenses	-	-

27 Income tax expense

Particulars	Rs. in million	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Deferred tax charge	9.4	10.6
Total Income tax recognised in the current year	9.4	10.6

Income tax expense for the year can be recognised to the accounting profit as follows :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	37.5	38.7
Income Tax expenses calculated at 25.17%	9.4	9.7
Others	-	0.9
Income tax expense recognised in statement of profit and loss	9.4	10.6

28. Earnings per share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Profit after tax, as per statement of profit and loss (Rs. in million)	28.1	28.1
b) Weighted average number of equity shares (Nos.)	3,50,00,000	3,50,00,000
c) Face value per share (in rupees):	10	10
c) Earnings per share (in rupees):		
- Basic and Diluted [(a)/(b)]	0.80	0.80

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29. Related party disclosures**a. List of parties where control exists****(i) Ultimate Holding company**

Eicher Motors Limited

(ii) Holding company

VE Commercial Vehicles Limited

b. Other related parties**(ii) Key management personnel****Executive director :**

Vipin Surana

Whole Time Director (from November 29, 2023)

Non-Executive directors:

Srinivas Balantrapu (Chairman)

With effect from April 1, 2026

Vinod Kumar Aggarwal

Till March 31, 2026

Rajinder Singh Sachdeva

Till March 31, 2026

Ken Trolle

With effect from October 20, 2022

Other Key management personnel :

Praveen Kumar Jain (Company Secretary)

With effect from November 29, 2023

Deepa Jain (Chief Financial Officer)

With effect from November 29, 2023

c. Related party transactions*

Rs. in million			
Name of related party	Nature of transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Holding company			
VE Commercial Vehicles Limited	Purchase of property, plant and equipment*	-	104.7
	Purchase of commercial vehicles*	-	60.4
	Sale of services*	18.7	84.3
	Purchase of services*	12.1	12.9
	Expenses reimbursed *	28.7	26.2
	Expenses recovered *	-	5.1
	Sale of property, plant and equipment*	-	161.5
	Purchase of components*	0.4	-
(ii) Key management personnel			
Vipin Surana	Salary	23.9	22.4
	Contribution to provident fund	0.4	0.4
	Gratuity expenses**	0.5	-
Deepa Jain	Salary	2.5	2.3
	Contribution to provident fund	0.1	0.1
	Gratuity expenses**	0.1	-

* Values are exclusive of GST

** Gratuity expense includes Rs. 0.6 million cross charged from holding company in respect of employees covered under group gratuity scheme.

Balance outstanding at the year end

Name of related party	Nature	As at March 31, 2026	As at March 31, 2025
Holding company			
VE Commercial Vehicles Limited	- Capital Creditors	-	20.7
	- Other Receivables	-	1.5
	- Trade Payables	1.1	8.0
	- Trade Receivables	2.8	-

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025 : Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The Company provides a credit period of 30 days to 45 days with respect to receivables from related parties

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30 Financial instruments**30.1 Capital Management**

The management of the Company reviews the capital structure of the Company on regular basis. As part of this review, the management of the Company considers the cost of capital and the risks associated with the movement in the working capital.

The following table summarizes the capital of the Company:

Particulars	Rs. in million	
	As at	As at
	March 31, 2026	March 31, 2025
Debt (including current maturities of long term loan)	0.0	0.0
Equity	401.9	373.8
Debt to equity ratio	0.0	0.0
Share capital	350.0	350.0
Other equity	51.9	23.8
Total Equity	401.9	373.8

30.2 Categories of financial instruments

Carrying value of the financial instruments are as follows:-

Particulars	Rs. in million	
	As at	As at
	March 31, 2026	March 31, 2025
Financial assets at amortised cost		
Non-current		
Other financial assets	-	1.7
Current		
Trade receivables	27.3	24.9
Cash and cash equivalents	3.7	2.9
Bank Balance other than above	122.4	-
Other financial assets	-	3.3
Financial liabilities at amortised cost		
Non-current		
Other financial liabilities	2.3	2.1
Current		
Trade payables	2.5	17.4
Other financial liabilities	0.5	21.6

30.3 Fair value measurements

This section provides additional information on balance sheet items

The following methods and assumptions were used to estimate the fair values :-

The following table categorise the financial instruments measured at fair value accompanied into Level 1 to Level 3, as described below.

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

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).

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.

Fair value of the Company's financial assets that are measured at fair value on a recurring basis:-

There are certain Company's financial assets which are measured at fair value at the end of each reporting period. Following table gives information about how the fair values of these financial assets are determined:-

Particulars	Rs. in million	
	Fair value as at	
	March 31, 2026	March 31, 2025
	Level 3	Level 3
Financial assets at amortised cost		
Non-current		
Other financial assets	-	-
Financial liabilities at amortised cost		
Non-current		
Other financial liabilities	-	-

30.4 Financial risk management objectives and Policies

The Company's treasury function is managed by its Corporate Office Finance Department (COFD) which monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk), credit risk and liquidity risk.

The COFD evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management. The activities of this department includes management of cash resources, implementing strategies for foreign currency exposures and ensuring market risk limit and policies.

The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. Market risk exposures are measured using sensitivity analysis.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company.

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in fixed deposits, trade receivables, and other loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

Interest rate risk management

The Company is exposed to interest rate risk because Company had borrowed funds at floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The Company's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

	Increase/decrease in basis point	Effect on Profit before tax
As at March 31, 2026		
Borrowings	+ 50	-
Borrowings	- 50	-
As at March 31, 2025		
Borrowings	+ 50	-
Borrowings	- 50	-

30.5 Liquidity risk

Liquidity risk represents the inability of the Company to meet its financial obligations within stipulated time.

Maturity profile of financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

Rs. in million

Particulars	As at March 31, 2026			
	Less than 1 Year	1 Year-5 years	More than 5 Years	Total
(i) Lease liabilities	-	-	-	-
(ii) Trade payables	8.4	-	-	8.4
(iii) Other financial liabilities	0.5	2.3	-	2.8

Rs. in million

Particulars	As at March 31, 2025			
	Less than 1 Year	1 Year-5 years	More than 5 Years	Total
(i) Lease liabilities	1.9	-	-	1.9
(ii) Trade payables	20.6	-	-	20.6
(iii) Other financial liabilities	21.6	2.1	-	23.7

The surplus funds with the Company and operational cash flows will be sufficient to dispose the financial liabilities with in the maturity period. Company had raised funds by issuing equity for payment of capital creditors.

31. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

		Rs. in million	
Particulars		As at	As at
		March 31, 2026	March 31, 2025
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting period.	5.9	3.2
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting period.	-	-
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
(iv)	The amount of interest due and payable for the year.	-	-
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

32. Disclosures under Ind AS 19 (Employee Benefits)

The details of various employee benefits provided to employees are as under:

A. Defined contribution plans

		Rs. in million	
Particulars		For the year ended	For the year ended
		March 31, 2026	March 31, 2025
Provident fund		0.6	0.2

In accordance with Indian law, eligible employees of the company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the company make monthly contributions at a specified percentage of the covered employees' salary. The contributions were made to Eicher Executive Provident Fund Trust. The interest rate, payable to the members of the trust, was not to be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

B. Defined benefit plans:

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently for the plan, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest Risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. The estimates of future salary increases, considered in the actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2026 by Mr. Charan Gupta, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

Principle assumptions	Gratuity	Gratuity
	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate	7.60%	7.04%
Future salary increase	7.35%	7.25%
Retirement age	58 years	58 years
Withdrawal rate	1-3%	1-3%
In service mortality	IALM (2012-14)	IALM (2012-14)

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows :-

Rs. in million

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Service cost		
Current service cost	0.1	0.0
Past service cost and (gain)/Loss from settlements	0.0	-
Net interest expense	0.0	-
Component of defined benefit cost recognised in profit or loss	0.1	0.0
Remeasurement on the net defined benefit liability:		
Actuarial (gains)/losses arising from changes in financial assumptions	(0.0)	-
Actuarial (gains)/losses arising from experience adjustments	0.0	-
Component of defined benefit cost recognised in Other comprehensive Income	(0.0)	-

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows :

Rs. in million

Particulars	Gratuity	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Present Value of defined benefit obligation	0.1	0.0
Net liability arising from defined benefit obligation	0.1	0.0

Movements in the present value of the defined benefit obligation are as follows :-

Rs. in million

Particulars	Gratuity	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Present value of obligation as at the beginning	0.0	-
Current service cost	0.1	0.0
Interest cost	0.0	-
Benefits paid	-	-
Net actuarial (gain) / loss recognised	(0.0)	-
Present value of obligation as at the end	0.1	0.0

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase, mortality, etc. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 0.5 basis points higher (lower), the defined benefit obligation would decrease by Rs. 8,062 (increase by Rs. 8,692)
 - If the expected salary growth increases (decreases) by 0.5 basis points, the defined benefit obligation would increase by Rs. 8,671 (decrease by Rs. 8,117)
- Sensitivities due to change in mortality rate and change in withdrawal rate are not material and hence impact of such change is not calculated.
- Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

Sensitivity Analysis

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Asset-Liability Matching Study

There is no (deficit)/Surplus of liability and funds, hence asset liability matching study not performed.

Other disclosures**Maturity profile of defined benefit obligation**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Average duration of the defined benefit obligation (in years)	13.89 Years	14.57 Years

The estimated contribution during next year is Rs. 0.08 million (March 31, 2025: Rs. 0.05 million) to the defined benefit plan.

33. Ratio analysis

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Change	Remarks
Current ratio	Current assets	Current liabilities	14.50	1.10	1212.6%	Capital creditors payment made during the year.
Debt- Equity Ratio	Total debt including lease liability	Shareholder's equity	-	0.01	-100.0%	Lease liability has been paid during the year
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	-	1.45	-100.0%	Term loan availed during Financial Year 2023-24 had been paid during Previous year. No debt in current year.
Return on Equity ratio	Net Profits after taxes	Average Shareholder's equity	7.2%	7.8%	-7.1%	NA
Trade Receivable Turnover Ratio	Net sales	Average Trade receivable	5.7	18.0	-68.1%	Decrease due to one project sold in current year
Net Capital Turnover Ratio	Net sales	Working capital = Current assets – Current liabilities	1.96	(1.67)	-217.2%	Current liabilities has been reduced in current year.
Net Profit ratio	Net Profit	Net sales	18.7%	10.4%	80.3%	Increase in profit due to better operating margin
Return on Capital Employed	Earnings before interest and taxes	Capital employed = Tangible net worth + Total debt + Deferred tax liability	8.9%	11.1%	-19.6%	NA

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34. Segment Reporting Disclosure

The Company primarily operates in a single segment. The automotive segment includes all activities related to leasing, renting, hiring and operating of commercial vehicles, as well as sale of related parts and accessories.

Segment based on geography is given below

Rs. in million

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations		
India	149.9	270.2
Outside India	-	-
Total	149.9	270.2
Non-current Assets		
India	277.0	379.8
Outside India	-	-
Total	277.0	379.8

Information about major customers

Customers accounting for more than 10% of the Revenue:

Rs. in million

Customer	Revenue for the year ended March 31, 2026	Revenue for the year ended March 31, 2025
Jindal Steel & Power Limited	82.8	74.2
Siemens Limited	37.5	31.7
Transvolt ETS One Private Limited	-	64.0
VE Commercial Vehicles Limited	18.7	84.3

35. Other Statutory Information

- (a) The Company has been sanctioned working capital facility amounting to Rs 100 million secured against the project specific current assets, both present and future of the borrower and term loan facility amounting to Rs. 1,129.9 million secured against the specific movable fixed assets, both present and future of the borrower, from Kotak Mahindra Bank Limited. The facility of term loan is under modification and the charge accordingly has already been initiated for reduction.
- (b) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (c) The Company has not revalued its Property, plant & equipments, Intangible assets and Right-of-use assets during the period.
- (d) The Company does not have any transactions with companies struck off.
- (e) The Company have charges amounting to Rs. 1,229.9 million on vehicles, which are under modification pursuant to ongoing review and statutory processes. Upon completion of the modification process, the charges will be limited to Rs. 100 million.
- (f) The Company has not traded or invested in Crypto currency or Virtual Currency during the reporting period.
- (g) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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.
- (h) The Company has not received any fund from any person(s) or entity(ies), 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.
- (i) The Company does not have any such transaction which are not recorded in the books of accounts that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (j) The Company has not granted any loans and advances to promoters, directors, KMPs and other related parties (as defined under Companies Act 2013) during the period.

36. Pursuant to amendment by Ministry of Corporate Affairs (MCA) in the Companies (Accounts) Rules 2014, the Company has used SAP accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Also, there has not been any instance where audit trail feature has been tampered with.

Additionally, the audit trail in respect of prior year has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in that year in respect of accounting software.

37. The Company doesn't have any Foreign Currency exposure risk as on March 31, 2026 (March 31, 2025: NIL)

VE ELECTRO-MOBILITY LIMITED

CIN : U34200DL2022PLC397384

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

38. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

As per our report of even date attached

For S.R.Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

Per Sonika Loganey

Partner

Membership no.: 502220

Deepa Jain

Chief Financial Officer

PAN: AJYPB0070E

Praveen Kumar Jain

Company Secretary

M.No: 3524

For and on behalf of Board of directors of VE Electro-Mobility Limited

[CIN : U34200DL2022PLC397384]

Vipin Surana

Whole-Time Director

DIN: 03391562

Ken Trolle

Director

DIN: 09758354

Srinivas Balantrapu

Chairman and Director

DIN: 11597236

Place : Gurugram

Date : April 28, 2026