

Shah Gupta & Co.

Chartered Accountants

Independent Auditors' Report

To the Members of Piombino Steel Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Piombino Steel Limited** ("the Company"), which comprise the balance sheet as at March 31, 2026, and the statement of profit and loss, including other comprehensive income, the statement of cash flow 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 (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and 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 standalone financial statements in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those SAs 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 standalone financial statements.

Emphasis of Matter

We draw attention to Note 31 to the standalone financial statements, which describes the correction relating to the accounting treatment of the Company's investment in Compulsorily Convertible Debentures (CCDs) issued by its subsidiary. As described in the said note, the Company has retrospectively restated the comparative financial information as at and for the year ended March 31, 2025, including the opening Balance Sheet as at April 1, 2024, in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors. The restatement reflects the measurement of the CCDs at Fair Value Through Profit or Loss in accordance with Ind AS 109, Financial Instruments until their conversion into equity shares. Our opinion is not modified in respect of this matter.

Information Other than the Standalone 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 Company's Annual Report but does not include the standalone financial statements and our auditor's report thereon. The Director's report including Annexure to the Director's Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone 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.

Responsibilities of the Management for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in sub-section (5) of Section 134 of the Act with respect to the preparation of these standalone 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 Ind AS. 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the 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 the management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under clause (i) of sub-section (3) of Section 143 of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone 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 managements and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 financial controls 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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by sub-section (3) of Section 143 of the Act, we report 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 account 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 other comprehensive income, the statement of cash flow and the statement of changes in equity dealt with by this report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
- 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 sub-section (2) of Section 164 of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to these standalone financial statements.
- g. The Company has not paid / not provided for managerial remuneration in the books of accounts. Accordingly, provisions of Section 197 of the Act are not applicable to the Company.
- h. 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:
- The Company does not have any pending litigations on its financial position in its standalone financial statements – Refer note 28 to the standalone financial statements.
 - The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 35(b) to the standalone financial statements, 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 persons or entities, including foreign entity ("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 to or on behalf of the Ultimate Beneficiaries.
 - The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 35(a) to the standalone financial statements, no funds (which are either material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entity ("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 ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
 - Based on the audit procedures that have been considered reasonable and appropriate on the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - The Company has not declared and paid dividend during the year.
 - Based on our examination which included test checks, 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 was 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, in respect of accounting software where the audit trail has been enabled. Additionally, the audit trail 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 the respective year.

For **SHAH GUPTA & CO.,**
Chartered Accountants
Firm Registration No.: 109574W



Parth P Patel

M. No. 172670

Unique Document Identification Number (UDIN) for this document is: 26172670EQXNNT8632

Place: Mumbai

Date: May 12, 2026



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Piombino Steel Limited of even date

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 does not have property, plant and equipment. Accordingly, reporting under clause 3 (i) (a) (A) of the order is not applicable.
- (B) The Company does not have Intangible assets. Accordingly, reporting under clause 3 (i) (a) (B) of the order is not applicable.
- (b) The Company does not have property, plant and equipment. Accordingly, reporting under clause 3 (i) (b) of the order is not applicable to the Company.
- (c) The Company does not hold any immovable property during the year. Accordingly, reporting under clause 3 (i) (c) of the order is not applicable to the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) (a) The Company does not have inventories. Accordingly, reporting under clause 3 (ii) (a) of the order is not applicable to the Company.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs.5 crores, in aggregate from banks and financial institutions. Accordingly, reporting under clause 3 (ii) (b) of the Order is not applicable to the Company.
- (iii) (a) During the year, the Company has made investment in one joint venture. The Company has not provided guarantees or made advances in the nature of loans, secured or unsecured or provided any security to any other entity during the year.
- (b) During the year, the terms of the investments are not prejudicial to the Company's interest. The Company has not provided any guarantee or security or granted advances in the nature of loans to companies, firms, limited liability partnerships or any other parties.
- (c) The Company has neither granted any loans nor granted any advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Accordingly, reporting under clause 3 (iii) (c), (d), (e) and (f) of the order are not applicable to the Company.
- (iv) The Company has not granted any loans or provided guarantees or securities to parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of the investments made during the year.
- (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 Act and the rules made thereunder, to the extent applicable. Accordingly, reporting under clause 3 (v) of the Order is not applicable to the Company.
- (vi) The central government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, reporting under clause 3 (vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, goods and service tax, duty of Custom, duty of Excise, Value added tax, cess and other material statutory dues applicable to it. There are no undisputed amounts payable in respect of income tax, service tax, goods and service tax, duty of Custom, duty of Excise, Value added tax, cess and other material statutory dues which 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 sales tax, wealth tax, service tax, goods and service tax, income tax, duty of excise, value added tax, and cess 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, reporting under clause 3 (viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender.
- (b) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) The money raised by way of term loans have been applied by the Company during the year for the purpose for which it was raised.



- (d) We report that no funds raised on short term basis have been used for long term purposes by the Company.
- (e) We report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary, associate or joint venture (as defined under the Act) during the year ended March 31, 2026. Accordingly, reporting under clause 3 (ix) (f) of the Order is not applicable.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under 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 or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3 (x) (b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company and no material fraud on 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 Act 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, no whistle-blower complaints have been received during the year by the Company.
- (xii) The Company is not a Nidhi company. Accordingly, reporting under clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) Transactions with related parties are in compliance with the provisions of Section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out every year. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of audit report, for the period under audit have been considered by us.
- (xv) As represented to us by the Management, the Company has not entered into any non-cash transactions with Directors or persons connected with him. Accordingly, reporting under clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) (a) As described under note 34 of the standalone financial statements, for FY 2025-26, the Company does satisfies the Principal Business Test considering the dividend income received from its subsidiary. However, as explained to us by the management, the Company does not have the intent or plan to commence or carry on the business of NBFC considering the nature of its operations and the non-recurring / exceptional nature of the above income.
- (b) The Company has not conducted non-banking financial / housing finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 2 (xvi) (b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3 (xvi) (c) of the Order is not applicable to the Company.
- (d) As represented to us by the Management, as at March 31, 2026 as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (CIC) which is registered and four CICs which are not required to be registered with the Reserve Bank of India, forming part of the promoter group.
- (xvii) The Company has not incurred any cash loss in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause (xviii) is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in Note 32 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone 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 year 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 year of one year from the balance sheet date will get discharged by the Company as and when they fall due.



- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3 (xx) (a) of Order is not applicable to the Company.
- (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3 (xx) (b) of Order is not applicable to the Company.
- (xxi) The reporting under clause 3 (xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said paragraph has been included in this report.

For **SHAH GUPTA & CO.,**

Chartered Accountants

Firm Registration No.: 109574W



Parth P Patel

Parth P Patel

M. No. 172670

Unique Document Identification Number (UDIN) for this document is: 26172670EQXNNT8632

Place: Mumbai

Date: May 12, 2026

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the internal financial controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of sub-section (3) of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **Piombino Steel Limited** ("the Company") as of March 31, 2026, in conjunction with our audit of the standalone 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 (the "Guidance Note") issued by 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 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 over financial reporting with reference to these standalone 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 system over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone 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 standalone 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 internal financial controls system over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements

A Company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these standalone 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone 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 over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to these standalone financial statements and such internal financial controls were operating effectively as at March 31, 2026, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **SHAH GUPTA & CO.,**
Chartered Accountants
Firm Registration No.: 109574W



[Handwritten signature]

Parth P Patel
M. No. 172670

Unique Document Identification Number (UDIN) for this document is: 26172670EQXNNT8632

Place: Mumbai

Date: May 12, 2026

PIOMBINO STEEL LIMITED

AUDITED FINANCIAL STATEMENTS FOR THE
YEAR ENDED MARCH 31, 2026

PIOMBINO STEEL LIMITED
Audited Standalone Balance Sheet as at March 31, 2026
CIN No. - U27320MH2018PLC374653

Particulars	Notes	Rs. in crores		
		As at March 31, 2026	As at March 31, 2025*	As at April 1, 2024*
I ASSETS				
(1) Non-current assets				
(a) Investments in subsidiary and joint venture	2	30,599.45	100.00	100.00
(b) Financial assets				
(i) Investments	3	-	29,312.75	30,023.70
(c) Non-current income tax (net)	4	248.11	19.56	26.39
Total non-current assets		30,847.56	29,432.31	30,150.09
(2) Current assets				
(a) Financial assets				
(i) Trade receivables	5	119.74	13.33	117.49
(ii) Cash and cash equivalents	6	1.81	151.92	1.19
(iii) Other financial assets	7	7,881.46	2,005.73	1,461.45
(b) Other current assets	8	24.63	24.66	25.67
Total current assets		8,027.64	2,195.64	1,605.80
Total assets		38,875.20	31,627.95	31,755.89
II EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	9	5,870.28	5,870.28	6,092.92
(b) Other equity	10	25,172.17	18,741.40	18,944.68
Total Equity		31,042.45	24,611.68	25,037.61
Liabilities				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	11	3,573.00	-	3,256.27
(ii) Other financial liabilities	12	626.84	-	35.89
(b) Deferred tax liabilities (net)	23B	-	2,983.35	3,085.01
Total non-current liabilities		4,199.84	2,983.35	6,377.17
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	13	3,395.00	3,521.00	-
(ii) Trade payables				
(a) Total outstanding, dues of micro and small enterprises	14	-	-	-
(b) Total outstanding, dues of creditors other than micro and small enterprises		165.47	18.82	115.10
(iii) Other financial liabilities	15	23.34	289.58	134.51
(b) Other current liabilities	16	49.10	203.51	91.50
Total current liabilities		3,632.91	4,032.91	341.11
Total liabilities		7,832.75	7,016.27	6,718.28
Total equity and liabilities		38,875.20	31,627.95	31,755.89

See accompanying notes forming part of the Audited Standalone Financial Statements

*The Company has restated its prior years as on March 31, 2025 and April 1, 2024 (refer note 31)

As per our attached report of even date

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No.: 109574W

Parth P Patel

Partner

Membership No.: 172670

UDIN:

Place: Mumbai

Date: May 12, 2026

For and on behalf of the Board of Directors

Divyakumar Bhair

Director

DIN: 08568679

Anil Kumar Singh

Director

DIN: 02059903

Kaustubh Kulkarni

Chief Executive Officer

Mohit Goyal

Chief Financial Officer



PIOMBINO STEEL LIMITED
Audited Standalone Statement of Profit and Loss for the year ended March 31, 2026
CIN No. - U27320MH2018PLC374653

Rs. in crores

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025*
I. Revenue from operations	17	600.15	604.59
II. Other income	18	3,937.06	1,574.35
III. Total income (I+II)		4,537.21	2,178.94
IV. Expenses			
Purchase of stock-in-trade	19	598.90	603.44
Finance costs	20	438.86	359.24
Other expenses	21	6.26	4.48
Total expenses		1,044.02	967.16
V. Profit before tax (III-IV)		3,493.19	1,211.78
VI. Tax expense	23		
Current tax		45.80	62.91
Deferred tax		101.67	(101.67)
		147.47	(38.76)
VII. Profit for the year (V-VI)		3,345.72	1,250.54
VIII. Other comprehensive income/ (loss)		-	-
IX. Total comprehensive income for the year (VII+VIII)		3,345.72	1,250.54
X. Earnings per equity share of Rs. 10 each			
Basic (in Rs)		5.69	2.05
Diluted (in Rs)	22	5.69	2.05

See accompanying notes forming part of the Audited Standalone Financial Statements

*The Company has restated its prior year ended on March 31, 2025 (refer note 31)

As per our attached report of even date

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No.: 109574W

Parth P Patel

Partner

Membership No.: 172670

UDIN:

Place: Mumbai

Date: May 12, 2026



For and on behalf of the Board of Directors

Divyakumar Bhair

Director

DIN: 08568679

Anil Kumar Singh

Director

DIN: 02059903

Kaustubh Kulkarni

Chief Executive Officer

Mohit Goyal

Chief Financial Officer



PIOMBINO STEEL LIMITED
Audited Standalone Statement of Cash Flows for the year ended March 31, 2026
CIN No. - U27320MH2018PLC374653

	Rs. in crores	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025*
A. Cash flow from operating activities		
Profit before tax	3,493.19	1,211.78
Adjustments for :		
Gain/(Loss) on fair value changes of financial instruments carried at fair value through profit & loss	(1,141.31)	710.95
Interest expense	438.86	359.24
Dividend Income	(2,200.00)	(1,676.45)
Gain on sale of current investments designated as fair value through profit & loss	(0.04)	-
Commission on pledge of shares	(3.52)	-
Interest income	(592.18)	(604.56)
Operating (loss)/profit before working capital changes	(5.00)	0.96
Adjustments for:		
(Increase)/decrease in trade receivables	(108.51)	104.10
Decrease in other assets	0.03	65.58
Decrease in other financial assets	0.27	-
Increase/(decrease) in trade payables and other liabilities	146.66	(175.21)
(Decrease) in other current liabilities	(154.41)	-
Cash flow from operations	(120.96)	(4.57)
Income taxes paid (net of refund received)	(274.36)	(56.08)
Net cash used in operating activities (A)	(395.32)	(60.65)
B. Cash flow from investing activities		
Dividend received	2,200.00	1,659.68
Buyback of equity shares	-	(1,508.80)
Interest on income tax refund	0.02	-
Interest received on fixed deposits	0.93	-
Loan to a related party	-	(0.30)
Proceeds from redemption of mutual funds	3.04	-
Investment in mutual funds	(3.00)	-
Investment in equity shares	(45.39)	-
Investment in compulsorily convertible debentures	(7,875.00)	-
Interest income on loan	2,517.61	-
Loan repaid by a related party	-	0.30
Net cash (used in)/generated from investing activities (B)	(3,201.79)	150.88
C. Cash flow from financing activities		
Proceeds from non-current borrowings	3,745.00	395.00
Repayment of current borrowings	(298.00)	(130.27)
Interest paid	-	(204.23)
Net cash generated from financing activities (C)	3,447.00	60.50
Net increase/(decrease) in cash and cash equivalents(A+B+C)	(150.11)	150.73
Cash and cash equivalents - opening balances	151.92	1.19
Cash and cash equivalents - closing balances (refer note 6)	1.81	151.92

Note:

I. The statement of cash flows is prepared using the "indirect method" set out in Ind AS 7 "Statement of Cash Flows".

II. Non-cash investing transactions

During the year ended March 31, 2022, the Company has received 100,000,000 equity shares (Rs. 10 each) and 8,450,000,000 Compulsorily Convertible Debentures (Rs. 10 each) of Bhushan Power & Steel Limited (BPSL), against Company's equity and compulsorily convertible debentures holding in Makler Private Limited (MPL), pursuant to merger of MPL, the subsidiary of the Company with BPSL. The said investment is revalued at fair value through profit or loss account and accordingly the financials for the year ended March 31, 2025 and April 1, 2024 has been restated. Further, during the year ended March 31, 2026, CCDs are converted into the equity shares of face value of Rs 10 each.

III. Reconciliations part of cash flows

Particulars	Borrowings
Restated balance as on April 1, 2024	3,256.27
Loan from a related party	395.00
Repayment of loan to a related party	(130.27)
Restated balance as on March 31, 2025	3,521.00
Loan from a related party	3,745.00
Repayment of loan to a related party	(298.00)
Balance as on March 31, 2026	6,968.00

See accompanying notes forming part of the Audited Standalone Financial Statements

*The Company has restated its prior years ended as on March 31, 2025 (refer note 31)

As per our attached report of even date

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No.: 109574W

Parth P Patel

Partner

Membership No.: 172670

UDIN:

Place: Mumbai

Date: May 12, 2026



For and on behalf of the Board of Directors

Divyakumar Bhair
Director
DIN: 08568679

Anil Kumar Singh
Director
DIN: 02059903

Kaustubh Kulkarni
Chief Executive Officer

Mohit Goyal
Chief Financial Officer



PIOMBINO STEEL LIMITED
Audited Standalone Statement of changes in equity for the year ended March 31, 2026
CIN No. - U27320MH2018PLC374653

(a) Equity share capital		Rs. in crores	
Particulars		Amount	
Restated balance as at April 1, 2024*		6,092.92	
Reduction in share capital due to buyback of shares		(222.64)	
Restated balance as at March 31, 2025*		5,870.28	
Movement during the year		-	
Closing balance as at March 31, 2026		5,870.28	

(b) Other equity		Rs. in crores			
Particulars		Retained earnings	Capital Redemption Reserve	Capital Reserve	Total
Restated opening balance as at April 1, 2024*		18,930.21	-	0.47	18,944.68
Profit for the year		1,250.54	-	-	1,250.54
Transfer to debenture redemption reserve		(222.64)	222.64	-	-
Premium on buy back of equity shares		(1,453.82)	-	-	(1,453.82)
Restated Closing balance as at March 31, 2025*		18,504.29	222.64	0.47	18,741.40
Profit for the year		3,345.72	-	-	3,345.72
Reversal of deferred tax liability on fair value changes of financial instruments carried at FVTPL		3,085.05	-	-	3,085.05
Transfer to Capital Reserve		-	-	14.00	-
Closing balance as at March 31, 2026		24,935.06	222.64	14.47	25,172.17

See accompanying notes forming part of the Audited Standalone Financial Statements

*The Company has restated its prior years ended as on March 31, 2025 (refer note 31)

As per our attached report of even date

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No.: 109574W



Parth P Patel
Partner

Membership No.: 172670
UDIN:
Place: Mumbai
Date: May 12, 2026

For and on behalf of the Board of Directors

Diwakumar Bhair
Director
DIN: 08568679

Anil Kumar Singh
Director
DIN: 02059903



Kaustubh Kulkarni
Chief Executive Officer

Mohit Goyal
Chief Financial Officer

PIOMBINO STEEL LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2026

1. General Information

Piombino Steel Limited ("the Company") is incorporated in India on September 21, 2018 under the Companies Act, 2013 with its registered office located at 6th Floor, Grande Palladium, 175, CST Road, Kolivery Village, MMRDA Area, Kalina, Santacruz East, Mumbai 400098.

The Company is engaged in the business of buying, selling and otherwise trading or dealing in steel and its allied products, iron ore, coal, coke, brick-earth, ores, minerals and mineral substances, alloys and metal scrap of all kinds.

1A. Material accounting policies

I. Statement of compliance:

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to standalone financial statement.

The Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information. During the year ended March 31, 2026, the Company reviewed and reassessed the classification of its investment in Compulsorily Convertible Debentures (CCDs) of Bhushan Power and Steel Limited, subsidiary of the Company. Pursuant to such reassessment, and considering the terms of the instrument, particularly the mandatory conversion into equity shares, the Company concluded that the investment does not meet the criteria for measurement at "Cost" and is required to be measured at "Fair value through Profit and Loss" in accordance with Ind AS 109 – Financial Instruments. Hence, to give this effect of reclassification in the financial statements, the Company has restated its prior periods ended as on March 31, 2025 and April 1, 2024 (together hereinafter referred to as "Restated Standalone Financial Statements" or "Financial Statements").

Accordingly, the Company has reclassified the said investment from measurement at "Cost" to measurement at "Fair value through Profit and Loss". The impact of such reclassification as at April 1, 2024 has been adjusted against Retained Earnings, and subsequent fair value changes have been recognized in the Statement of Profit and Loss.

The Standalone Financial Statements have been approved by the Board of Directors in its meeting held on May 12, 2026.

II. Basis of preparation and presentation:

The Standalone Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In estimating the fair value of an asset or a liability, the Company takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, fair value of plan assets within scope the of Ind AS 19 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Standalone Financial Statements are presented in Indian Rupees ('INR') in crore rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013 except when otherwise stated.



PIOMBINO STEEL LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2026

Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents

Deferred tax assets and liabilities are classified as non-current only.

III. Revenue recognition

Sale of Goods

The Company recognizes revenue when control over the promised goods or services is 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.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognized when such freight services are rendered.

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 a 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.

Dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

IV. 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 recognized in the Statement of Profit and Loss in the year in which they are incurred.



PIOMBINO STEEL LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2026

V. Taxes:

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

Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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 in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

VI. Inventories

Inventories if any are stated at the lower of cost and net realisable value.

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of traded goods include purchase cost and inward freight.

Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

VII. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, 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).



PIOMBINO STEEL LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2026

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

VIII. Investment in subsidiary:

Investment in subsidiary is shown at cost in accordance with option available in Ind AS 27, 'Separate Financial Statements'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

IX. Financial instruments:

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

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 Statement of Profit and Loss (FVTPL) 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 and loss are recognised immediately in Standalone Statement of Profit and Loss.

Financial assets

a) Recognition and initial measurement

A financial asset is initially recognised at fair value and for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

b) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

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

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

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

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.



PIOMBINO STEEL LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2026

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognized in statement of profit and loss. The net gain or loss recognized in statement of profit and 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 recognized when:

- The Company's right to receive the dividends is established;
- It is probable that the economic benefits associated with the dividends 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.

c) 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.

d) 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 year. 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 year, 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 recognized in statement of profit and loss and is included in the 'Other income' line item.

Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a 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.

b) 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. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'. at FVTPL

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.



Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Statement of Profit and Loss. For Liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

X. Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

XI. Cash and cash equivalents:

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XII. Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

XIII. Business Combination

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

1B. Key sources of estimation uncertainty and critical accounting judgements:

In the course of applying the policies outlined in all notes under section 1 above, the Company is required to make judgements, estimates and assumptions about the carrying amount 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 recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.



PIOMBINO STEEL LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2026

Key sources of estimation uncertainty:

Impairment of investments in subsidiary

Determining whether the investments in subsidiaries are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the discount rates and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of investments.

1C. Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. It has notified Companies (Indian Accounting Standards) Second Amendment Rules, 2025 dated August 13, 2025 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2025.

- **Ind AS 1 - Presentation of Financial Statements: Classification of liabilities as current or non-current, including debt covenants**

The amendment has removed the requirement for a right to be unconditional and instead now requires that a right to defer settlement must exist at the reporting date and have substance.

- **Ind AS 7 - Statement of Cash Flows and Ind AS 107 – Financial Instruments (Disclosures): Disclosure of supplier financial arrangements**

These amendments require enhanced disclosures to help users of financial statements understand the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. These amendments are effective for annual periods beginning on or after April 1, 2025. Comparative information for earlier periods and disclosures for period ending on or before March 31, 2026 are not required.

- **Ind AS 21 – The Effects of Changes in Foreign Exchange Rates: Lack of exchangeability**

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The above amendments have no impact on the Company's Standalone Financial Statements.



2. Investment in Subsidiary and Joint Venture

Particulars	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
	No. of shares	Rs. in crores	No. of shares	Rs. in crores	No. of shares	Rs. in crores
(a) Investment in equity instruments (Unquoted)						
Subsidiary (at cost)						
Bhushan Power & Steel Limited (Face value of Rs. 10 each) (refer note a below)	8,55,00,00,000	30,554.06	10,00,00,000	100.00	10,00,00,000.00	100.00
Joint Venture (at cost)						
JSW JFE Kalinga Steel Ltd (Face value of Rs. 10 each)	4,53,89,048	45.39	-	-	-	-
Total Investment	8,59,53,89,048	30,599.45	10,00,00,000	100.00	10,00,00,000	100.00
Aggregate carrying value		30,599.45		100.00		100.00

Notes

a) The Company had made an investments in Compulsorily Convertible Debentures (CCDs) of Bhushan Power and Steel Limited, subsidiary of the Company amounting to Rs.8,450 crores which was classified as fair value through profit and loss in the earlier years. In terms of para 2.1(a) of Ind AS 109, investment as 'interest in subsidiaries' are scoped out from measurement principles of Ind AS 109. Accordingly, this investment basis its terms were reclassified as part of 'interests in subsidiaries' and carried as cost less impairment other than Ind AS 109. During the year ended March 31, 2026, the Company reviewed and reassessed the classification of these CCDs. Pursuant to such reassessment, and considering the terms of the instrument, particularly the mandatory conversion into equity shares, the Company concluded that the investment does not meet the criteria for measurement at "Cost" and is required to be measured at "Fair value through Profit and Loss" in accordance with Ind AS 109 – Financial Instruments. Hence, to give this effect of reclassification in the financial statements, the Company has restated its prior years as on March 31, 2025 and April 1, 2024.

Accordingly, the Company has reclassified the said investment from measurement at "Cost" to measurement at "Fair value through Profit and Loss". The impact of such reclassification as at April 1, 2024 has been adjusted against Retained Earnings, and subsequent fair value changes have been recognized in the Statement of Profit and Loss. (refer note 3 and 10). Further, these CCDs had a term of 5 (five) years commencing from the date on which the CCDs are issued and allotted i.e. March 25, 2021. The CCDs holders were entitled to receive a coupon on an annual basis at the rate of 6% per annum from the date of issue and allotment of CCDs. Each CCD was convertible at any time during the CCD term into one equity shares of face value of Rs. 10. On the completion of 5 years during the year ended March 31, 2026, the said CCDs are converted into equity shares of face value Rs 10.

b) 83,279,940 equity shares of the Bhushan Power & Steel Limited held by the Company, which were previously pledged with the lenders of Bhushan Power & Steel Limited (Lead Banker: State Bank of India) to secure its refinanced term loan facility, have been completely released from the said pledge during the year ended March 31, 2026.

c) During the year, the Company has invested in the equity shares of JSW JFE Kalinga Steel Limited (formerly known as JSW Kalinga Steel Limited) Rs 45.39 crores and has been allotted 4,53,89,048 (including nominee shares) equity shares of face value of Rs. 10 upto March 31, 2026.

On March 30, 2026, JFE Steel Corporation ("JFE") has invested Rs. 7,875 crores, being the first tranche of JFE's investment in the JSW JFE Kalinga Steel Limited and 22,694,524 equity shares of JSW JFE Kalinga Steel Limited have been allotted to JFE, resulting in JFE holding 25% shareholding on a fully dilutive basis. Consequent to aforesaid allotment and changes to board composition of the JSW JFE Kalinga Steel Limited in terms of the Joint Venture Agreement ("JVA") dated December 3, 2025, the Company and JFE have established joint control over the JSW JFE Kalinga Steel Limited and its wholly-owned subsidiary - JSW JFE Steel Limited (formerly known as JSW Sambalpur Steel Limited) w.e.f. March 27, 2026.

3. Investments (non-current)

Particulars	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
	No. of shares	Rs. in crores	No. of shares	Rs. in crores	No. of shares	Rs. in crores
Investment in compulsory convertible debentures (CCDs) (Unquoted)						
Subsidiary (at fair value through profit and loss)						
Bhushan Power & Steel Limited (Face value of Rs. 10 each) (refer note 2(a))	-	-	8,45,00,00,000	29,312.75	8,45,00,00,000	30,023.70
				29,312.75		30,023.70

4. Non-current income tax (net)

Particulars	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
		Rs. in crores		Rs. in crores		Rs. in crores
Tax deducted at source (net of provision for tax)	248.11		19.56		26.39	
	248.11		19.56		26.39	

5. Trade receivables

Particulars	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
		Rs. in crores		Rs. in crores		Rs. in crores
Trade receivables considered good - Secured	119.74		13.33		117.49	
Trade receivables considered good - Unsecured	119.74		13.33		117.49	

Ageing as at 31 March 2026:

Particulars	Outstanding for following periods from due date of payment as at March 31, 2026						Rs. in crores
	Not yet due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total	
Undisputed trade receivables - considered good	48.29	71.45	-	-	-	119.74	
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	
Disputed trade receivables - considered good	-	-	-	-	-	-	
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
Disputed trade receivables - credit impaired	-	-	-	-	-	-	
	48.29	71.45	-	-	-	119.74	

Ageing as at 31 March 2025:

Particulars	Outstanding for following periods from due date of payment as at March 31, 2025						Rs. in crores
	Not yet due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total	
Undisputed trade receivables - considered good	0.18	-	13.07	0.08	-	13.33	
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	
Disputed trade receivables - considered good	-	-	-	-	-	-	
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
Disputed trade receivables - credit impaired	-	-	-	-	-	-	
	0.18	-	13.07	0.08	-	13.33	



Ageing as at 1 April 2024:

Particulars	Outstanding for following periods from due date of payment as at April 1, 2024						Rs. in crores
	Not yet due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total	
Undisputed trade receivables - considered good	65.69	41.77	4.13	5.90	-	117.49	
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	
Disputed trade receivables - considered good	-	-	-	-	-	-	
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
Disputed trade receivables - credit impaired	-	-	-	-	-	-	

The credit period on sales of goods ranges from 7 to 120 days with or without security. Trade receivables does not include any receivables from directors and officers of the Company.
Trade receivables from related parties' details has been described in note 24.

6. Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	Rs. in crores
Balances with banks				
In current accounts				
In term deposit accounts with maturity less than 3 months at inception	1.81	0.92	1.19	
	1.81	151.00	-	
	1.81	151.92	1.19	

7. Other current financial assets (unsecured)

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	Rs. in crores
Considered good				
Investment in compulsory convertible debentures (CCDs) of Joint Venture (refer note 30(b))	7,875.00	-	-	
Interest accrued and due on compulsory convertible debentures (CCDs)				
- from related party	0.64	2,005.13	1,461.17	
Security deposit	-	0.27	0.27	
Interest receivable on fixed deposit	-	0.13	-	
Commission receivable	5.82	0.20	-	
Others	-	-	0.01	
	7,881.46	2,005.73	1,461.45	

8. Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	Rs. in crores
Considered good				
Indirect tax balances/recoverable/credits	24.63	24.66	25.67	
	24.63	24.66	25.67	

9. Share capital

Particulars	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024		Rs. in crores
	No. of shares	Rs. in crores	No. of shares	Rs. in crores	No. of shares	Rs. in crores	
(a) Authorised:							
Equity shares of Rs. 10 each of the par value	12,00,00,00,000	12,000.00	12,00,00,00,000	12,000.00	12,00,00,00,000	12,000.00	
Preference shares of Rs. 10 each of the par value	5,00,00,00,000	5,000.00	5,00,00,00,000	5,000.00	5,00,00,00,000	5,000.00	
(b) Issued and subscribed							
Outstanding at the beginning of the year, fully paid up	5,87,73,64,000	5,870.28	6,10,00,00,000	6,092.92	6,10,00,00,000	6,092.92	
Less: Buy back of Equity shares	-	-	(22,26,36,000)	(222.64)	-	-	
Outstanding at the end of the year, fully paid up	5,87,73,64,000	5,870.28	5,87,73,64,000	5,870.28	6,10,00,00,000	6,092.92	

(c) Rights, preferences and restrictions attached to equity shares

The Company has single class of equity shares. Each holder of equity shares is entitled for 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, in proportion to their shareholding.

(d) Details of shareholders holding more than 5% shares in the Company are set out below:

Particulars	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
	No. of Shares	% of Shares	No. of Shares	% of Shares	No. of Shares	% of Shares
JSW Steel Limited	4,85,73,64,000	82.65%	4,85,73,64,000	82.65%	5,08,00,00,000	83.28%
JSW Shipping & Logistics Private Limited	1,02,00,00,000	17.35%	1,02,00,00,000	17.35%	1,02,00,00,000	16.72%
	5,87,73,64,000	100.00%	5,87,73,64,000	100.00%	6,10,00,00,000	100.00%

(e) Change in Promoters' shareholding

Promoter Name	As at March 31, 2026		As at March 31, 2025		% change	As at April 1, 2024		% change
	No. of shares	% of total shares	No. of shares	% of total shares		No. of shares	% of total shares	
JSW Steel Limited	4,85,73,64,000	82.65%	4,85,73,64,000	82.65%	0.00%	5,08,00,00,000	83.28%	(0.63)%
JSW Shipping & Logistics Private Limited	1,02,00,00,000	17.35%	1,02,00,00,000	17.35%	0.00%	1,02,00,00,000	16.72%	0.63%
	5,87,73,64,000	100.00%	5,87,73,64,000	100.00%	0.00%	6,10,00,00,000	100.00%	0.00%

(f) Shares Allotted as Fully Paid-up pursuant to contracts without payment being received in cash during the year of five years immediately preceding the date of the balance sheet are as under : NIL

10. Other equity

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	Rs. in crores
Retained earnings	24,935.06	18,504.30	18,930.21	
Other Reserves:				
- Capital Redemption Reserve (CRR)	222.64	222.64	-	
- Capital reserve	14.47	0.47	0.47	
- Money received against share warrants	-	14.00	14.00	
	25,172.17	18,741.40	18,944.68	



(a) Retained earnings

Retained earnings are the profits/(losses) that the Company has earned till date. It is a free reserve available to the Company.

(b) Capital Redemption Reserve (CRR)

The Company has created a Capital Redemption Reserve (CRR) pursuant to the provisions of the Companies Act 2013, Section 69, upon the buyback of equity shares during the financial year. The amount transferred to the Capital Redemption Reserve from retained earnings is Rs. 222.63 Crores. This reserve is maintained to ensure the integrity of the Company's capital base and is not available for distribution as dividends. The Capital Redemption Reserve is classified under Reserves & Surplus in the financial statements and is presented as part of the Shareholders' Equity. It can be utilized only in accordance with the provisions of the Companies Act and other applicable regulations.

(c) Capital reserve

Reserve is created primarily on merger as per statutory requirement. This reserve is utilised in accordance with the specific provision of the Companies Act, 2013. During the year, the outstanding warrants have been cancelled and extinguished, and the subscription amount of Rs. 14 crores have been forfeited and transferred to capital reserve.

(d) Money received against share warrants

The Company had issued 3,500,000,000 share warrants each to JSW Steel Limited and JSW Shipping & Logistics Private Limited respectively with a subscription price of Rs. 0.02 per warrant aggregating to Rs. 14 crores. The exercise period was five years from the date of issue of the warrants and the warrant holders at their discretion were entitled to purchase one equity share of the face value of Rs. 10 each at an exercise price of Rs 10. During the year, JSW Steel Limited and JSW Shipping & Logistics Private Limited have opted not to exercise its rights and entitlements to such warrants. Accordingly, the outstanding warrants have been cancelled and extinguished, and the subscription amount of Rs. 14 crores have been forfeited and transferred to capital reserve.

11. Borrowings (at amortised cost)

Particulars	Rs. in crores		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Non-current borrowings (Unsecured)			
(i) Term loans			
From related party (refer note 24)	3,573.00	3,521.00	3,256.27
Less: Amount clubbed under short term borrowings (refer note 13)	-	(3,521.00)	-
	<u>3,573.00</u>	<u>-</u>	<u>3,256.27</u>

The Company has outstanding borrowings as on March 31, 2026 Rs. 378,00,00,000 (March 31, 2025 :Rs. 378,00,00,000, April 1, 2024 : Rs. 378,00,00,000) from JSW Steel Limited bearing an interest rate of 10.60% compounded annually. During the year, the said loan is extended for next three years and is repayable on June 30, 2029.

The Company has obtained borrowings during the year of Rs. 4,00,00,000 from JSW Steel Limited bearing an interest rate of 10.85% compounded annually. During the year, the said loan is extended for next three years and repayable on June 30, 2029.

The Company has obtained borrowings during the year of Rs. 53,00,00,000 from JSW Steel Limited bearing an interest rate of 10.85% compounded annually. During the year, the said loan is extended for next two years and repayable on April 30, 2027.

The Company has outstanding borrowings as on March 31, 2026 Rs. 2766,00,00,000 (March 31, 2025 : Rs. 2766,00,00,000, April 1, 2024 : Rs. 2766,00,00,000) from JSW Steel Limited bearing an interest rate of 10.65% compounded annually. During the year, the said loan is extended for next three years and is repayable on March 31, 2029.

The Company has outstanding borrowings as on March 31, 2026 Rs. 79,00,00,000 (March 31, 2025 : 79,00,00,000, April 1, 2024 : Rs. Nil) from JSW Steel Limited bearing an interest rate of 10.65% compounded annually. During the year, the said loan is extended for next three years and is repayable on March 31, 2029.

The Company has obtained borrowings during the year of Rs. 293,00,00,000 from JSW Steel Limited bearing an interest rate of 11.10% per annum and is repayable after three year from the date of respective disbursement date (i.e March 31, 2029).

The Company had obtained borrowings during the year ended March 31, 2025 of Rs. 298,00,00,000 from JSW Utkal Steel Limited bearing an interest rate of 11.00% compounded annually and was repayable after one year from the date of respective disbursement date. The said loan has been repaid by the Company during the year ended March 31, 2026.

The Company had outstanding borrowings as on April 1, 2024 of Rs. 112,27,12,500 from JSW Steel Limited bearing an interest rate of 11.25% compounded annually and was repayable after two years from the date of disbursement. The said loan has been repaid by the Company during the year ended March 31, 2025.

12. Other non-current financial liabilities

Particulars	Rs. in crores		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Interest accrued but not due on borrowings	626.84	-	35.89
	<u>626.84</u>	<u>-</u>	<u>35.89</u>

13. Borrowings (at amortised cost)

Particulars	Rs. in crores		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Current borrowings (Unsecured)			
(i) Term loans			
From related party	3,395.00	-	-
Current maturities of long term borrowings (refer note 11)	-	3,521.00	-
	<u>3,395.00</u>	<u>3,521.00</u>	<u>-</u>

The Company has obtained borrowings during the year of Rs. 2345,00,00,000 from JSW Utkal Steel Limited bearing an interest rate of 8.45% Per annum and is repayable after one year from the date of respective disbursement date (i.e February 25, 2027).

The Company has obtained borrowings during the year of Rs. 1050,00,00,000 from Amba River Coke Limited bearing an interest rate of 8.45% per annum and is repayable after one year from the date of respective disbursement date (i.e February 25, 2027).

14. Trade payables

Particulars	Rs. in crores		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
(a) Total outstanding, dues of micro and small enterprises	-	-	-
(b) Total outstanding, dues of creditors other than micro and small enterprises	165.47	18.82	115.10
	<u>165.47</u>	<u>18.82</u>	<u>115.10</u>

Disclosure pertaining to micro and small enterprises (as per information available with the Company)

Description	Rs. in crores		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Principal amount due outstanding as at end of year	-	-	-
Principal amount overdue more than 45 days	-	-	-
Interest due on above and unpaid as at end of year	-	-	-
Interest paid to the supplier	-	-	-
Payments made to the supplier beyond the appointed day during the year	-	-	-
Interest due and payable for the year of delay	-	-	-
Interest accrued and remaining unpaid as at end of year	-	-	-
Amount of further interest remaining due and payable in succeeding year	-	-	-



Ageing as at March 31, 2026

Particulars	Unbilled	Not yet due	Outstanding for following periods from due date of payment as at March 31, 2026				Rs. in crores
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-	-
Others	0.07	-	165.40	-	-	-	165.47
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
	0.07	-	165.40	-	-	-	165.47

Ageing as at March 31, 2025

Particulars	Unbilled	Not yet due	Outstanding for following periods from due date of payment as at March 31, 2025				Rs. in crores
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-	-
Others	0.07	-	18.75	-	-	-	18.82
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
	0.07	-	18.75	-	-	-	18.82

Ageing as at April 1, 2024

Particulars	Unbilled	Not yet due	Outstanding for following periods from due date of payment as at April 1, 2024				Rs. in crores
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-	-
Others	0.10	-	113.99	-	-	1.01	115.10
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
	0.10	-	113.99	-	-	1.01	115.10

Trade Payables are normally settled within 180 days. Trade payables related to related parties has been disclosed in note 24. For information about market risk and liquidity risk related to trade payables refer note 26.1 and 26.3 respectively.

15. Other current financial liabilities

Particulars	Rs. in crores	
	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings	23.34	289.58
	23.34	289.58

16. Other current liabilities

Particulars	Rs. in crores	
	As at March 31, 2026	As at March 31, 2025
Advance from customer	-	-
Statutory liabilities	49.10	203.51
	49.10	203.51

17. Revenue from operations

Particulars	Rs. in crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of traded goods	600.15	604.59
	600.15	604.59

Ind AS 115 (Revenue from contracts with customers)

The Company recognises revenue when control over the promised goods or services is 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.

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure :

Particulars	Rs. in crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customer - sale of products		
Trading of steel products	600.15	604.59
Total revenue from operations	600.15	604.59
India	-	-
Outside India	600.15	604.59
Total revenue from operations	600.15	604.59
Timing of revenue recognition		
At a point in time	600.15	604.59
Total revenue from operations	600.15	604.59

Contract balances

Particulars	Rs. in crores	
	As at March 31, 2026	As at March 31, 2025
Trade receivables	119.74	13.33
Contract Liabilities	-	-
Advance from customers	-	-

Credit period on sale of goods ranges from 7 to 120 days with or without security.

The Company does not have any significant adjustments between the contracted price and revenue recognised in the statement of profit and loss.

18. Other income

Particulars	Rs. in crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Gain/(Loss) on fair value changes of financial instruments designated as FVTPL		
Interest Income earned on financial assets designated as FVTPL	1,141.31	(710.95)
- Compulsory convertible debentures (CCDs)		
Interest Income earned on financial assets designated as amortised cost :	591.31	604.41
Bank Deposits		
Commission earned on pledge of shares	0.86	0.15
Dividend Income from subsidiary	3.52	-
Gain on sale of current investments designated as FVTPL	2,200.00	1,676.45
Other miscellaneous income	0.04	-
	0.02	4.29
	3,937.06	1,574.35



19. Purchase of stock-in-trade

Particulars	Rs. in crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchase of traded goods	598.90	603.44
	<u>598.90</u>	<u>603.44</u>

20. Finance costs

Particulars	Rs. in crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on borrowings	438.86	359.24
	<u>438.86</u>	<u>359.24</u>

21. Other expenses

Particulars	Rs. in crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Legal and professional fees (refer note a)	1.36	0.74
CSR expenditure (refer note b)	4.88	3.71
Miscellaneous expenses	0.02	0.03
	<u>6.26</u>	<u>4.48</u>
a) Statutory audit fees (including limited reviews) For certification and other services	0.12	0.10
	0.10	0.00

b) Corporate social responsibility (CSR)

The Company has incurred an amount of Rs. 4.88 crores towards CSR as per section 135 of the Companies act, 2013 and is included in the other expenses.

Particular	For the year ended March 31, 2026		For the year ended March 31, 2025	
	In- Cash	Yet to be paid in cash	In- Cash	Yet to be paid in cash
(a) Gross amount required to be spent by the Company during the year	4.88	-	3.71	-
(b) Amount spent on:				
(i) Construction / acquisition of assets				
(ii) On purposes other than (i) above (for CSR projects)	4.88	-	3.71	-

(c) Details of related party transactions

Amount paid to JSW Foundation, a related party in relation to CSR expenditure

(d) Nature of CSR activities

1. Educational infrastructure & systems strengthening
2. Enhance Skills & rural livelihoods through nurturing of supportive ecosystems & innovations
3. General community infrastructure support & welfare initiatives
4. Public health infrastructure, capacity building & support programs
5. Sports promotion & institution building

22. Earnings per share

Particulars	Rs. in crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit attributable to equity shareholders (Rs. in crores) (A)	3,345.72	1,250.54
Weighted average number of equity shares for basic EPS (B)	5,87,73,64,000	6,09,39,00,384
Weighted average number of equity shares for diluted EPS (C)	5,87,73,64,000	6,09,39,00,384
Earnings per share		
Basic EPS (Amount in Rs.) (A/B)	5.69	2.05
Diluted EPS (Amount in Rs.) (A/B)	5.69	2.05

23. Income Tax

A. Income Tax expense

Particulars	Rs. in crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax	45.80	62.91
Deferred tax	101.67	(101.67)
Total tax expense	<u>147.47</u>	<u>(38.76)</u>

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	Rs. in crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	3,493.19	1,211.78
Enacted tax rate in India	25.17%	25.17%
Expected income tax expense at statutory tax rate	879.17	304.98
Tax effect of expenses not deductible in determining taxable profits		
Dividend income	(553.70)	(421.93)
CSR expenditure	1.23	0.89
Deferred tax	(185.59)	77.30
Expenses disallowed	6.35	-
Tax expense for the year	<u>147.47</u>	<u>(38.76)</u>
Effective income tax rate	4.22%	(3.20%)

B. Deferred tax liabilities (net)

Deferred tax balance in relation to	Rs. in crores			
	As at March 31, 2025	Recognised /reversed through profit and loss	Recognised /reclassified from other comprehensive income	As at March 31, 2026
Gain on fair value changes of financial instruments carried at FVTPL	2,983.37	(2,983.37)	-	-
Others	(0.02)	0.02	-	-
	<u>2,983.35</u>	<u>(2,983.35)</u>	-	-



	Rs. in crores			
Deferred tax balance in relation to	As at April 1, 2024	Recognised /reversed through profit and loss	Recognised /reclassified from other comprehensive income	As at March 31, 2025
Gain on fair value changes of financial instruments carried at FVTPL	3,085.04	(101.67)	-	2,983.37
Others	(0.03)	0.01	-	(0.02)
C. Deferred tax Liability (net)	3,085.01	(101.66)	-	2,983.35
	Rs. in crores			

Deferred tax balance in relation to	As at March 31, 2023	Recognised /reversed through profit and loss	Recognised /reclassified from other comprehensive income	As at April 1, 2024
Gain on fair value changes of financial instruments carried at FVTPL		3,085.04	-	3,085.04
Others	(0.04)	0.01	-	(0.03)
	(0.04)	3,085.05	-	3,085.01

24. Related party disclosures as required by Ind AS 24

A. Name of Related Parties

1. Holding Company

JSW Steel Limited

2. Subsidiaries Company

Bhushan Power & Steel Limited

JSW JFE Kalinga Steel Limited (formerly known as JSW Kalinga Steel Limited) (upto March 26, 2026)

JSW JFE Steel Limited (formerly known as JSW Sambalpur Steel Limited) (upto March 26, 2026)

3. Joint venture

JSW JFE Kalinga Steel Limited (formerly known as JSW Kalinga Steel Limited) (wef March 27, 2026)

3a. Subsidiary of Joint venture

JSW JFE Steel Limited (formerly known as JSW Sambalpur Steel Limited) (wef March 27, 2026)

4. Fellow Subsidiary Companies

JSW Steel Coated Products Limited

JSW Utkal Steel Limited

National Steel and Agro Industries Limited (merged with JSW Steel Coated Products Limited wef October 3, 2024)

Amba River Coke Limited

5. Key Management Personnel

Mr. Kaustubh Kulkarni

Mr. Mohit Goyal

Mr. Alok Kumar Mishra (upto September 2, 2024)

Mrs. Ruchika Shah (from October 22, 2024 to February 28, 2026)

Chief Executive Officer

Chief Financial Officer

Company Secretary

Company Secretary

6. Board of Directors

Mr. Manoj Kumar Mohta

Mr. Anil Kumar Singh

Mr. Divyakumar Bhair

Mr. Anunay Kumar (upto March 15, 2026)

Dr. (Mrs.) Rakhi Jain

Non-Independent Non-Executive Director

Non-Independent Non-Executive Director

Non-Independent Non-Executive Director

Independent Non-Executive Director

Independent Non-Executive Director

6. Other related party

JSW Shipping & Logistics Private Limited

B. Transactions with related parties

Particulars	Rs. in crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Bhushan Power & Steel Limited		
Interest income		
Commission on pledge of shares	590.59	604.41
Dividend income	3.52	-
Other charges	2,200.00	1,676.45
Guarantees and collaterals provided (no. of shares)	-	0.24
JSW Steel Limited	NIL	8,32,79,940 shares
Buyback of shares		
Loan received	-	1,676.45
Loan repaid	350.00	79.00
Interest on loan	-	130.27
Purchase of steel products	380.71	359.24
Rent expense	598.90	603.44
JSW Steel Coated Products Limited	0.02	0.02
Sales of steel products		
Interest charged	600.15	604.59
NSL Green Steel Recycling Limited	0.20	-
Loan granted		
Loan repaid	-	0.30
Interest income	-	0.30
JSW Utkal Steel Limited	-	0.01
Loan received		
Loan repaid	2,345.00	298.00
Interest on loan	298.00	
Amba River Coke Limited	50.34	0.36
Loan received		
Interest on loan	1,050.00	
JSW Foundation	8.02	
CSR expenditure		
JSW JFE Kalinga Steel Limited (formerly known as JSW Kalinga Steel Limited)	4.88	3.71
Investment in compulsorily convertible debentures (CCDs)		
Interest income	7,875.00	-
Remuneration to KMP	0.72	-
Remuneration to Kaustubh Kulkarni*		
	0.00	0.00

*Rs. 1000



Notes:

1. Transactions are inclusive of taxes wherever applicable.
2. The Independent Non-Executive Directors are paid remuneration by way of sitting fees. The Company paid to them by way of sitting fees during the year is Rs. 0.04 crores (previous year Rs. 0.04 crores), which is not included.
3. 83,279,940 equity shares of the Bhushan Power & Steel Limited held by the Company, which were previously pledged with the lenders of Bhushan Power & Steel Limited (Lead Banker: State Bank of India) to secure its refinanced term loan facility, have been completely released from the said pledge during the year ended March 31, 2026.

Terms and conditions

Sales: The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases: The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market. The transactions other than mentioned above are also in the ordinary course of business and at arms' length basis.

C. Balances with related parties

Particulars	Rs. in crores		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Bhushan Power & Steel Limited			
Interest receivable	-	2,005.13	1,461.17
Other receivables	5.82	-	-
Other payables	-	0.22	-
Trade payables	-	-	-
Pledge of equity (No. of shares)	-	-	12.69
JSW Steel Limited	NIL	8,32,79,940 shares	-
Loan payable	3,573.00	3,223.00	3,256.27
Interest payable	631.88	289.26	170.40
Trade payables	165.08	18.49	96.20
Trade receivables	-	-	5.07
JSW Steel Coated Products Limited			
Trade receivables	119.74	14.41	12.47
National Steel and Agro Industries Limited (Merged with JSW Steel Coated Products Limited wef October 3, 2024)			
Trade receivables	-	27.84	102.39
Total Trade Receivables from JSW Steel Coated Products Limited	119.74	42.25	114.86
JSW Utkal Steel Limited			
Loan outstanding	2,345.00	298.00	-
Interest payable	11.09	0.32	-
Amba River Coke Limited			
Loan outstanding	1,050.00	-	-
Interest payable	7.22	-	-
JSW JFE Kalinga Steel Limited (formerly known as JSW Kalinga Steel Limited)			
Interest receivable	0.64	-	-
JSW Shipping & Logistics Private Limited			
Interest payable	-	-	0.47

25. Financial Instruments

25.1 Capital Risk Management

The principal source of funding of the Company is from inter corporate loans, capital markets and investors. The Company is not subject to any externally imposed capital requirements. The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio. The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

Particulars	Rs. in crores		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Long term Borrowings	3,573.00	-	3,256.27
Short term Borrowings	3,395.00	3,521.00	-
Less: Cash and cash equivalent	(1.81)	(151.92)	(1.19)
Net debt	6,966.19	3,369.08	3,255.08
Total equity	31,042.45	24,611.68	25,037.61
Gearing ratio	0.22	0.14	0.13

Equity includes all capital and reserves of the Company that are managed as capital and debt is defined as long and short term borrowings as disclosed in Note 11 and 13.

25.2 Categories of financial instruments

The accounting classification of each category of financial instruments, their carrying amounts and fair value are set out below:

As at March 31, 2026

Particulars	Rs. in crores			
	Amortised cost	Fair value through profit and loss	Total carrying value	Total fair value
Financial assets				
Investments	-	-	-	-
Trade receivables	119.74	-	119.74	119.74
Cash and cash equivalents	1.81	-	1.81	1.81
Other financial assets (current)	7,881.46	-	7,881.46	7,881.46
Total	8,003.01	-	8,003.01	8,003.01
Financial liabilities				
Long term borrowings (including current maturities)	3,573.00	-	3,573.00	3,573.00
Short term borrowings	3,395.00	-	3,395.00	3,395.00
Trade payables	165.47	-	165.47	165.47
Other financial liabilities	650.18	-	650.18	650.18
Total	7,783.65	-	7,783.65	7,783.65



As at March 31, 2025

Particulars	Rs. in crores			
	Amortised cost	Fair value through profit and loss	Total carrying value	Total fair value
Financial assets				
Investments	-	29,312.75	29,312.75	29,312.75
Trade receivables	13.33	-	13.33	13.33
Cash and cash equivalents	151.92	-	151.92	151.92
Other financial assets	2,005.73	-	2,005.73	2,005.73
Total	2,170.98	29,312.75	31,483.73	31,483.73
Financial liabilities				
Long term borrowings (including current maturities)	3,521.00	-	3,521.00	3,521.00
Trade payables	18.82	-	18.82	18.82
Other financial liabilities	289.59	-	289.59	289.59
Total	3,829.41	-	3,829.41	3,829.41

As at April 1, 2024

Particulars	Rs. in crores			
	Amortised cost	Fair value through profit and loss	Total carrying value	Total fair value
Financial assets				
Investments	-	30,023.70	30,023.70	30,023.70
Trade receivables	117.49	-	117.49	117.49
Cash and cash equivalents	1.19	-	1.19	1.19
Other financial assets	1,461.45	-	1,461.45	1,461.45
Total	1,580.13	30,023.70	31,603.83	31,603.83
Financial liabilities				
Long term borrowings (including current maturities)	3,256.27	-	3,256.27	3,256.27
Trade payables	115.10	-	115.10	115.10
Other financial liabilities	170.40	-	170.40	170.40
Total	3,541.77	-	3,541.77	3,541.77

26. Fair value hierarchy of financial instruments

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, short-term borrowings, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short-term nature. A significant part of the financial assets is classified as Level 2. The fair value of these assets is marked to an active market or based on observable market data. The financial assets carried at fair value by the Company are mainly investments in debt securities, accordingly, any material volatility is not expected.

Particulars	Level and valuation techniques	Rs. in crores		
		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Non-current investments in unquoted CCDs measured at FVTPL	Level 2, inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices)	-	29,312.75	30,023.70
Total		-	29,312.75	30,023.70

Details of financial assets/liabilities measured at amortised cost but fair value disclosed in category-wise

Particulars	Level and valuation techniques	Rs. in crores		
		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Long term borrowings (Including current maturities)	Level 2, estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities.	3,573.00	3,521.00	3,256.27
Carrying value				
Fair value		3,573.00	3,521.00	3,256.27

26.1 Financial risk Management

The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Interest risk
- Liquidity risk
- Credit risk
- Commodity price risk

26.2 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 value of a financial instrument may change as a result of changes in interest rates, price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

26.2 Interest risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at fixed and floating interest rates. Interest risk rate is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with mix of fixed and floating rates of interest. The short-term borrowings are borrowed at fixed rate and long-term borrowings are borrowed at floating rate/variable rate with resetting annually considering SBI MCLR plus upto 200 basis points.

The following table provides a break-up of the Company's fixed and floating rate borrowings :

Particulars	Rs. in crores		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Fixed rate borrowings	3,395.00	-	-
Floating rate borrowings	3,573.00	3,521.00	3,256.27
Total borrowings (refer note 11 & 13)	6,968.00	3,521.00	3,256.27

The sensitivity analysis below have been determined based on the exposures to interest rates for floating borrowings, assuming the amount of the liability outstanding at the year end was outstanding for the whole year.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended March 31, 2026 would decrease / increase by Rs. 35.73 crores (for the year ended March 31, 2025 decrease/increase by Rs 35.21 crores and for the year ended April 1, 2024 decrease/increase by Rs 32.56 crores). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowing.

26.3 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing.



Liquidity exposure as at March 31, 2026

Particulars				Rs. in crores
	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Trade receivables	119.74	-	-	119.74
Cash and cash equivalents	1.81	-	-	1.81
Other financial assets	7,881.46	-	-	7,881.46
Total	8,003.01	-	-	8,003.01
Financial liabilities				
Borrowings	3,395.00	3,573.00	-	6,968.00
Trade payables	165.47	-	-	165.47
Other financial liabilities	650.18	-	-	650.18
Total	4,210.65	3,573.00	-	7,783.65

Liquidity exposure as at March 31, 2025

Particulars				Rs. in crores
	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Investments	-	29,312.75	-	29,312.75
Trade receivables	13.33	-	-	13.33
Cash and cash equivalents	151.92	-	-	151.92
Other financial assets	2,005.73	-	-	2,005.73
Total	2,170.98	29,312.75	-	31,483.73
Financial liabilities				
Borrowings	3,521.00	-	-	3,521.00
Trade payables	18.82	-	-	18.82
Other financial liabilities	289.59	-	-	289.59
Total	3,829.41	-	-	3,829.41

Liquidity exposure as at April 1, 2024

Particulars				Rs. in crores
	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Investments	-	30,023.70	-	30,023.70
Trade receivables	119.74	-	-	119.74
Cash and cash equivalents	1.19	-	-	1.19
Other financial assets	1,461.45	-	-	1,461.45
Total	1,582.37	30,023.70	-	31,606.07
Financial liabilities				
Long term Borrowings	-	3,256.27	-	3,256.27
Trade payables	115.10	-	-	115.10
Other financial liabilities	134.51	35.89	-	170.40
Total	249.61	3,292.16	-	3,541.77

26.4 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. Currently, the Company has limited customer base. The Company selects customers after due diligence based on creditworthiness as a means of mitigating the risk of financial loss from defaults.

26.5 Commodity price risk

The Company is subject to fluctuations in prices for the purchase of steel. The Company purchased primarily all of its steel requirements at prevailing market rates during the year ended March 31, 2026.

27. Segment reporting

The Company is in the business of trading of steel products, primarily operated in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation. The information relating to revenue from customers and location of non-current assets of its single reportable segment has been disclosed as below:

a. Revenue from operations

Particulars	Rs. in crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Domestic	600.15	604.59
Export	-	-
	600.15	604.59

Revenue from operations have been allocated on the basis of location of customers.

b. Non-current assets

All non-current assets of the Company are located in India.

c. Customer contributing more than 10% of Revenue

Particulars	Rs. in crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
JSW Steel Coated Products Limited	600.15	604.59
	600.15	604.59



28. Contingent Liabilities and Commitments

The Company does not have any contingent liabilities and Commitments as on March 31, 2026 (March 31, 2025 : NIL, April 1, 2024 : NIL).

29. Previous period's figures have been reclassified/regrouped, wherever necessary, to confirm with the current period classification in comply with requirements of the amended Schedule III to the Companies Act, 2013.

30. Restructuring and Subsequent events

a) The Board of Directors of the Company at their meeting held on December 3, 2025 considered and approved the Scheme of Amalgamation ("Scheme") pursuant to Section 230-232 and other applicable provisions of the Companies Act 2013, providing for amalgamation of the Company with its holding company, JSW Steel Limited. Pursuant to said Board approval, the Scheme has been filed with the concerned Stock Exchanges for requisite approvals. The Stock Exchanges have issued no adverse observation letter for the Scheme on April 1, 2026 and the Company has subsequently filed an application with National Company Law Tribunal (NCLT) on May 6, 2026 seeking directions in connection with the Scheme. The requisite regulatory and other approvals are awaited. Accordingly, no impact is given on account of this in the financial statements for the year ended March 31, 2026.

b) The Company has subscribed to 787,49,99,828 Compulsorily Convertible Debentures (CCDs) of face value of Rs. 10 each aggregating to Rs. 7,875 crores of JSW JFE Kalinga Steel Limited ("JSW JFE Kalinga") with a tenure of 20 years from the date of allotment. The CCDs carry a coupon of 0.1% per annum payable on face value of CCD on compounded and cumulative basis until the date of conversion. Per the terms, conversion ratio is 1 equity share for every 347 CCDs and conversion can be done at any time from the date of issuance of such CCDs at the option of the holder.

Pursuant to Joint Venture agreement, the Company has an obligation to transfer the said CCDs to JFE Steel Corporation ("JFE"), Japan, upon occurrence of the specified conditions precedent and timelines set out therein, for a consideration of Rs. 7,875 crores and accordingly, the CCDs have been classified under Other Financial Asset (Current). The management expects the transfer to be completed in accordance with contractual arrangements stipulated under the Joint Venture agreement. Upon completion of transfer and conversion of CCDs into equity shares by JFE, the Company's equity stake in JSW JFE Kalinga shall reduce from 75% to 50%. As the transfer is expected to be consummated subsequent to the reporting date, it has been considered as a non-adjusting event and accordingly, no adjustments have been made to these financial statements in respect thereof.

31. Restatement of Investment in Compulsorily Convertible Debentures (CCDs)

The Company had invested in Compulsory Convertible Debentures (CCDs) of Bhushan Power and Steel Limited ("BPSL"), a subsidiary of the Company amounting to Rs. 8,450 crores. These CCDs were issued for a term of 5 years commencing from the date on which the CCDs are issued and allotted and carried at coupon of 6% per annum. Each CCDs were convertible at any time during the CCD term into one equity share of face value of Rs. 10 each. Up to financial year ended March 31, 2025, these CCDs were carried at "Cost" less impairment.

During the year ended March 31, 2026, the Company reviewed and reassessed the classification of its investment in CCDs of BPSL. Pursuant to such reassessment, and considering the terms of the instrument, particularly the mandatory conversion into equity shares, the Company concluded that the investment does not meet the criteria for measurement at "Cost" and is required to be measured at "Fair value through Profit and Loss" in accordance with Ind AS 109 – Financial Instruments.

Accordingly, the Company has reclassified the said investment from measurement at "Cost" to measurement at "Fair value through Profit and Loss". The impact of such reclassification as at April 1, 2024 has been adjusted against Retained Earnings, and subsequent fair value changes have been recognised in the Statement of Profit and Loss (refer note 3 and 10). The related deferred tax impact arising from the fair value adjustments has been recognised in the respective reporting periods. (refer note 23B)

Further, on March 25, 2026, the CCDs were converted into equity shares of BPSL in accordance with the conversion ratio specified above. Upon conversion, the investment ceased to be a financial asset within the scope of Ind AS 109 and has been recognised as an investment in equity shares of subsidiary company at Cost in accordance with Ind AS 27 – Separate Financial Statements. (refer note 2).

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PIOMBINO STEEL LIMITED

Notes forming part of the Audited Standalone Financial Statements

Restated Standalone Financial Statements for the year ended March 31, 2025 and as at April 1, 2024 (Contd.)

Restated Standalone Balance Sheet as at April 1, 2024

	Rs. in crores		
Particulars	Reported as at April 1, 2024	Restatements	Restated as at April 1, 2024
I ASSETS			
(1) Non-current assets			
(a) Investments in subsidiaries	8,550.00	(8,450.00)	100.00
(b) Financial assets			
(i) Investments	-	30,023.70	30,023.70
(c) Deferred tax assets (net)	0.03	(0.03)	-
(d) Non-current income tax (net)	26.39	-	26.39
Total non-current assets	8,576.42	21,573.67	30,150.09
(2) Current assets			
(a) Financial assets			
(i) Trade receivables	117.49	-	117.49
(ii) Cash and cash equivalents	1.19	-	1.19
(iii) Other financial assets	1,461.45	-	1,461.45
(b) Other current assets	25.67	-	25.67
Total current assets	1,605.80	-	1,605.80
Total assets	10,182.22	21,573.67	31,755.89
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	6,092.92	-	6,092.92
(b) Other equity	456.03	18,488.66	18,944.68
Total Equity	6,548.95	18,488.66	25,037.61
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	3,256.27	-	3,256.27
(ii) Other financial liabilities	35.89	-	35.89
(b) Deferred tax liabilities	-	3,085.01	3,085.01
Total non-current liabilities	3,292.16	3,085.01	6,377.17
(2) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	-	-	-
(a) Total outstanding, dues of micro and small enterprises	-	-	-
(b) Total outstanding, dues of creditors other than micro and small enterprises	115.10	-	115.10
(ii) Other financial liabilities	134.51	-	134.51
(b) Other current liabilities	91.50	-	91.50
Total current liabilities	341.11	-	341.11
Total liabilities	3,633.27	3,085.01	6,718.28
Total equity and liabilities	10,182.22	21,573.67	31,755.89



PIOMBINO STEEL LIMITED
Notes forming part of the Audited Standalone Financial Statements
Restated Standalone Financial Statements for the year ended March 31, 2025 and as at April 1, 2024
Restated Standalone Balance Sheet as at March 31, 2025

Particulars	Rs. in crores		
	Reported as at March 31, 2025	Restatements	Restated as at March 31, 2025
I ASSETS			
(1) Non-current assets			
(a) Investments in subsidiaries	8,550.00	(8,450.00)	100.00
(b) Financial assets			
(i) Investments	-	29,312.75	29,312.75
(c) Deferred tax assets (net)	0.02	(0.02)	-
(d) Non-current income tax (net)	19.56	-	19.56
Total non-current assets	8,569.58	20,862.73	29,432.31
(2) Current assets			
(a) Financial assets			
(i) Trade receivables	13.33	-	13.33
(ii) Cash and cash equivalents	151.92	-	151.92
(iii) Other financial assets	2,005.73	-	2,005.73
(b) Other current assets	24.66	-	24.66
Total current assets	2,195.64	-	2,195.64
Total assets	10,765.22	20,862.73	31,627.95
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	5,870.28	-	5,870.28
(b) Other equity	862.03	17,879.38	18,741.40
Total Equity	6,732.31	17,879.38	24,611.68
Liabilities			
(1) Non-current liabilities			
(a) Deferred tax liabilities	-	2,983.35	2,983.35
Total non-current liabilities	-	2,983.35	2,983.35
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	3,521.00	-	3,521.00
(ii) Trade payables			
(a) Total outstanding, dues of micro and small enterprises	-	-	-
(b) Total outstanding, dues of creditors other than micro and small enterprises	18.82	-	18.82
(iii) Other financial liabilities	289.58	-	289.58
(b) Other current liabilities	203.51	-	203.51
Total current liabilities	4,032.91	-	4,032.91
Total liabilities	4,032.91	2,983.35	7,016.27
Total equity and liabilities	10,765.22	20,862.73	31,627.95



PIOMBINO STEEL LIMITED

Notes forming part of the Audited Standalone Financial Statements

Restated Standalone Financial Statements for the year ended March 31, 2025 and as at April 1, 2024 (Contd.)

Restated Statement of Profit and Loss for the year ended March 31, 2025

Rs. in crores			
Particulars	Reported Amount For the year ended March 31, 2025	Restatements	Restated Amount For the year ended March 31, 2025
I. Revenue from operations	604.59	-	604.59
II. Other income	2,285.30	(710.95)	1,574.35
III. Total income (I+II)	2,889.89	(710.95)	2,178.94
IV. Expenses			
Purchase of stock-in-trade	603.44	-	603.44
Finance costs	359.24	-	359.24
Other expenses	4.48	-	4.48
Total expenses	967.16	-	967.16
V. Profit before tax (III-IV)	1,922.73	(710.95)	1,211.78
VI. Tax expense			
Current tax	62.91	-	62.91
Deferred tax	0.01	(101.67)	(101.67)
	62.92	(101.67)	(38.76)
VII. Profit for the year (V-VI)	1,859.81	(609.28)	1,250.54
VIII. Other comprehensive income/ (loss)	-	-	-
IX. Total Other comprehensive income for the year (VII+VIII)	1,859.81	(609.28)	1,250.54
X. Earnings per equity share of Rs. 10 each			
Basic (in Rs)	3.05	(1.00)	2.05
Diluted (in Rs)	3.05	(1.00)	2.05

Reconciliation of Total Equity as at March 31, 2025 and as at April 1, 2024

	As at March 31, 2025	As at April 1, 2024
Equity as per Reported Financial Statements		
Equity Share Capital	5,870.28	6,092.92
Other Equity	862.03	456.03
	6,732.31	6,548.95
Fair valuation gain of investment in CCDs	20,862.75	21,573.70
Deferred tax liability on fair valuation gain of investment in CCDs	(2,983.37)	(3,085.04)
Equity as per Restated Financial Statements	24,611.69	25,037.61



PIOMBINO STEEL LIMITED
Notes forming part of the Audited Standalone Financial Statements
32. Ratio Analysis

Sr. No	Ratios	FY 25-26	FY 24-25	Change	% Change	Change in ratio in excess of 25% compared to previous year
1	Current Ratio (Current Assets/ Current Liabilities)	2.21	0.54	1.67	305.87%	Change is mainly due to short term borrowings and deferred tax liability created in restated financial statements of FY25
2	Debt Equity Ratio (Total Borrowings / Total Equity)	0.22	0.14	0.08	56.90%	Increase is mainly due to short term borrowings and gain on fair value changes of financial instruments designated as FVTPL during the year
3	Debt service coverage ratio (Profit before Tax and Net Finance Charges / (Net Finance Charges + Long Term Borrowings scheduled principal repayments (excluding prepayments/ refinancing) during the period)	0.98	0.25	0.73	292.06%	Increase is mainly due to increase in profit before tax on account of gain on fair value changes of financial instruments designated as FVTPL during the year
4	Return on Equity (Profit after tax/ Average Shareholder's equity)	12.02%	5.04%	6.99%	138.68%	Increase is mainly due to increase in profit before tax on account of gain on fair value changes of financial instruments designated as FVTPL during the year
5	Inventory Turnover (no. of days) (Average inventory / (Purchases of stock-in-trade) * No. of days)	NA	NA	NA	NA	
6	Debtors Turnover (no. of days) (Gross sales/ Average Trade receivables)	9.02	9.24	(0.22)	(2.41%)	
7	Trade payables turnover (no of days) (Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories)/ Average trade payables)	6.50	9.01	(2.51)	(27.88%)	Due to increase in average trade payables
8	Net capital turnover (Net Sales/ (Current assets - current liabilities)	13.66%	(32.91%)	0.47	-141.50%	Decrease is mainly due to short term borrowings and deferred tax liability created in restated financial statements of FY25
9	Net Profit Margin (%) (Net profit for the year)/ (Total Income)	73.74%	57.39%	0.16	28.48%	
10	Return on capital employed (Profit before Tax, Exceptional Items, Depreciation and Finance Cost / Tangible Net Worth + Total Debt + Deferred Tax Liability)	10.34%	5.58%	4.76%	85.24%	Higher profit margins due to increase in total income on account of dividend & gain on fair value changes of financial instruments designated as FVTPL during the year.
11	Return on Investment	7.12%	5.92%	1.21%	20.39%	

Note: Above ratios are based on the standalone audited financial statements of the Company.

33. Audit Trail (edit logs)

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, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.



PIOMBINO STEEL LIMITED
Notes forming part of the Audited Standalone Financial Statements

34. The income from financial assets of the Company constituted more than 50% of its total income during the financial years ended March 31, 2026 and March 31, 2025. This was primarily on account of non-recurring dividend income received from its subsidiary, Bhushan Power & Steel Limited (BPSL), together with fair value gains on financial assets, where applicable. Such income is exceptional in nature and is not expected to recur in the ordinary course of the Company's business. Considering the Company does not have any intent or plan to commence or carry on the business of Non-Banking Financial Company (NBFC), also based on the nature of its operations, the non-recurring / exceptional nature of the above income, the Company has concluded that the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company and accordingly is not a Non-Banking Financial Company.

35(a). Following are the details of funds received by the Company and further invested in other related parties:

Funding Parties			Intermediary		Ultimate Beneficiary	
Entity Names	Date	Rs. In crores	Entity Names	Date	Entity Names	Rs. In crores
JSW Utkal Steel Limited	27-Feb-26	2,345.00	JSW JFE Kalinga Steel Limited	27-Feb-26	Bhushan Power & Steel Limited	2,345.00
Amba River Coke Limited	27-Feb-26	1,050.00	JSW JFE Kalinga Steel Limited	27-Feb-26	Bhushan Power & Steel Limited	1,050.00
Total		3,395.00				3,395.00

35(b). Details of funds invested in below related party 'Intermediary' which have been further invested in another related party who is the 'Ultimate Beneficiary':

Intermediary			Ultimate Beneficiary	
Entity Name	Date	Rs. In crores	Entity Name	Rs. In crores
JSW JFE Kalinga Steel Limited	27-Feb-26	1,980.00	Bhushan Power & Steel Limited	1,980.00
JSW JFE Kalinga Steel Limited	27-Feb-26	2,500.00	Bhushan Power & Steel Limited	2,500.00
JSW JFE Kalinga Steel Limited	27-Feb-26	35.00	Bhushan Power & Steel Limited	35.00
Total		4,515.00		4,515.00

The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1992 (42 of 1999) and the Companies Act, 2013 for the above transactions and the transactions are not violative of Prevention of Money-Laundering Act, 2002 (15 of 2003).

Complete details of the intermediaries and ultimate beneficiary for the year ended March 31, 2026 is given below

Sr. no.	Name of the entity	Registered address	Government Identification Number (GIN)	Relationship with the Company
1	JSW JFE Kalinga Steel Limited	JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra, India - 400051	U24109MH2025PLC47474	Subsidiary
2	Amba River Coke Limited	JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra, India - 400051	U23100MH1997PLC110901	Fellow subsidiary
3	JSW Utkal Steel Limited	JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra, India - 400051	U27209MH2017PLC301887	Fellow subsidiary
4	Bhushan Power & Steel Limited	4th Floor, A-2, NTH, Shaheed Jee Singh Marg, USO Road, Qutab Institutional Area, New Delhi- 400051	U27100DL1999PLC108350	Subsidiary



36. Qualitative disclosures pertaining to Schedule III

- (i) The Company do not have Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto or Virtual Currency during the year ended March 31, 2026.
- (v) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or any other relevant provisions of the Income Tax Act, 1961.
- (vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (vii) The Company has not been a declared wilful defaulter by any bank or financial institution or lender during the year.
- (viii) The Company have not borrowed from banks and financial institutions during the year.
- (ix) There are no title deeds as the Company does not have any immovable property.
- (x) The current liabilities as on balance sheet date are more than the current assets, there is an asset-liability mismatch. However, the Company will get the support from its parent company 'JSW Steel Limited' to meet any of the future obligations if required.

As per our attached report of even date

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No.: 109574W


Parth P Patel
Partner

Membership No.: 172670

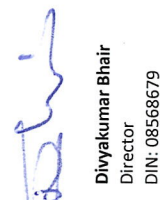
UDIN:

Place: Mumbai

Date: May 12, 2026



For and on behalf of the Board of Directors


Divyakumar Bhair
Director
DIN: 08568679


Kaustubh Kulkarni
Chief Executive Officer


Anil Kumar Singh
Director
DIN: 02059903


Mohit Goyal
Chief Financial Officer

