Shah Gupta & Co.
Chartered Accountants

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Independent Auditors' Report

To the Members of Saffron Resources Private Limited

Report on the Audit of the Ind-AS Financial Statements

Opinion

We have audited the accompanying Ind-AS financial statements of **Saffron Resources Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2026, and the statement of profit and loss, including the statement of other comprehensive income, the statement of cash flow and the statement of changes in equity for the year then ended, and notes to the Ind-AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Ind-AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind-AS 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 loss 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 Ind-AS 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 Ind-AS Financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind-AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind-AS financial statements.

Information Other than the Ind-AS 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 Ind-AS financial statements and our auditor's report thereon.

Our opinion on the Ind-AS 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 Ind-AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind-AS 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 Ind-AS 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 Ind-AS 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 Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind-AS 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 intends 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.

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

Auditor's Responsibilities for the Audit of the Ind-AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind-AS 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 Ind-AS 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 Ind-AS 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 Ind-AS 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 Ind-AS 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 Ind-AS 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 Ind-AS financial statements, including the disclosures, and whether the Ind-AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind-AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind-AS 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 Ind-AS 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 control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Company has adopted Ind-AS in accordance with Companies (Indian Accounting Standards) Rules, 2015, as amended and prepared Ind-AS Financial Statements as disclosed under Note 1 (b) (I). Accordingly, it has restated the comparative financial information of the Company for the year ended March 31, 2025 and the transition date opening balance sheet as at April 1, 2024 included in these Ind-AS Financial Statements, which are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor for the years ended March 31, 2025 and March 31, 2024 which expressed an unmodified opinion on those Financial Statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Indian Accounting Standards, which have been audited by us.

Our opinion on the Ind-AS Financial Statements is not modified in respect of the above matters.

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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 except for the matters stated in paragraph (i) (vi) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014, as amended.

   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 books of account.

   d. In our opinion, the aforesaid Ind-AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   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 Ind-AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

   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. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above and paragraph (i) (vi) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014, as amended.

   i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule (11) of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Ind-AS financial statements – Refer note 23 to the Ind-AS financial statements.

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

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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.

      (b) The Management has represented that, to the best of its knowledge and belief, 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

      (c) 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.

      v. The Company has not declared and paid dividend during the year.

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vi. As more fully described in note 28 to the Ind-AS financial statements, for the period from April 01, 2025 till December 02, 2025, accounting software used for maintaining the books of accounts did not have the feature of recording audit trail (edit log) facility. From December 03, 2025, 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 for part of the year from December 03, 2025 to March 31, 2026 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 used from December 03, 2025. Additionally, the audit trail has not been preserved by the Company as per the statutory requirements for record retention for the period prior to December 03, 2025.

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

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

Parth P Patel
M. No. 172670
Unique Document Identification Number (UDIN) for this document is: 26172670FFJIIP3287
Place: Mumbai
Date: April 27, 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 Saffron Resources Private 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 has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company does not have any intangible assets and accordingly, reporting under clause 3 (i) (a) (B) of the order is not applicable.

(b) The Company has physically verified the property, plant and equipment during the year. There were no material discrepancies noticed on physical verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 2 to the Ind-AS financial statements included in property, plant and equipment are held in the name of 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) The Company has not made any investments, granted secured/unsecured loans/advances in nature of loans, or provided guarantees or provided any security to any parties. Accordingly, reporting under clause 3 (iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

(iv) The Company has not made any investments, granted any loans or provided guarantees or securities under Section 185 and 186 of the Act. Accordingly, reporting under clause 3 (iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the 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 by 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. According to the information and explanations given to us, 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) According to the information and explanations given to us, the following dues of sales tax, wealth tax, service tax, goods and service tax, income tax, duty of excise, value added tax, and cess have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of the Dues	Amount unpaid* (In Rs. Crores)	Period for which it relates	Forum where dispute is pending
Goods and Services Tax Act, 2017	Goods and Services Tax	0.14	2019-20	Adjudicating authority
Service Tax Act, 1994	Services Tax	3.62	2014-17	Adjudicating authority
The Income Tax Act, 1961	Income Tax	0.52	2022-23	Commissioner of Income Tax
The Income Tax Act, 1961	Income Tax	0.04	2015-16	Commissioner of Income Tax
The Income Tax Act, 1961	Income Tax	4.64	2019-20	Commissioner of Income Tax

* Net of the amount paid under protest

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(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 the term loans have been applied by the Company during the year for the purpose for which it was raised.

(d) The Company has not obtained any short-term loans during the year. Accordingly, reporting under Clause 3 (ix) (d) of the Order is not applicable to the Company.

(e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended March 31, 2026. Accordingly, reporting under clause 3 (ix) (e) of the Order is not applicable.

(f) The Company does not hold any investment in any 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) The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the Ind-AS Financial Statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3 (xiii) of the Order is not applicable to the Company.

(xiv) (a) The provisions of internal audit are not applicable to the Company. Accordingly, reporting under clause 3 (xiv) (a) of the Order is not applicable to the Company.

(b) The Company did not have internal audit system during the year. Accordingly, reporting under clause 3 (xiv) (b) of the Order is not applicable to the Company.

(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) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3 (xvi) (a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any non-banking financial / housing finance activities. Accordingly, the reporting under clause 3 (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, the 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 incurred cash losses of Rs.16.44 crores in the financial year and Rs.14.78 crores in the immediately preceding financial year.

(xviii) There has been resignation of the statutory auditors during the year, and no issues, objections or concerns were raised by the outgoing statutory auditors.

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(xix) On the basis of the financial ratios disclosed in Note 26 to the Ind-AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind-AS 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) The requirement of Corporate Social Responsibility (CSR) contribution under section 135 of the Act is not applicable to the Company. Accordingly, reporting under clause 3 (xx) (a) and (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 Ind-AS 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

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

Parth P Patel
M. No. 172670
Unique Document Identification Number (UDIN) for this document is: 26172670FFJIIP3287
Place: Mumbai
Date: April 27, 2026

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the internal financial controls with reference to the aforesaid Ind-AS 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 **Saffron Resources Private Limited** ("the Company") as of March 31, 2026, in conjunction with our audit of the Ind-AS 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 the Institute of Chartered Accountants of India. 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 Ind-AS financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India 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 the Institute of Chartered Accountants of India. 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 Ind-AS 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 Ind-AS 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 Ind-AS 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 Ind-AS 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 Ind-AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Ind-AS Financial Statements

A Company's internal financial control over financial reporting with reference to these Ind-AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind-AS 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 Ind-AS 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 Ind-AS 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 Ind-AS financial statements.

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Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Ind-AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind-AS 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 Ind-AS 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 Ind-AS financial statements and such internal financial controls were operating effectively as at March 31, 2026, based on the internal financial controls with reference to Ind-AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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: 26172670FFJIIP3287
Place: Mumbai
Date: April 27, 2026

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

Saffron Resources Private Limited
Balance Sheet as at March 31, 2026
CIN No. - U10100OR2014PTC018285

Rs. in crores

	Notes	As at 31.03.2026	As at 31.03.2025	As at 01.04.2024
I ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	2	84.06	-	0.21
(b) Investment property	3	-	113.96	109.79
(c) Right-of-use assets	4	50.69	1.74	1.76
(d) Financial assets				
(i) Others financial assets	5	0.31	0.31	0.30
(e) Current tax assets (net)		0.48	0.57	0.57
(f) Other non-current assets	6	3.16	1.23	0.68
Total non-current assets		**138.70**	**117.81**	**113.31**
(2) Current assets				
(a) Financial assets				
(i) Cash and cash equivalents	7	@	0.04	0.96
(ii) Other financial assets	5	-	-	@
(b) Other current assets	6	-	-	0.06
Total current assets		-	**0.04**	**1.02**
Total assets		**138.70**	**117.85**	**114.33**
II EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity share capital	8	1.00	1.00	0.01
(b) Other equity	9	(33.19)	(15.90)	(12.07)
Total equity		**(32.19)**	**(14.90)**	**(12.06)**
(2) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	10	154.45	129.48	108.75
(ii) Lease liabilities	4	10.20	1.80	1.80
(iii) Other financial liabilities	11	5.58	-	-
(b) Deferred tax liabilities(net)	12	-	-	0.03
Total non-current liabilities		**170.23**	**131.28**	**110.58**
(3) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	10	-	-	14.97
(ii) Lease Liabilities	4	@	@	@
(iii) Trade payables	13			
(a) Dues of micro and small enterprises		-	-	-
(b) Dues of creditors other than micro and small enterprises		@	@	0.05
(iv) Other financial liabilities	11	-	-	0.02
(b) Other current liabilities	14	0.66	1.47	0.77
Total current liabilities		**0.66**	**1.47**	**15.81**
Total liabilities		**170.89**	**132.75**	**126.39**
Total equity and liabilities		**138.70**	**117.85**	**114.33**

@ represents value less than Rs. 0.01 crores
See accompanying notes to the financial statements

As per our report of even date
For Shah Gupta & Co.
Chartered Accountants
Firm Registration No.: 109574W

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

Parth P Patel
Partner
Membership number: 172670
Place: Mumbai
Date: 27th April, 2026

For and on behalf of Board of Directors

Nitin Kale
Director
DIN: 11163385
Place: Mumbai
Date: 27th April, 2026

Pavan Mittal
Director
DIN: 11405234
Place: Mumbai
Date: 27th April, 2026

SAFFRON RESOURCES PRIVATE LIMITED

Saffron Resources Private Limited
Statement of Profit and Loss for the year ended March 31, 2026
CIN No. - U10100OR2014PTC018285

Rs. in crores

		Notes	For the year ended 31.03.2026	For the year ended 31.03.2025
	Income:			
I	Revenue from operations		-	-
II	Other income	15	0.26	-
III	**Total income (I + II)**		**0.26**	-
IV	**Expenses:**			
	Finance costs	16	12.43	14.84
	Depreciation and amortization expense	17	0.74	0.06
	Other expenses	18	4.27	0.87
	Total expenses		**17.44**	**15.77**
V	**Loss before tax (IV-III)**		**(17.18)**	**(15.77)**
VI	Tax expense:	19		
	Current tax		0.03	-
	Current tax for earlier years		0.08	-
	Deferred tax		-	(0.03)
			0.11	**(0.03)**
VII	**Loss for the year (V-VI)**		**(17.29)**	**(15.74)**
VIII	**Other comprehensive income**			
	Total Other comprehensive income		-	-
IX	**Total comprehensive income (VII+VIII)**		**(17.29)**	**(15.74)**
X	Earnings per equity share of Re 10 each	20		
	Basic (in Rs.)		(172.93)	(157.45)
	Diluted (in Rs.)		(172.93)	(157.45)

See accompanying notes to the financial statements

As per our report of even date
For Shah Gupta & Co.
Chartered Accountants
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SAFFRON RESOURCES PRIVATE LIMITED

Saffron Resources Private Limited
Statement of Cash Flow for the year ended March 31, 2026
CIN No. - U10100OR2014PTC018285

Rs. in crores

	For the year ended 31.03.2026	For the year ended 31.03.2025
Cash flow from operating activities		
Loss before tax	**(17.18)**	**(15.77)**
Adjustments for:		
Depreciation and amortization expense	0.74	0.06
Provision/other balance written off	0.20	0.14
Interest Income - Bank deposits	@	-
Gain on compulsory acquisition of asset	(0.19)	-
Gain due to lease modification	(0.07)	-
Liabilities no longer required written back	@	-
Interest expense	12.43	14.84
	13.11	**15.04**
Operating profit before working capital changes	**(4.07)**	**(0.73)**
Adjustments for :		
Increase/(decrease) in trade payables	@	(0.05)
(decrease)/Increase in other liabilities	(0.81)	0.62
(Increase) in other assets	(2.14)	(0.54)
(Increase) in other financial assets	@	(0.01)
	(2.95)	**0.02**
Cash flow from operations	**(7.02)**	**(0.71)**
Direct taxes paid (net of refunds)	(0.01)	-
Net cash used in operating activities	**(7.03)**	**(0.71)**
Cash flow from investing activities		
Acquisition of investment property	-	(5.03)
Proceeds from sale of property, plant and equipment	0.29	1.03
Payment towards asset transfer fees	(11.42)	-
Bank deposits not considered as cash and cash equivalents	-	(0.01)
Net cash used in investing activities	**(11.13)**	**(4.01)**
Cash flow from financing activities		
Proceeds from non current borrowings	154.45	20.73
Repayment of non current borrowings	(129.48)	-
Repayment of current borrowings	-	(14.97)
Issue of equity shares	-	12.90
Repayment of lease liabilities	(1.33)	(0.22)
Interest paid	(5.52)	(14.63)
Net cash used in financing activities	**18.12**	**3.81**
Net increase in cash and cash equivalents (A+B+C)	**(0.04)**	**(0.92)**
Cash and cash equivalents at the beginning of the year	0.04	0.96
Cash and cash equivalents at the end of the year (refer note 7)	**0.00**	**0.04**

@ represents value less than Rs. 0.01 crores

Notes:

1. The Statement of Cash Flows is prepared using the "Indirect Method" set out in Ind AS 7 - Statement of Cash Flows.
2. The are no non-cash transactions arising from investing or financing activity.

See accompanying notes to the financial statements

As per our report of even date
For Shah Gupta & Co.
Chartered Accountants
Firm Registration No.: 109574W

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

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Pavan Mittal
Director
DIN: 11405234
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SAFFRON RESOURCES PRIVATE LIMITED

Saffron Resources Private Limited
Statement of changes in equity for the year ended March 31, 2026
CIN No. - U10100OR2014PTC018285

A. Equity share capital (refer note 8)

Rs. in crores

	As at 01.04.2024	Movement during the year	As at 31.03.2025	Movement during the year	As at 31.03.2026
Equity share capital	0.01	0.99	1.00	-	1.00

B. Other equity (refer note 9)

Rs. in crores

Particulars	Reserves & surplus		Total
	Securities premium	Retained earnings	
Opening balance as at 1st April 2024	-	**(12.07)**	**(12.07)**
Loss for the year	-	(15.74)	(15.74)
Bonus issue	-	(0.05)	(0.05)
Pursuant to new shares issued during the year	11.96	-	11.96
Closing balance as at 31st March 2025	**11.96**	**(27.86)**	**(15.90)**
Loss for the year	-	(17.29)	(17.29)
Closing balance as at 31st March 2026	**11.96**	**(45.15)**	**(33.19)**
See accompanying notes to the financial statements			

As per our report of even date
For Shah Gupta & Co.
Chartered Accountants
Firm Registration No.: 109574W

Parth P Patel
Partner
Membership number: 172670
Place: Mumbai
Date: 27th April, 2026

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors

Nitin Kale
Director
DIN: 11163385
Place: Mumbai
Date: 27th April, 2026

Pavan Mittal
Director
DIN: 11405234
Place: Mumbai
Date: 27th April, 2026

SAFFRON RESOURCES PRIVATE LIMITED

1(a). General Information

Saffron Resources Private Limited ("the Company") is a private limited company incorporated in India on 16th September 2014 under the Companies Act, 2013. The registered office of the Company is Plot No.866/8766, Subhasree Vihar, Behind SBI Regional office, Ainthapali, Sambalpur, Sadar, Orissa, India, 768004

1(b). Material Accounting policies

I. Statement of compliance

Financial statements have been prepared in accordance with accounting principles generally accepted in India including Indian Accounting Standards prescribed under Section 133 of the Act 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 financial statement.

Accordingly, the Company had prepared these Financial Statements, which comprise the Balance Sheets as at 31st March, 2026, the Statement of Profit and Loss, the Statements of Cash Flows and the Statements of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements")

For all periods up to and including the year ended 31 March 2025, the Company prepared its financial statements in accordance with requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP"). These are the first Ind AS Financial Statements of the Company. The date of transition to Ind AS is 1 April, 2024. Refer note 1(b)(XIX)) below for the details of first-time adoption exemptions availed by the Company.

The Financial Statements are approved for issue by the Board of Directors on 27th April 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 year, 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. 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 Share-based payments, leasing transactions that are within the scope of Ind AS 116 Leases, fair value of plan assets within the scope of Ind AS 19 Employee benefits and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories or value in use in Ind AS 36 Impairment of assets.

In addition, for financial reporting purposes, fair value measurements are categorised 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;

Level 3: inputs are unobservable inputs for the asset or liability.

The Financial Statement is presented in INR and all values are rounded to the nearest crores except when otherwise stated.

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:

a. It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.

b. It is held primarily for the purpose of being traded;

c. It is expected to be realised within 12 months after the reporting date; or

d. 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:

a. it is expected to be settled in the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

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SAFFRON RESOURCES PRIVATE LIMITED

c. 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.

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SAFFRON RESOURCES PRIVATE LIMITED

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified 12 months as its operating cycle.
Deferred tax assets and liabilities are classified as non-current only.

III. Revenue recognition

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

A. 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.

IV. Leases

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

Company as lessor

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

Company as lessee

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

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.
If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test. The Company accounts for sale and lease back transaction, recognising right-of-use assets and lease liability, measured carrying value of assets transferred and rights retained on lease commencement date. Gain or loss on the sale transaction is recognised in statement of profit and loss.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.
In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below Rs. 5,00,00). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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SAFFRON RESOURCES PRIVATE LIMITED

V. Foreign currencies

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for:

a. exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
b. exchange differences on transactions entered into in order to hedge certain foreign currency risks.

VI. Borrowing costs

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

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

VII. Taxes

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

Current Tax

Current tax is the amount of 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 financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally 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 period 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. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period 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 period.

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

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SAFFRON RESOURCES PRIVATE LIMITED

Current and deferred tax are recognised in profit or loss, except when they relate 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.

VIII. Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost applied on transition to Ind AS, less accumulated depreciation and impairment. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Freehold land is not depreciated. Leasehold land is amortized over the period of the lease, except where the lease is convertible to freehold land under lease agreements at future dates at no additional cost.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

IX. Impairment of Non-Financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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SAFFRON RESOURCES PRIVATE LIMITED

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

X. Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition. In determining the amount of derecognition from the derecognition of investment properties the Group considers the effects of variable consideration, existence of a significant financing component, noncash consideration, and consideration payable to the buyer (if any).

XI. Inventories

Inventories are stated at the lower of cost and net realizable 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 semifinished /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 semi-finished /finished iron ore inventory includes a proportion of cost of mining, bid premium, royalties and other manufacturing overheads depending on stage of completion of related activities. Cost of traded goods include purchase cost and inward freight.

Costs of inventories are determined on weighted average basis. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. In the case of semi-finished/ finished iron ore inventory from mining operations estimated cost includes any bid premium, royalties and duties payable to the authorities.

XII. 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).

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.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. However, before a separate provision for an onerous contract is established, the Company recognises any write down that has occurred on assets dedicated to that contract. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

XIII. Financial Instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through 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 recognized immediately in Statement of Profit and Loss. Trade receivables that do not contain a significant financing component are measured at transaction cost.

A. Financial assets:

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SAFFRON RESOURCES PRIVATE LIMITED

i. 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.

ii. 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:

a. The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
b. 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 instruments

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

a. The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
b. 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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

b) Equity instruments

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. The equity instruments which are strategic investments and held for long term purposes are classified as FVTOCI.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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.

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

a. The Company's right to receive the dividends is established,
b. It is probable that the economic benefits associated with the dividends will flow to the entity,

iii. 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.

iv. Impairment

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

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Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year, but determines at the end of a reporting year that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous year, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

iv. Effective interest method

The effective interest method is a method of calculating the amortized 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 recognized 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.

B. Financial liabilities and equity instruments:

i. Classification as debt or equity:

Debt and equity instruments issued by a Company entity 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.

ii. 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 a Company entity 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.

iii. Financial liabilities

Financial liabilities are classified as either financial liability 'at FVTPL' or financial liabilities 'at amortised cost'.

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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:

a. It has been incurred principally for the purpose of repurchasing it in the near term; or
b. 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
c. 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:

a. such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
b. 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
c. 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 recognised 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.

Other financial liabilities:
The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and property, plant and equipment. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as borrowings. Interest borne by the company on such arrangements is accounted as finance cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

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.

C. Derivative Instruments and Hedge Accounting

a) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate, commodity price and foreign exchange rate risks, including foreign exchange forward contracts, commodity forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

b) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit and loss.

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If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss, unless designated as effective hedging instruments.

c) Hedge accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency, interest rate and commodity risk, as either cash flow hedge, fair value hedge. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

XIV. 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 financial performance and makes the strategic decisions.

XV. Cash and cash equivalents:

Cash and cash equivalents 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.

XVI. Earnings per share:

Basic earnings per share is computed by dividing net profit / (loss) by the weighted average number of common 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.

XVII. Recent 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. The MCA vide notification dated May 7, 2025 and August 13, 2025 notified the following amendments to:

a. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025

As a result of the adoption of the amendments to Ind AS 1, the Company revised its accounting policy for the classification of borrowings. Borrowings are classified as current liabilities unless, at the end of the reporting period, the Company has a right to defer settlement of the liability for at least 12 months after the reporting period. Covenants that the Company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Company is required to comply with after the reporting period do not affect the classification. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

b. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025

These amendments require additional disclosures in respect of supplier finance arrangements. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

c. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025

The amended Ind AS 21 introduces requirements to help entities determine whether a currency is exchangeable into another currency and the spot exchange rate to use where it is not. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

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d. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately

The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

XVIII. Key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under section 2 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 period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future year.

i. Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

ii. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

iii. Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

iv. Taxes

Pursuant to the announcement of the changes in the corporate tax regime, the Companies have an option to either opt for the new tax regime or continue to pay taxes as per the old applicable tax structure together with the other benefits available to the Companies including utilization of the MAT credit available. This requires significant estimation in determining in which year the company would migrate to the new tax regime basis future year's taxable profits including the impact of ongoing expansion plans of the Company and consequential utilization of available MAT credit. Accordingly, in accordance with IND AS 12 - Income Taxes, deferred tax assets and liabilities are required to be measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

XIX. First time adoption – mandatory exceptions, optional exemptions

Overall principle

The Company has prepared the opening Standalone Balance Sheet as per Ind AS as of 1 April, 2024 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as detailed below. Since, the financial statements are the first financial statements, the first time adoption – mandatory exceptions and optional exemptions have been explained in detail.

a) Deemed cost for property, plant and equipment

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April, 2024 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

b) Determining whether an arrangement contains a lease

The Company has opted to apply the Appendix C of Ind AS 17 - Determining whether an Arrangement contains a Lease, to determine whether the arrangements existing as on the transition date contains a lease, on the basis of facts and circumstances existing as at the transition date.

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c) De-recognition of financial assets and financial liabilities

The Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1 April, 2024 (the transition date).

d) Designation of previously recognised financial instruments

The Company has designated financial liabilities and financial assets at amortised cost on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

e) Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

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2. Property, plant and equipment

Rs. in crores

Particulars	Freehold land	Plant & machinery	Furniture & fixtures	Office equipment	Vehicles	Total
Cost/deemed cost						
As at 1st April, 2024	-	**0.15**	**0.05**	**0.05**	**1.00**	**1.24**
Additions	-	-	-	-	-	-
Deletions	-	(0.15)	(0.05)	(0.05)	(1.00)	(1.24)
As at 31st March,2025	-	-	-	-	-	-
Reclassification from investment property*	76.46	-	-	-	-	76.46
Additions	7.66	-	-	-	-	7.66
Deletions	(0.06)	-	-	-	-	(0.06)
As at 31st March,2026	**84.06**	-	-	-	-	**84.06**
Accumulated depreciation						
As at 1st April, 2024	-	0.07	0.03	0.05	0.87	1.03
Depreciation charge for the year	-	0.01	@	-	0.02	0.03
Depreciation on deletions	-	(0.08)	(0.03)	(0.05)	(0.89)	(1.06)
As at 31st March,2025	-	-	-	-	-	-
Depreciation charge for the year	-	-	-	-	-	-
Depreciation on deletions	-	-	-	-	-	-
As at 31st March,2026	-	-	-	-	-	-
Net book value						
As at 31st March,2026	**84.06**	-	-	-	-	**84.06**
As at 31st March,2025	-	-	-	-	-	-
As at 1st April, 2024	-	0.07	0.02	0.00	0.12	0.21

* The Company is in the process of setting up an Integrated Steel Plant of 6 MTPA and hence reclassified land from erstwhile Investment property to Property, plant and equipment and Right of use asset.

@ represents value less than Rs. 0.01 crores

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3. Investment Property — Rs. in crores

Particulars	Land
As at 1st April, 2024	**109.79**
Additions	5.03
Deletions	(0.86)
As at 31st March,2025	**113.96**
Reclassification to Property, plant and equipment and Right of use asset*	(113.96)
Additions	-
Deletions	-
As at 31st March,2026	-

* The Company is in the process of setting up an Integrated Steel Plant of 6 MTPA and hence reclassified land from erstwhile Investment property to Property, plant and equipment and Right of use asset.

4. Right of use asset and lease liability

Right of use asset — Rs. in crores

Particulars	Leasehold Land
Gross block	
As at 1st April, 2024	**1.80**
Additions	-
Deletions	-
As at 31st March,2025	**1.80**
Reclassification from investment property	37.50
Addition	12.22
Deletions	(0.03)
As at 31st March,2026	**51.49**
Accumulated depreciation	
As at 1st April, 2024	**0.04**
Depreciation charge for the year	0.02
Depreciation on deletions	-
As at 31st March,2025	**0.06**
Depreciation charge for the year	0.74
Depreciation on deletions	-
As at 31st March,2026	**0.80**
Net book value	
As at 31st March,2026	**50.69**
As at 31st March,2025	1.74
As at 1st April, 2024	1.76

* The Company is in the process of setting up an Integrated Steel Plant of 6 MTPA and hence reclassified land from erstwhile Investment property to Property, plant and equipment and Right of use asset.

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Lease liabilities

Particulars	As at 31.03.2026	As at 31.03.2025	As at 01.04.2024
At 1 April	**1.80**	**1.80**	**1.80**
Addition	8.40	-	-
Interest accrued	1.33	0.22	0.22
Payments	(1.33)	(0.22)	(0.22)
At 31 March	**10.20**	**1.80**	**1.80**

Breakup of lease liabilities

Particulars	As at 31.03.2026	As at 31.03.2025	As at 01.04.2024
Non Current	10.20	1.80	1.80
Current	@	@	@
At 31 March	**10.20**	**1.80**	**1.80**

@ represents value less than Rs. 0.01 crores

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31.03.2026	As at 31.03.2025	As at 01.04.2024
Less than 1 year	@	@	0.01
1-5 years	@	@	0.05
More than 5 years	10.20	1.80	1.74
At 31 March	**10.20**	**1.80**	**1.80**

@ represents value less than Rs. 0.01 crores

5. Others financial assets

Rs. in crores

Particulars	As at 31.03.2026		As at 31.03.2025		As at 01.04.2024	
	Non-current	Current	Non-current	Current	Non-current	Current
Considered good						
Security deposits	0.30	-	0.30	-	0.30	@
Bank balances with maturity more than 12 months*	0.01	-	0.01	-	-	-
Interest receivable on bank deposit	@	-	-	-	-	-
Total	**0.31**	**-**	**0.31**	**-**	**0.30**	**@**

* represents fixed deposit for mining licence
@ represents value less than Rs. 0.01 crores

6. Other assets

Rs. in crores

Particulars	As at 31.03.2026		As at 31.03.2025		As at 01.04.2024	
	Non-current	Current	Non-current	Current	Non-current	Current
Considered good						
Advance to supplier	-	-	-	-	-	0.06
Balance with government authorities	3.16	-	1.23	-	0.68	-
Total	**3.16**	**-**	**1.23**	**-**	**0.68**	**0.06**

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7. Cash and cash equivalents

Rs. in crores

Particulars	As at 31.03.2026	As at 31.03.2025	As at 01.04.2024
Balances with banks			
In current accounts	@	0.04	0.09
Cash on hand	-	@	0.87
Total	@	0.04	0.96

@ represents value less than Rs. 0.01 crores

8. Equity share capital

Rs. in crores

Particulars	Number of shares			Amount		
	As at 31.03.2026	As at 31.03.2025	As at 01.04.2024	As at 31.03.2026	As at 31.03.2025	As at 01.04.2024
Share capital						
(a) Authorised :						
10,00,000 equity shares of the face value of Rs.10 each						
(b) Issued, subscribed and fully paid up:						
Outstanding at the beginning of the year	10,00,000	10,000	10,000	1.00	0.01	0.01
Add: Issued during the year	-	9,90,000	-	-	0.99	-
Outstanding at the end of the year	10,00,000	10,00,000	10,000	1.00	1.00	0.01

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

The Company has a single class of equity shares having face value of Re. 10 per share. Each shareholder is eligible 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 amounts, in proportion to their shareholding.

(b) Shareholder holding more than 5% shares in the Company are set out below:

Particulars	As at 31.03.2026		As at 31.03.2025		As at 01.04.2024	
	No. of shares	% of shares	No. of shares	% of shares	No. of shares	% of shares
Equity shares						
JSW Steel Limited	10,00,000	100%	-	-	-	-
Alps Mining Services Pvt Ltd	-	-	5,52,988	55.30%	-	-
Amit Singhal	-	-	20,000	2.00%	1,000	10.00%
Mahendra Strips Pvt Ltd	-	-	1,66,336	16.63%	-	-
Mohit Minerals Ltd	-	-	84,561	8.46%	-	-
RSLLP	-	-	77,376	7.74%	-	-
Sourav Agrawal	-	-	40,000	4.00%	9,000	90.00%
Shah Coal Pvt Ltd	-	-	58,739	5.87%	-	-
Total	10,00,000	100.00%	10,00,000	100.00%	10,000	100.00%

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(c) Promotors' shareholding:

Promotors' name	As at 31.03.2026		As at 31.03.2025		% change during the year
	No. of shares	% of shares	No. of shares	% of shares	
JSW Steel Limited	10,00,000	100.00%	-	-	100.00%
Alps Mining Services Pvt Ltd	-	-	5,52,988	55.30%	(55.30%)
Amit Singhal	-	-	20,000	2.00%	(2.00%)
Mahendra Strips Pvt Ltd	-	-	1,66,336	16.63%	(16.63%)
Mohit Minerals Ltd	-	-	84,561	8.46%	(8.46%)
Rourkela Sponge LLP	-	-	77,376	7.74%	(7.74%)
Sourav Agrawal	-	-	40,000	4.00%	(4.00%)
Shah Coal Pvt Ltd	-	-	58,739	5.87%	(5.87%)
Total	**10,00,000**	**100.00%**	**10,00,000**	**100.00%**	

Promotors' name	As at 31.03.2025		As at 01.04.2024		% change during the year
	No. of shares	% of shares	No. of shares	% of shares	
Alps Mining Services Pvt Ltd	5,52,988	55.30%	-	0.00%	55.30%
Amit Singhal	20,000	2.00%	1,000	10.00%	(8.00%)
Mahendra Strips Pvt Ltd	1,66,336	16.63%	-	0.00%	16.63%
Mohit Minerals Ltd	84,561	8.46%	-	0.00%	8.46%
Rourkela Sponge LLP	77,376	7.74%	-	0.00%	7.74%
Sourav Agrawal	40,000	4.00%	9,000	90.00%	(86.00%)
Shah Coal Pvt Ltd	58,739	5.87%	-	0.00%	5.87%
Total	**10,00,000**	**100.00%**	**10,000**	**100.00%**	

9. Other equity

Rs. in crores

Particulars	As at 31.03.2026	As at 31.03.2025	As at 01.04.2024
Retained earnings	(45.15)	(27.86)	(12.07)
Securities premium reserve	11.96	11.96	-
Total	**(33.19)**	**(15.90)**	**(12.07)**

For movement refer Statement of Changes in Equity.

Nature and purpose of reserve
(i) Retained Earnings
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company.
(ii) Securities premium
Securities premium is credited when shares are issued at premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

10. Borrowings (at amortised cost)

Rs. in crores

Particulars	As at 31.03.2026		As at 31.03.2025		As at 01.04.2024	
	Non-current	Current	Non-current	Current	Non-current	Current
Term loans						
Term loans - Unsecured (refer note below)	154.45	-	129.48	-	108.75	-
Working capital Loan/overdraft	-	-		-	-	14.97
Total	**154.45**	**-**	**129.48**	**-**	**108.75**	**14.97**

Note: Term loan as on 31st March, 2026 relates to unsecured loan availed from holding company JSW Steel Limited for a period of 3 years carrying an interest rate of 13% per annum

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SAFFRON RESOURCES PRIVATE LIMITED

Saffron Resources Private Limited

Notes forming part of the Financial Statements

11. Other financial liabilities (at amortised cost)

Rs. in crores

Particulars	As at 31.03.2026		As at 31.03.2025		As at 01.04.2024	
	Non -current	Current	Non -current	Current	Non -current	Current
Interest accrued but not due on borrowings	5.58	-	-	-	-	0.02
Total	5.58	-	-	-	-	**0.02**

12. Deferred tax liabilities

Rs. in crores

Particulars	As at 31.03.2026	As at 31.03.2025	As at 01.04.2024
Deferred tax liabilities	-	-	0.03
Total	-	-	**0.03**

13. Trade payables

Rs. in crores

Particulars	As at 31.03.2026	As at 31.03.2025	As at 01.04.2024
Total outstanding dues to-			
Creditors - Micro and Small Enterprise	-	-	-
Creditors - Other than Micro and Small Enterprise	@	@	0.05
Total	**@**	**@**	**0.05**

@ represents value less than Rs. 0.01 crores

Ageing:

Particulars	As at 31.03.2026	As at 31.03.2025	As at 01.04.2024
Not due			
Unbilled	@	@	0.05
Due			
Less than 1 year			
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
Total	**@**	**@**	**0.05**

@ represents value less than Rs. 0.01 crores

Notes:

a) Trade payables are normally settled within 180 days

b) Trade payables from related party details has been described in note 21

c) For information about market risk and liquidity risk related to trade payables refer note 22(c) and 22(d)

14. Other current liabilities

Rs. in crores

Particulars	As at 31.03.2026	As at 31.03.2025	As at 01.04.2024
Statutory liabilities	0.66	1.47	0.77
Total	**0.66**	**1.47**	**0.77**

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Saffron Resources Private Limited
Notes forming part of the Financial Statements

15. Other income

Rs. in crores

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Interest income earned on financial assets designated as amortised cost		
-Bank deposits	@	-
Gain on compulsory acquisition of land	0.19	-
Gain due to lease modification	0.07	-
Liabilities no longer required written back	@	-
Insurance claim received	@	-
Total	**0.26**	-

@ represents value less than Rs. 0.01 crores

16. Finance costs

Rs. in crores

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Interest:		
Term loan	10.04	14.62
Interest- Others	1.06	-
Interest on lease liability	1.33	0.22
Other finance cost	@	-
Total	**12.43**	**14.84**

@ represents value less than Rs. 0.01 crores

17. Depreciation and amortisation expense

Rs. in crores

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Depreciation of property, plant and equipment	-	0.04
Depreciation of Right of use assets	0.74	0.02
Total	**0.74**	**0.06**

18. Other expenses

Rs. in crores

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Rent	3.98	0.06
Repairs & maintenance - Buildings	-	0.02
Repairs & maintenance - Others	-	0.01
Legal and professional charges	0.01	0.01
Rates and taxes	0.01	-
Insurance	-	0.02
Provision/other balance written off	0.20	0.14
Audit fees (for statutory audit)	@	@
Miscellaneous expenses	0.07	0.61
Total	**4.27**	**0.87**

@ represents value less than Rs. 0.01 crores

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

SAFFRON RESOURCES PRIVATE LIMITED

Saffron Resources Private Limited
Notes forming part of the Financial Statements

19. Income tax

Rs. in crores

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Current tax		
(a) Current tax for the year	0.03	-
(b) Current tax of earlier year	0.08	-
Deferred tax	-	(0.03)
Total tax expenses	**0.11**	**(0.03)**

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	For the year ended 31.03.2026	For the year ended 31.03.2025
Loss before tax	**(17.18)**	**(15.77)**
Enacted tax rate in India	25.17%	25.17%
Expected income tax expenses at statutory tax rate	**(4.33)**	**(3.97)**
Income on capital gain	0.03	-
Tax provision for earlier years	0.08	-
Deferred tax not recognised	4.33	3.97
Others	-	(0.03)
Tax expense for the year	**0.11**	**(0.03)**
Effective Income tax rate	**(0.64%)**	**0.20%**

20.Earning per share

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Profit attributable to equity shareholders (Rs. in crores)	(17.29)	(15.74)
Weighted average number of equity shares	10,00,000	10,00,000
Basic and Diluted EPS	**(172.93)**	**(157.45)**

21. Related party transactions

A. List of related parties
Holding company
JSW Steel Limited

Other related parties
Aditya Agrawal (till December 3, 2025)
Naresh Kumar Poddar (till December 3, 2025)
ALPS Mining services Private Limited (till December 3, 2025)

Director
Nitin Kale (Non executive director)
Pavan Mittal (Non executive director)
Umesh Rai (Non executive director)
Sourav Agrawal (till December 3, 2025)
Amit Singhal (till December 3, 2025)

B. Transactions with related parties

Rs. in crores

Particulars	Nature of transaction	For the year ended 31.03.2026	For the year ended 31.03.2025
JSW Steel Limited	Loan taken	154.45	-
JSW Steel Limited	Interest expenses	5.58	-

C. Amount due to or from related parties

Rs. in crores

Particulars	Nature of balance	Balance as on 31.03.2026	Balance as on 31.03.2025	Balance as on 01.04.2024
JSW Steel Limited	Loan taken	154.45	-	-
ALPS Mining Services Private Limited	Loan taken	-	50.11	-
Amit Singhal	Loan taken	-	0.41	0.13
Sourav Agrawal	Loan taken	-	0.19	0.17
JSW Steel Limited	Interest payable	5.58	-	-

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

SAFFRON RESOURCES PRIVATE LIMITED

22. Financial instruments

(a) Categories of financial instruments

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

As at March 31, 2026

Rs. in crores

Particulars	Amortised cost	Fair value through profit and loss	Total carrying value	Total fair value
Financial assets				
Other financial assets (non-current)	0.31	-	0.31	0.31
Cash and cash equivalents	@	-	@	@
Total	**0.31**	-	**0.31**	**0.31**
Financial liabilities				
Borrowings	154.45	-	154.45	154.45
Lease liability	10.20	-	10.20	10.20
Trade payables	@		@	@
Other financial liabilities (non-current)	5.58	-	5.58	5.58
Total	**170.23**	-	**170.23**	**170.23**

@ represents value less than Rs. 0.01 crores

As at March 31, 2025

Rs. in crores

Particulars	Amortised cost	Fair value through profit and loss	Total carrying value	Total fair value
Financial assets				
Loans				
Other financial assets (non-current)	0.31	-	0.31	0.31
Cash and cash equivalents	0.04	-	0.04	0.04
Total	**0.35**	-	**0.35**	**0.35**
Financial liabilities				
Borrowings	129.48	-	129.48	129.48
Lease liability	1.80	-	1.80	1.80
Trade payables	@	-	@	@
Total	**131.28**	-	**131.28**	**131.28**

@ represents value less than Rs. 0.01 crores

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SAFFRON RESOURCES PRIVATE LIMITED

Saffron Resources Private Limited
Notes forming part of the Financial Statements

As at April 1, 2024

Rs. in crores

Particulars	Amortised cost	Fair value through profit and loss	Total carrying value	Total fair value
Financial assets				
Loans				
Other financial assets	0.30	-	0.30	0.30
Cash and cash equivalents	0.96	-	0.96	0.96
Total	**1.26**	-	**1.26**	**1.26**
Financial liabilities				
Borrowings	123.72	-	123.72	123.72
Lease liability	1.80	-	1.80	1.80
Trade payables	0.05		0.05	0.05
Other financial liabilities	0.02	-	0.02	0.02
Total	**125.59**	-	**125.59**	**125.59**

(b) Fair value hierarchy of financial instruments

The carrying amounts of loans, cash and cash equivalents, other financial assets, borrowings and other financial liabilities are considered to be the same as their fair values, due to the nature of instrument.

(c) Market risk management

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

The Company seeks to minimise the effects of these risks by using derivative and non-derivative financial instruments to hedge risk exposures. The use of financial derivatives and non-derivative financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

(d) 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.

Saffron Resources Private Limited
Notes forming part of the Financial Statements
As at March 31, 2026

Rs. in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Other financial assets (non-current)	-	0.31	-	0.31
Cash and cash equivalents	@	-	-	-
Other financial assets (current)		-	-	-
Total	-	**0.31**	-	**0.31**
Financial liabilities				
Borrowings	-	154.45	-	154.45
Lease liability	0.00	0.00	10.20	10.20
Trade payables	@	-	-	-
Other financial liabilities (non current)	-	5.58	-	5.58
Total	**0.00**	**160.03**	**10.20**	**170.23**
Interest payout liability	20.08	33.47	-	**53.54**

@ represents value less than Rs. 0.01 crores

As at March 31, 2025

Rs. in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Other financial assets (non-current)	-	0.31	-	0.31
Cash and cash equivalents	0.04	-	-	0.04
Other financial assets (current)	0.31	-	-	-
Total	**0.35**	**0.31**	-	**0.35**
Financial liabilities				
Borrowings	-	129.48	-	129.48
Lease liability	0.00	0.00	1.80	1.80
Trade payables	@	-	-	-
Total	**0.00**	**129.48**	**1.80**	**131.28**
Interest payout liability	14.68	-	-	-

@ represents value less than Rs. 0.01 crores

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SAFFRON RESOURCES PRIVATE LIMITED

Saffron Resources Private Limited
Notes forming part of the Financial Statements
As at April 1, 2024

Rs. in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Other financial assets	-	0.30	-	0.30
Cash and cash equivalents	0.96	-	-	0.96
Total	**0.96**	**0.30**	**-**	**1.26**
Financial liabilities				
Borrowings	-	123.72	-	123.72
Lease liability	0.01	0.05	1.74	1.80
Trade payables	0.05	-	-	0.05
Total	**0.06**	**123.77**	**1.74**	**125.57**
Interest payout liability	14.03	14.03	-	-

(e) 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 not started operations and accordingly there are no customers for the period. Accordingly, the same is not applicable for the current period.

(f) Interest rate 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 not exposed to interest rate risk because funds are borrowed at fixed interest rates.

(g) Capital risk management
The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings. 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

Capital gearing ratio

Rs. in crores

Particulars	As at 31.03.2026	As at 31.03.2025	As at 01.04.2024
Long term borrowing	154.45	129.48	108.75
Short term borrowing	-	-	14.97
Less: cash and cash equivalent	@	(0.04)	(0.96)
Net debt	**154.45**	**129.44**	**122.76**
Total equity	**(32.19)**	**(14.90)**	**(12.06)**
Gearing ratio	**(4.80)**	**(8.69)**	**(10.18)**

(h) Financial risk management

The Company has a Risk Management policies established by its Board of Directors for overseeing the Risk Management Framework. 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
- Credit risk; and
- Liquidity risk
- Equity price risk

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

SAFFRON RESOURCES PRIVATE LIMITED

Saffron Resources Private Limited
Notes forming part of the Financial Statements

23. Contingent liabilities and commitments

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

24. Segment reporting

The Company has yet not started any operations, accordingly, there are no reporting segments during the year.

25.Subsequent event

Subsequent to the reporting date, the Company's holding company, JSW Steel Limited , along with POSCO Co., Ltd. and POSCO-India Private Limited (collectively referred to as "POSCO Group"), executed a Share Subscription and Joint Venture Agreement on 20 April 2026, pursuant to which the Company is proposed to become a 50:50 joint venture between JSW Steel Limited and POSCO Group. The proposed joint venture is intended for development of a 6 MTPA integrated steel plant in Odisha. The transaction is subject to receipt of necessary regulatory approvals, including approval from the Competition Commission of India, and fulfilment of customary conditions precedent. Thus, no adjustments have been recorded pursuant to the said transactions in the financial statements for the year ended March 31, 2026.

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SAFFRON RESOURCES PRIVATE LIMITED

26. Ratios

S No	Ratios	Numerator	Denominator	31.03.2026	31.03.2025	Variance	Reason
1	Current ratio	Current assets	Current liabilities	0.00%	2.74%	(2.74%)	
2	Return on equity	Profit after tax	Average shareholder's equity	53.72%	105.68%	(51.96%)	Decrease in ratio primarily due to increased losses
3	Debt equity ratio	Total Debt	Total Equity	-479.81%	-869.14%	389.34%	Increase in ratio primarily due to increased losses
4	Debt service coverage ratio	Profit after tax before interest expense	Debt including Interest	-3.04%	-0.70%	(2.34%)	
5	Return on capital employed	Earnings before Interest and Tax (EBIT)	Capital employed = Total Assets minus current liabilities	-3.52%	-0.77%	(2.75%)	

Return on Investment, Inventory turnover ratio, trade receivables turnover ratio, trade payables turnover ratio, net capital turnover ratio and net profit ratio are not applicable considering the stage of business operations.

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SHAH GUPTA & CO. MUMBAI FRN : 1?9574W CHARTERED ACCOUNTANTS

SAFFRON RESOURCES PRIVATE LIMITED

27. First time adoption of Ind AS reconciliation

A. Reconciliation of Balance Sheet

Rs. in crores

Particulars	As at 01.04.2024			Remarks
	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS	
I ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	0.21	-	0.21	
(b) Investment Property	128.75	(18.96)	109.79	Rs. 18.95 crores being expenses decapitalised
(c) Right to Use assets	-	1.76	1.76	ROU recognised as per Ind AS 116
(ii) Others financial assets	-	0.30	0.30	Rs. 0.30 crores being classified from other current asset (deposit paid under service tax and other deposit)
(i) Non current Tax Assets (Net)	-	0.57	0.57	Rs. 0.57 crores being income tax refund receivable classified from other financial asset
(e) Other non-current assets	-	0.68	0.68	Input tax credit Rs. 0.68 crores reclassified from short term loan and advances
Total non-current assets	**128.96**	**(15.65)**	**113.31**	
(2) Current assets				
(a) Financial assets				
(i) Trade receivables			-	
(ii) Cash and cash equivalents	(14.01)	14.97	0.96	Rs. 14.97 crores reclassified to Borrowing being short term advances taken from bank Rs. 0.06 crores reclassified to other current asset (advance to supplier)
(iii) Other financial assets	1.32	(1.32)	@	Rs. 0.57 reclassified to current tax asset Rs. 0.68 reclassified to other non current asset (input GST) Rs. 0.004 reclassified from other current assets (security deposit)
(c) Other current assets	0.30	(0.24)	0.06	Rs. 0.30 being reclassified to other financial asset non current (deposit paid under service tax and other deposit) and Rs. 0.004 reclassified to other financial asset current (other security deposit) Rs. 0.06 reclassified from other financial asset to other current asset. (advance to supplier)
Total current assets	**(12.38)**	**13.41**	**1.02**	
Total assets	**116.57**	**(2.24)**	**114.33**	

27. First time adoption of Ind AS reconciliation

A. Reconciliation of Balance Sheet

Particulars	As at 01.04.2024			Remarks
	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS	
II EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital	0.01	-	0.01	
(b) Other equity	6.92	(18.99)	(12.07)	Rs. 17.94 crores being portion of interest cost decapitalised from PPE due to reclassification from Investment to PPE Rs. 0.12 crores being depreciation on ROU component (FY 23-24) Rs.1.01 crores being land cost decapitalised since the same does not meet asset recognition criteria
Total equity	**6.93**	**(18.99)**	**(12.06)**	
2 Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	108.77	(0.02)	108.75	
(ii) Lease Liabilities	-	1.80	1.80	Lease liability recognised pursuant to Ind AS 116
(b) Deferred tax liabilities(Net)	0.03	-	0.03	
Total non-current liabilities	**108.80**	**1.78**	**110.58**	
3 Current liabilities				
(a) Financial liabilities				
(i) Borrowings	-	14.97	14.97	Classified from cash and cash equivalent
(ii) Lease Liabilities	-	@	@	Lease liability recognised pursuant to Ind AS 116
(iii) Trade payables	0.05	@	0.05	Audit fees payable classified from provisions
(v) Other financial liabilities	-	0.02	0.02	Rs.0.02 transferred from Provision (salary payable)
(b) Other current liabilities	0.77	-	0.77	
(c) Provisions	0.02	(0.02)	-	Classified to other financial liability being expense payable in cash (audit fees and salary payable)
Total current liabilities	**0.83**	**14.97**	**15.81**	
Total liabilities	**109.64**	**16.75**	**126.39**	
Total equity and liabilities	**116.57**	**(2.24)**	**114.33**	
@ represents amount less than Rs. 0.01 crores				

SHAH GUPTA & CO. MUMBAI FRN 109574W CHARTERED ACCOUNTANTS

SAFFRON RESOURCES PRIVATE LIMITED

Saffron Resources Private Limited
Notes forming part of the Financial Statements
First time adoption of Ind AS reconciliation

Rs. in crores

Particulars	As at 31.03.2025			Remarks
	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS	
I ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	-	-	-	
(b) Investment Property	133.77	(19.81)	113.96	Rs. 19.81 crores being expenses decapitalised Rs. 0.86 crores transferred to P&L Rs.18.95 crores adjusted in retained earnings
(b) Right to Use assets	-	1.74	1.74	Recognition of ROU asset as per Ind AS 116
(c) Financial assets	-			
(i) Others financial assets	-	0.31	0.31	Rs. 0.01 crores deposit reclassified to Other financial asset (fixed deposit) Rs.0.29 crores deposit classified from other current asset (deposit for filling service tax case)
(i) Non Current Tax Assets (Net)	-	0.57	0.57	Rs. 0.57 crores being income tax refund receivable classified from other financial asset
(d) Other non-current assets	0.01	1.22	1.23	Input tax credit Rs. 1.23 crores reclassified from short term loan and advances Rs. 0.01 crores fixed deposit reclassified to other financial asset
Total non-current assets	**133.78**	**(15.97)**	**117.81**	
(2) Current assets				
(a) Financial assets				
(i) Cash and cash equivalents	0.04	-	0.04	
(ii) Other financial assets	1.80	(1.80)	-	Rs. 0.57 crores being income tax refund receivable reclassified to current tax assets Rs. 1.23 crores being ITC of GST reclassified to other non current asset.
(c) Other current assets	0.30	(0.30)		Rs.0.30 crores deposit reclassified from other current asset (deposit for filling service tax case)
Total current assets	**2.14**	**(2.10)**	**0.04**	
Total assets	**135.92**	**(18.07)**	**117.85**	

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

SAFFRON RESOURCES PRIVATE LIMITED

Notes forming part of the Financial Statements

First time adoption of Ind AS reconciliation

Rs. in crores

Particulars	As at 31.03.2025 Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS	Remarks
II EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital	1.00	-	1.00	
(b) Other equity	3.95	(19.85)	(15.90)	Rs. 18.99 crores as per explanation given in opening balance sheet. Rs. 1.33 crores interest expense of lease Rs. 0.12 crores being depreciation on ROU component Rs. 0.86 crores expenses decapitalised from land since the same does not meet asset recognition criteria as per In AS 16 Rs. 0.02 crores being deferred tax reversal since no asset was existing as on balance sheet date
Total equity	**4.95**	**(19.85)**	**(14.90)**	
2 Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	129.47	0.01	129.48	
(ii) Lease Liabilities		1.80	1.80	Lease liability recognised pursuant to Ind AS 116
(iii) Other financial liabilities		-		
(b) Deferred tax liabilities(Net)	0.02	(0.02)	-	DTL reversed since no asset exist on balance sheet date
Total non-current liabilities	**129.50**	**1.79**	**131.28**	
3 Current liabilities				
(a) Financial liabilities				
(i) Trade payables		@	@	Audit fees payable transferred from provision
(ii) Lease Liabilities		@	@	Lease liability recognised pursuant to Ind AS 116
(b) Provisions		-		
(b) Other current liabilities	1.47	-	1.47	
(c) Provisions	0.00	@		Audit fees payable transferred to trade payable
Total current liabilities	**1.47**	**@**	**1.47**	
Total liabilities	**130.97**	**1.78**	**132.75**	
Total equity and liabilities	**135.92**	**(18.07)**	**117.85**	
@ represents amount less than Rs. 0.01 crores				

Saffron Resources Private Limited
Notes forming part of the Financial Statements
First time adoption of Ind AS reconciliation

B. Reconciliation of total comprehensive income for the year ended March 31, 2025

Rs. in crores

		For the year ended 31.03.2025			Remarks
		Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS	
I	Revenue from operations				
II	Other income			-	
III	**Total income (I + II)**	-	-	-	
IV	**Expenses:**				
	Finance costs	14.62	0.23	14.84	Pursuant to recognition of lease liability as per Ind AS 116 for leasehold land
	Depreciation and amortization expense	0.04	0.02	0.06	Pursuant to recognition of ROU asset as per Ind AS 116 on leasehold land
	Other expenses	0.24	0.63	0.87	Ground rent Rs. 27,54,534 Misc. Expenses Rs. 57,36,264 Repairs and maintenance Rs. 1,11,687 decapitalised since the same does not meet asset recognition criteria as per Ind AS 16
	Total expenses	**14.90**	**0.88**	**15.78**	
V	tax (III-IV)	**(14.90)**	**(0.88)**	**(15.78)**	
VI	Exceptional items				
VII	Profit before tax (V-VI)	**(14.90)**	**(0.88)**	**(15.78)**	
VIII	Tax expense:				
	Current tax				
	Current tax for earlier years				
	Deferred tax	(0.01)	(0.02)	(0.03)	Reversal of earlier recognised DTL since the asset does not exist as on balance sheet date
		(0.01)	(0.02)	(0.03)	
IX	**Profit for the period/year (VII-VIII)**	**(14.89)**	**(0.86)**	**(15.74)**	
X	**Other comprehensive income** / (loss) (A+B)	-	-	-	
XI	(loss) (IX + X)	**(14.89)**	**(0.86)**	**(15.74)**	

SHAH GUPTA & CO. MUMBAI FRN: 109574W CHARTERED ACCOUNTANTS

SAFFRON RESOURCES PRIVATE LIMITED

Saffron Resources Private Limited
Notes forming part of the Financial Statements
First time adoption of Ind AS reconciliation

C. Effects of Ind AS adoption on total equity

Particulars	As at 31 March, 2025	As at 1 April, 2024
As per IGAAP	4.95	6.93
Portion of interest cost decapitalised from PPE due to reclassification from Investment to PPE	(17.94)	(17.94)
Depreciation on ROU component (FY 23-24)	(1.13)	(1.01)
Interest expenses as per Ind AS 116	(1.33)	
Land cost decapitalised since the same does not meet asset recognition criteria	(0.12)	(0.12)
Other ind as adjustments	0.67	0.08
Total Equity as per Ind AS	(14.90)	(12.06)

D.. Effects of IND AS adoption on Cash Flows for year ended 31 March 2025
Cash flow statement was not applicable to the Company as per previous GAAP. Accordingly reconciliation is not required for the same.

Notes:
1. To comply with the Companies (Accounting Standard) Rules, 2006, certain account balances have been regrouped as per the format prescribed under Division II of Schedule III to the Companies Act, 2013.

2. Finance lease arrangements In respect of certain long-term arrangements, existing at the date of transition and identified to be in the nature of finance lease where the Company is lessee, the underlying assets and corresponding finance lease obligation determined at the inception of respective arrangements have been recognized on the date of transition with the adjustment of difference, if any, in the opening retained earnings, resulting into increase in finance cost and depreciation charge and reduction in the cost of goods / services procured and valuation of underlying inventories. Such arrangements were recognized as per their legal form under the previous GAAP.

3. Deferred tax as per balance sheet approach:
Under previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under IND AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also lead to recognition of deferred taxes on new temporary differences.

Note 28: Audit trail
For the period from April 01, 2025 till December 02, 2025, accounting software used for maintaining the books of accounts did not have the feature of recording audit trail (edit log) facility. From December 03, 2025, 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 for part of the year from December 03, 2025 to March 31, 2026 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 used from December 03, 2025. Additionally, the audit trail has not been preserved by the Company as per the statutory requirements for record retention for the period prior to December 03, 2025.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

SAFFRON RESOURCES PRIVATE LIMITED

29. Qualitative disclosures pertaining to Schedule III

(i) The Company does not have Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does 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 financial year.

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on the behalf of the Ultimate Beneficiaries.

(vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or any other relevant provisions of the Income Tax Act, 1961

(viii) The Company has not revalued its property, plant and equipment, thus valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.

(ix) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(x) The Company has not entered into any scheme of arrangements as approved by the competent authority in terms of section 230 to 237 of the Companies Act, 2013

(xi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

As per our report of even date
For Shah Gupta & Co.
Chartered Accountants
Firm Registration No.: 109574W

Parth P Patel
Partner
Membership number: 172670
Place: Mumbai
Date: 27th April, 2026

For and on behalf of Board of Director

Nitin Kale
Director
DIN: 11163385
Place: Mumbai
Date: 27th April, 2026

Pavan Mittal
Director
DIN: 11405234
Place: Mumbai
Date: 27th April, 2026