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Independent Auditor's Report on Special Purpose Combined and Carve Out Financial Statements

To the Board of Directors of SAEL Limited ('the Company')

Opinion

1. We have audited the accompanying Special Purpose Combined and Carve Out Financial Statements of Restricted Group (consisting of certain specific units and subsidiaries of SAEL Limited as listed in note 1 of these financial statements, collectively referred to as the 'Restricted Group'), which comprise the Special Purpose Combined and Carve Out Balance Sheet as at 31 March 2026, the Special Purpose Combined and Carve Out Statement of Profit and Loss (including Other Comprehensive Income) and the Special Purpose Combined and Carve Out Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, (hereinafter referred to as the 'Special Purpose Combined and Carve Out Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the accompanying Special Purpose Combined and Carve Out Financial Statements have been prepared, in all material respects, in accordance with the basis of preparation set out in note 2.01 to these Special Purpose Combined and Carve Out Financial Statements.

Basis for Opinion

3. We conducted our audit of the Special Purpose Combined and Carve Out Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ('Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Combined and Carve Out Financial Statements section of our report. We are independent of the Restricted Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the Special Purpose Combined and Carve Out 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 Special Purpose Combined and Carve Out Financial Statements.

Emphasis of matters

Basis of preparation and Restriction on distribution or use

4. We draw attention to note 2.01 and 2.02 to the accompanying Special Purpose Combined and Carve Out Financial Statements, which describes that the Restricted Group does not form a separate legal group of entities and further describes the basis of preparation, including the approach to and the purpose for preparing these Special Purpose Combined and Carve Out Financial Statements. Consequently, the Restricted Group's Special Purpose Combined and Carve Out Financial Statements may not necessarily be indicative of the financial performances, financial position and cash flows of the Restricted Group that would have occurred if it had operated as a single group of entities during the years presented. These Special Purpose Combined and Carve Out Financial Statements are prepared by the management of SAEL Limited solely for submission to trustee and bond holders in accordance with the paragraph 4 of the Offer Document dated 31 July 2024 and submission to India International Exchange ('India INX') as per the requirement prescribed under paragraph 4 of Chapter 6 of the Rules & Regulations Handbook of India INX, in connection with the funds raised through issuance of USD Senior Secured Notes by the Restricted Group and corresponding listing of aforesaid USD Senior Secured Notes on the India INX, and it may not be suitable for another purpose. This report is issued solely for the aforementioned purpose, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. Our opinion is not modified in respect of this matter.

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

G.D. SINGHAL & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ FRN : 017648N FEROZEPUR CITY

Search and Seizure

5. We draw attention to note 49 to the accompanying Special Purpose Combined and Carve Out Financial Statements relating to a search and seizure operation carried out by the Income Tax Department during the year ended 31 March 2026, at certain offices and manufacturing units of the Restricted Group and the residences of selected key managerial personnel of the Restricted Group from 15 December 2025 to 21 December 2025 under Section 132 of the Income Tax Act, 1961. The Restricted Group has not yet received any order/ notice/ communication on the findings of such investigation by the Income tax department till date. Accordingly, the impact of this matter for the year ended 31 March 2026 and the adjustments (if any) required, is presently not ascertainable. Our opinion is not modified in respect of this matter.

Litigation

6. We draw attention to note 44 (iii) to the accompanying Special Purpose Combined and Carve Out Financial Statements which states that as at 31 March 2026, a differential revenue aggregating to Rs. 399.43 million for the period from 1 April 2023 to 31 March 2026, arising on account of reduced tariff rate in the current year which have been collected from the customer as per due dates, is under litigation and pending disposal before the Punjab and Haryana High Court. The management of the Restricted Group, based on internal legal assessment, believes that matter will be decided in Restricted Group's favour and accordingly, no adjustment has been made in the accompanying Special Purpose Combined and Carve Out Financial Statements. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Special Purpose Combined and Carve Out Financial Statements

7. The accompanying Special Purpose Combined and Carve Out Financial Statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the preparation of these Special Purpose Combined and Carve Out Financial Statements in accordance with the basis of preparation described in note 2.01 to these Special Purpose Combined and Carve Out Financial Statements including determination that such basis of preparation is acceptable in the circumstances. The respective Board of Directors of the companies included in the Restricted Group are responsible for 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 Special Purpose Combined and Carve Out Financial Statements, in all material respects, in accordance with the basis of preparation described in aforementioned note 2.01, and are free from material misstatement, whether due to fraud or error. These Financial Statements have been used for the purpose of preparation of the Special Purpose Combined and Carve Out Financial Statements by the Board of Directors of the Company, as aforesaid.

8. In preparing the Special Purpose Combined and Carve Out Financial Statements, the respective Board of Directors of the companies included in the Restricted Group are responsible for assessing the Restricted Group'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 Board of Directors either intends to liquidate entities forming part of the Restricted Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Restricted Group.

Auditor's Responsibilities for the Audit of the Special Purpose Combined and Carve Out Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the Special Purpose Combined and Carve Out 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 Standards on Auditing 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 Special Purpose Combined and Carve Out Financial Statements.

11. As part of an audit in accordance with Standards on Auditing specified under Section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the Special Purpose Combined and Carve Out Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the entities forming part of the Restricted Group has in place an adequate internal financial controls with reference to financial statements 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; and

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entities forming part of the Restricted Group'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 Special Purpose Combined and Carve Out 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 entities forming part of the Restricted Group to cease to continue as a going concern.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

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Tarun Gupta
Partner
Membership No. 507892

UDIN:26507892XIYZDE5548

Place: New Delhi
Date: 29 July 2026

For **G D Singhal & Associates**
Chartered Accountants
Firm's Registration No.: 017648N

GAGAN DEEP SINGHAL
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Gagan Deep Singhal
Partner
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UDIN: 26098947LNEZOO3583

Place: New Delhi
Date: 29 July 2026