

BUILT ON TRUST.
DRIVEN BY EXCELLENCE.



A FORCE FOR GOOD

CENTURY ENKA LIMITED
INTEGRATED ANNUAL REPORT
2025-26

A Tribute to The Legends



Shri Basant Kumar Birla
12th January, 1921–3rd July, 2019



Shri Aditya Vikram Birla
14th November, 1943–1st October, 1995

A large, flowing, dashed line graphic that starts from the left side of the page, curves upwards and to the right, then loops back down and to the left, ending near the bottom left. It resembles a stylized 'S' or a calligraphic flourish. A small, four-pointed star-like shape is also visible near the bottom center of the page.

Our Group's Purpose **Statement**

To enrich lives by building
dynamic and responsible
businesses and institutions
that inspire trust.

BUILT ON TRUST. DRIVEN BY EXCELLENCE.

We at Century Enka Limited (CEL) are pleased to present our Integrated Annual Report for FY 2025–26, reflecting our continued focus on purposeful growth and responsible business conduct under the theme “Built on Trust. Driven by Excellence.”

At Century Enka Limited (CEL), trust is built through consistent performance, responsible conduct, strong governance and enduring relationships with stakeholders. Excellence is reflected in our focus on quality, operational reliability, innovation, safety and sustainability. Together, these principles guide our efforts to strengthen our core businesses, enhance resilience and create long-term value for customers, employees, investors, suppliers, communities and the environment.

Trust lies at the heart of Century Enka’s journey. It has been built over more than six decades through consistent performance, quality products, strong corporate governance, and a steadfast commitment

to our stakeholders. Our relationships with customers, employees, suppliers, investors, and communities continue to be anchored in integrity, responsibility, and reliability. As part of the Aditya Birla Group, we remain committed to these values while adapting to the changing needs of a dynamic marketplace.

Driven by excellence, we continuously strive to improve every aspect of our operations—from manufacturing efficiency and product quality to innovation, sustainability, and stakeholder engagement. Our focus on operational reliability, technological advancement, and disciplined execution enables us to create long-term value while remaining responsive to customer expectations and industry trends.

During the year, we remained focused on strengthening our core businesses, enhancing operational performance,

optimising resource utilisation, and improving productivity across our manufacturing facilities. At the same time, we continued to advance our sustainability agenda by embedding environmental stewardship, resource efficiency, and responsible business practices into our decision-making processes. These efforts reflect our commitment to balancing economic growth with environmental and social responsibility.

Our people remain central to our success. By fostering a culture of safety, collaboration, accountability, and continuous learning, we empower our workforce to contribute meaningfully to the Company’s growth and resilience. Their dedication and adaptability continue to strengthen our ability to navigate change and seize emerging opportunities.

As markets evolve and stakeholder expectations grow, Century Enka remains committed to building a resilient and future-ready organisation. Guided by the trust we have earned and driven by our pursuit of excellence, we are well-positioned to create sustainable value for all stakeholders and contribute to a more sustainable future.

The theme ‘Built on Trust. Driven by Excellence.’ reflects Century Enka’s enduring commitment to responsible business, operational reliability, stakeholder confidence and sustainable value creation. In FY 2025–26, this commitment was reflected in continued progress across financial resilience, manufacturing excellence, renewable energy adoption, customer responsiveness, safety and community impact.



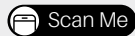
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INVESTOR INFORMATION

CIN	L24304PN1965PLC139075
BSE Code	500280
NSE Symbol	CENTENKA
Dividend Declared	110%, i.e., ₹11/- per Equity Share of ₹10/- each
Book Closure for Dividend	Wednesday, 12 th August 2026 to Thursday, 13 th August 2026
Record Date (Cut-off Date) for E-voting	Thursday, 13 th August 2026
AGM Date	Thursday, 20 th August 2026 at 02:30 p.m. (IST)
AGM Mode	Audio-Visual Means



For more investor-related information, please visit ►

<https://www.centuryenka.com/pdf/annual-report/enka-annual-report-2025-26.pdf>

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About the Report



Approach to Reporting

We are pleased to present Century Enka Limited's Integrated Annual Report for FY 2025-26. The Report provides a balanced overview of our strategy, governance, performance, risk, opportunities and value creation approach across six capitals. This Report has been prepared with reference to

the Integrated Reporting Framework and the GRI Standards 2021, and is aligned with relevant regulatory requirements, the National Guidelines on Responsible Business Conduct and the United Nations Sustainable Development Goals.

Through this Report, we provide a comprehensive overview of our strategic

priorities, ESG performance, financial outcomes, and value creation across the six capitals defined under the framework. We aim to present a balanced and integrated perspective of our progress and outlook, enabling our stakeholders to assess our ability to create sustainable value over the short, medium, and long term.

Reporting Period

We publish our Integrated Annual Report on an annual basis. This Report covers our performance for the financial year from 1st April 2025 to 31st March 2026. Wherever relevant, we have included comparative data for key performance indicators over the previous two financial years to provide trend-based insights and enable a more comprehensive assessment of our performance.

Scope and Boundary

In this Report, we present an integrated view of our business model, strategy, key risks, challenges, opportunities, and overall performance for the year under review. In addition to financial disclosures, we have also included detailed information on our environmental, social, and governance (ESG) performance. The scope of this Report covers our manufacturing facilities at Pune (Maharashtra) and Bharuch (Gujarat), along with our marketing and commercial offices.

Restatements

As part of our ongoing commitment to transparency and continuous improvement in disclosures, we periodically review and strengthen our data collection and reporting processes for key performance indicators. This may result in the restatement of previously reported information. Any such restatements from earlier Integrated Reports have been indicated with the symbol '^'.

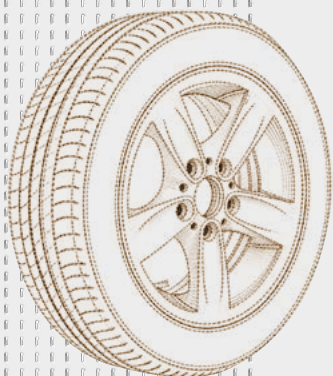
In FY 2025-26 reporting, 4 restatements have been made.

External Assurance

Disclosures in this Report are based on the Global Reporting Initiative (GRI) indicators. During the current reporting period, the Company has obtained Limited Assurance for its BRSR Core disclosures and other key indicators from M/s BDO India Services Private Limited. We remain committed to continuously enhancing our reporting practices and will continue to strengthen external assurance across future reporting cycles.

Materiality

We recognise that material issues play a critical role in influencing our ability to create long-term value for our stakeholders. An issue is considered material if it has the potential to significantly impact our business performance, social relevance, or stakeholder relationships. Based on our materiality assessment, we have concluded that the material topics identified in the previous reporting period continue to remain relevant and significant. Accordingly, these topics have been retained in the current year's disclosures to ensure sustained focus on key priority areas across our operations.





Our Capitals

At CEL, we believe that sustainable value creation is intrinsically linked to the effective management and optimisation of multiple capitals. Our approach to value creation considers various factors, including the nature and scale of inputs, the processes and methodologies deployed to enhance their value, and the outcomes generated through their utilisation. We continuously assess the impact of our operations on these capitals, ensuring that they are strengthened and utilised responsibly to support long-term, sustainable growth.

For Capitals



Financial Capital



Manufactured Capital



Human Capital



Social & Relationship Capital



Intellectual Capital



Natural Capital

For Stakeholders



Employees



Supply Chain Partners



Future Generation



Investors



Contract Labourers



Customers



Government & Regulators



Analyst & Rating Agencies



Communities

Statement of Responsibility

Our Board believes that CEL's Integrated Annual Report for FY 2025-26 thoroughly addresses all key aspects, providing a comprehensive and detailed view of our strategy. It showcases the Company's ability to generate sustainable value. The Board has full oversight of the Report, which has been developed by senior management with valuable insights from various key functional teams.

Frameworks and Guidelines Followed in this Report

- IFRS Foundation's International Integrated Reporting Framework (Framework)
- Report is developed in reference to the Global Reporting Initiatives (GRI), 2021
- National Guidelines on Responsible Business Conduct (NGRBC)
- Companies Act, 2013 (and the rules made thereunder)
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Indian Accounting Standards
- Secretarial Standards issued by the Institute of Company Secretaries of India
- United Nations Sustainable Development Goals (UN SDGs)

Forward-Looking Statements

The Report contains certain forward-looking statements related to our business, which include statements beyond performance highlights and historical facts. These statements pertain to aspects such as market and financial position, business strategy, and objectives for future operations. Stakeholders can generally identify forward-looking statements using terminology such as 'aim', 'anticipate', 'believe', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'may', 'will', 'will continue', 'will pursue', 'contemplate', 'future', 'goal', 'propose', 'will likely result', or other similar words or phrases. These statements are contingent on projections and trends, and reflect our present expectations based on reasonable assumptions. However, actual results may differ from those predicted in forward-looking statements due to risks, uncertainties, and external factors. The Company does not undertake any obligation to update forward-looking statements, except as required by applicable law.

Feedback

Your feedback, inquiries and suggestions on any aspect of our sustainability performance are welcome.

Registered Office Address

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Email: cel.investor@adityabirla.com

Chairperson's Message

Dear Stakeholders,

I hope this message finds you in good health and high spirits.

As we reflect on another year of progress, I am pleased to share that Century Enka Limited (CEL) continues to advance its journey with resilience, responsibility, and a clear focus on long-term value creation. Guided by the Aditya Birla Group's purpose of enriching lives through dynamic and responsible businesses, we remain committed to creating sustainable value for all our stakeholders while contributing meaningfully to India's growth aspirations and the vision of Viksit Bharat. Our progress this year has been built on the trust of our stakeholders and driven by excellence across every dimension of our business.

Favorable Industry Outlook

India continues to be one of the world's most promising growth markets, supported by strong economic fundamentals, expanding manufacturing capabilities, and increasing domestic consumption. The textile industry remains a vital contributor to the nation's economic development, and the growing emphasis on technical textiles presents significant opportunities for innovation and growth.

Strengthening Our Positioning

In this evolving landscape, Century Enka is well-positioned to strengthen its leadership in tyre reinforcement and synthetic yarns by leveraging its manufacturing excellence, deep

customer relationships, and commitment to quality.

Strengthening Operational Excellence and Product Innovation

During the year, we continued to focus on enhancing our operational capabilities, improving efficiencies, and delivering innovative solutions that address the evolving needs of our customers. Our investments in new capacities and value-added products support our long-term growth ambitions and expand our product offerings. We also remain focused on offering differentiated products, maintaining high standards of quality, and ensuring reliable supply to our customers across markets.

Resilient Financial and Operational Performance

Despite operating in a dynamic business environment marked by global uncertainties and industry-specific challenges, CEL demonstrated resilience through disciplined execution and prudent management. We closed the year with revenue from operations of ₹1,705 Crs and a net profit of ₹102 Crs. Our focus on operational excellence, cost optimisation, and customer-centric growth continues to strengthen our foundation for the future.

Strengthening Governance and Stakeholder Trust

Sustainability remains deeply embedded in our business strategy and decision-making processes. We continue to focus on responsible resource utilisation,

environmental stewardship, workplace safety, and community development, recognising that long-term business success is intrinsically linked to creating positive outcomes for society and the environment. Through continuous improvement initiatives and responsible business practices, we seek to build a more resilient and sustainable organisation. Launch of recycled yarns under the brand 'Neunyl' positions us to offer circular products and reduce carbon footprint.

With strong governance, effective risk management, and the trust of our stakeholders, we remain committed to conducting our business with integrity and accountability. By fostering collaboration across our value chain and embracing innovation, we aim to create enduring value for customers, employees, shareholders, communities, and society at large.

Acknowledgment and Gratitude

I extend my sincere gratitude to our leadership team, employees, customers, business partners, shareholders, and all stakeholders for their continued trust and support. Your confidence and commitment inspire us to move forward with purpose and determination as we continue building a stronger and more sustainable Century Enka.

Warm regards,

Rajashree Birla

Chairperson

We continue to **focus** on **responsible resource** utilisation, **environmental stewardship**, **workplace safety**, and **community development**, recognising that **long-term business success** is intrinsically linked to creating positive outcomes for **society** and the **environment**.

Rajashree Birla
Chairperson



Managing Director & CEO's Message

Our **investments in new capacities** and value added **products support** our **long term growth ambitions** and **expand our product offerings**.



Suresh Sodani

Managing Director and Chief Executive Officer

Dear Stakeholders,

As global economies adjust to shifting geopolitical realities and changing market dynamics, the Company remains firmly anchored in its commitment to delivering innovative, cost-competitive, and sustainable solutions that generate enduring value for all stakeholders.

Guided by core values of ethical conduct, customer-centricity, and responsible business practices, we are building a more agile, resilient, and future-ready organisation. Drawing on nearly six decades of industry experience, the journey continues to be defined by innovation, adaptability, and a deep understanding of customer needs. Built on trust and driven by excellence, we remain steadfast in creating enduring value for all stakeholders.

Strengthening Market Position and Driving Purpose-led Growth

During the year, we further strengthened the Company's position across the Tyre Reinforcement and Synthetic Yarn businesses through a disciplined focus on quality, operational excellence, and market responsiveness.

At the same time, we remain conscious of structural challenges, particularly rising import pressures and the need for a more balanced competitive environment. Through proactive engagement with industry associations and policymakers, the Company continues to advocate for a level playing field that supports the development of a robust and sustainable domestic manufacturing ecosystem.

Reinforcement Fabric

The increase in automobile sales following the GST rate cut led to higher demand for NTCF, which supported the Company's overall performance.



A key strategic priority is the Polyester Tyre Cord Fabric (PTCF) segment, which is poised to play an increasingly central role in the passenger vehicle tyre market. Polyester is the globally preferred reinforcement material for passenger tyres.

With sustained growth in passenger vehicle sales, the long-term demand outlook for PTCF remains strong. During the year, we moved ahead in approval cycles — a development that is expected to meaningfully support our growth trajectory in the coming years.

Synthetic Yarn

In the Synthetic Yarn business, the focus is on enhancing product value, value-added products and competitiveness through process innovation, product optimisation, portfolio rationalisation, and disciplined cost management — initiatives that are progressively improving both saleability and competitiveness.

Driving Innovation, Operational Excellence, and Sustainability

Innovation and continuous improvement remain central to the Company's strategy. Across our businesses, the Company focused on customised product development, and portfolio enhancement to align with emerging customer requirements and end-use trends.

Operational excellence continues to drive measurable gains. The Company is partnering with technology providers to upgrade machine capabilities, and collaborating with supply chain partners to enhance value across the value chain. The strong culture of excellence within teams was reflected in their active participation and recognition at national-level Kaizen competitions during the year.

In our Synthetic Yarn business, our focus is on enhancing product value and competitiveness through process innovation, product optimisation, portfolio rationalisation, and disciplined cost management initiatives that are progressively improving both saleability and profitability.

Sustainability is deeply integrated into the way we operate. The Company's participation in a group captive renewable power initiative, including planned developments at the Pune facility from FY 2027–28 onwards, will further accelerate the renewable energy transition and reinforce our commitment to responsible growth and a lower-carbon footprint.

Building Long-term Value through Strength and Stability

Resilience is underpinned by prudent procurement strategies and robust pricing frameworks, which enabled us to maintain stability through a year marked by geopolitical uncertainty. The Company's operating model ensured business continuity without any

significant disruption, despite ongoing global conflicts. That said, we remain watchful of forward-looking risks — particularly sustained volatility in crude oil prices, which, in the event of prolonged geopolitical tensions, could impact input costs and influence demand patterns in the automobile sector.

We are making serious and consistent efforts to increase our product offerings in Technical Textiles and are excited about the growth opportunity it presents to the Company. Our aim is to get into high value Technical Textiles with world-class partners and make it a significant contributor to the Company's growth.

Looking ahead, the Company is committed to strengthening the manufacturing ecosystem and building a more resilient and sustainable supply chain. The Company firmly believes that deeper collaboration with customers, suppliers, and stakeholders will be the cornerstone of long-term, purpose-led growth.

Acknowledgements

I take this opportunity to express my sincere appreciation to employees for their dedication and commitment, and to customers, partners, shareholders, and all stakeholders for their continued trust and support. Together, we will carry forward Century Enka's journey as a responsible, resilient, and future-ready organisation—one committed to creating sustained value for all.

Warm regards,

Suresh Sodani

Managing Director and Chief Executive Officer

Performance Highlights

1



Financial

₹ **1,705.41** Crs

Total Revenue

₹ **189.68** Crs

EBITDA

₹ **101.69** Crs

PAT

₹ **815.36** Crs

Revenue Share of Reinforcement Fabric

₹ **827.84** Crs

Revenue Share of Synthetic Yarn

24%

Domestic Market Share of Synthetic Yarn (NFY)

25%

Domestic Market Share of Reinforcement Fabric (NTCF)

2



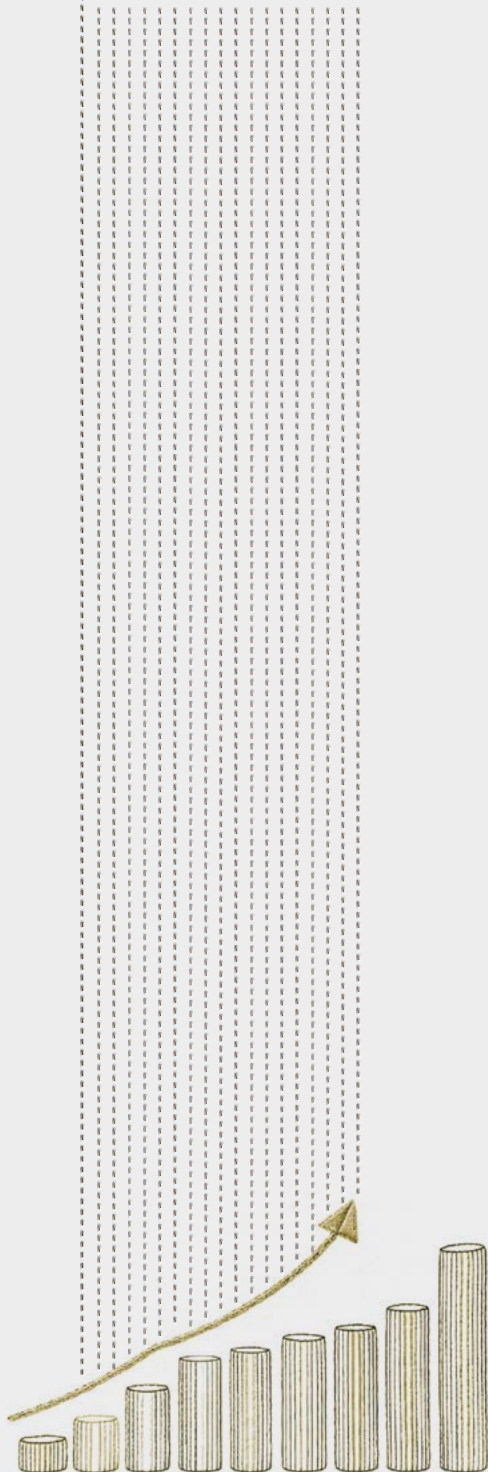
Operational

92,000 MT

Total Installed Production Capacity

72,508 MT

Total Output





3



Environmental

57%

Share of Renewable Energy in Total Energy Consumption

13%

Reduction in Emissions Intensity in Terms of Physical Output (as Compared to Last Reporting Period)

3%

Reduction in Water Consumption (as Compared to Last Reporting Period)

68%

Total Hazardous Waste Recycled

4



Social

₹179.42 Lacs

Total CSR Expenditure

48,669

Approx. No. of Beneficiaries from CSR Activities

1,02,135.7

Total Hours of Training Provided to Employees and Workers

All Plants are Occupational Health and Safety Management System (45001:2018) Certified

5



Governance

50%

Independent Directors on the Board

92%

Average Attendance in Board Meetings

33%

Female Representation in Board

Zero

Instances of Data Breach in the Reporting Year

Zero

Complaints with Respect to Data Privacy, Advertising, Cyber-Security

Zero

Fines/Penalties Related to Anti-competitive, Monopoly and Anti-trust Practices



About Century Enka

As one of India's leading manufacturers of synthetic yarn and fabric, we have made consistent progress in building a sustainable and resilient business model. Our commitment is reflected in our responsible manufacturing practices, with a strong focus on environmental stewardship, operational reliability, and efficiency.



With a legacy spanning over six decades, we have established ourselves as a trusted and recognised organisation within the textile industry, driven by a culture of continuous improvement. We are a well-established manufacturer of synthetic yarn and reinforcement fabrics with operational facilities located in Pune and Bharuch. We remain focused on creating long-term value for our stakeholders through innovation, adoption of advanced technologies, and sustainable business practices.

We are committed to ensuring full compliance with all applicable laws and regulatory requirements across our areas of operation. Our strategic focus on digital transformation and robust infrastructure enables us to enhance operational efficiency and drive business growth. By upholding the highest standards of ethics, professionalism, and transparency in our stakeholder engagements, we strive to achieve balanced growth across the ESG—Environment, Social, Governance—ensuring that our operations contribute meaningfully to society, the environment, and economic progress.

Our Vision

We aspire to be a leading and reliable organisation in the business of tyre reinforcement and man-made textile yarns.



Our Mission

- ❶ We aim to provide innovative, cost-effective, and sustainable solutions, while following fair commercial practices.
- ❷ By implementing total quality management, we ensure complete customer and stakeholder satisfaction.



Our Purpose

To enrich lives, by building dynamic and responsible businesses and institutions that inspire trust.



Integrity

Acting and taking all decisions in a manner that is ethical, truthful, principled, transparent, and respectful, and being recognised for following the highest standards of professionalism.



Passion

An intense, intuitive zeal that arises from a deep sense of purpose that makes work joyful and inspires transformation for better end results in innovation. A voluntary and relentless pursuit of goals with the highest level of enthusiasm.



Commitment

The responsibility to deliver value to all our stakeholders by being accountable for our actions and decisions, by being disciplined and reliable, and by being result oriented.



Seamlessness

Thinking, learning and working as a team, across global functions, hierarchies, businesses and geographies. Integrate diverse competencies and perspectives to empower each other and to promote organisational unity through collaboration.



Speed

Responding to internal and external customers with agility, being prompt, proactive and punctual. To be decisive, concise, and to deliver within committed timelines.

Our Operational Footprint

We are a key player in India's synthetic yarn and fabric industry, with a strong presence in the manufacture of Reinforcement Fabric, Industrial & Nylon Filament Yarn and Nylon Chips. Our operations are supported by strategically located manufacturing facilities, including major plants at Pune and Bharuch, enabling efficient production and distribution. These facilities are equipped with advanced technology and operate in compliance with stringent quality and environmental standards, ensuring reliable and sustainable operations.

Our domestic footprint extends across 19 states, while our global presence spans nine countries. Through this expansive network, we continue to manufacture and deliver high-quality yarn and fabric, supported by responsible and sustainable production practices.



Disclaimer: This map is a generalised illustration for ease of understanding and not to be considered to scale or for reference. Boundaries and geographical names may not reflect actual positions. The Company accepts no responsibility for its use or accuracy.

Our Products

Synthetic Yarn

It is a continuous fiber widely used in textiles, including sarees, draperies, upholstery, sportswear, mosquito nets, and embroidery. CEL's advanced engineering ensures its durability, softness, and efficient moisture control, making it ideal for modern intimate fabrics and garments.



Reinforcement Fabric

CEL manufactures premium reinforcement fabric designed for reinforcing tyres in motorcycles, scooters, light and heavy commercial vehicles (LCVs & HCVs), and off-road vehicles (OTR). These fabrics provide essential tyre structure and help bear the vehicle's weight effectively.



Major Industry Associations

To strengthen our sustainability activities and work together to promote sustainable business practices, we have associated ourselves with several trade associations, chambers, and organisations. The major organisations that we collaborate with are:

- | | | |
|---|--|--|
| ① Association of Synthetic Fiber Industry (ASFI) | ① Mahratta Chamber of Commerce, Industries and Agriculture, Pune (MCCIA) | ① National Safety Council of India |
| ① Indian Technical Textile Association (ITTA) | ① Nylon Spinners Association | ① Gujarat Safety Council |
| ① The Synthetic & Rayon Textiles Export Promotion Council | ① Federation of Gujarat Industries | ① Ankleshwar Environmental Preservation Society (AEPS) |
| | ① Jhagadia Industries Association | ① Disaster Prevention and Management Center (DPMC) |
| | ① Gujarat Employers' Organisation | |

MAJOR MILESTONES

1965

Company
Registration

1969

Started the Production
of Nylon Monofilament
Yarn (NFY)

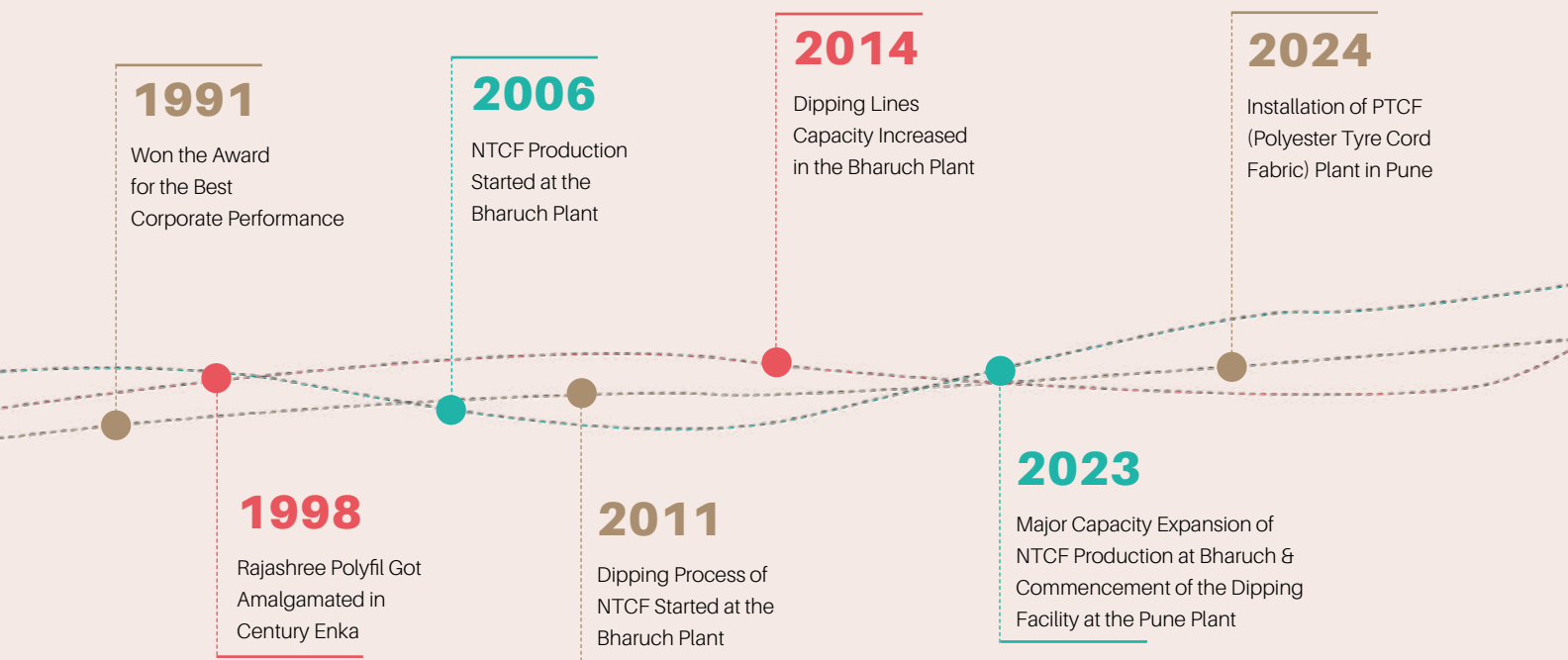
1967

Started
Manufacturing
in Pune

1986

Started the
Production of
Nylon Tyre Cord
Fabric (NTCF)





Sustainability Performance Journey

Topic	Goals	Status (2025-26)
 Energy & Emissions	- Achieving net zero emissions by 2050 - Achieve 60% of total energy consumption from renewable sources by FY 2029-30 - Reduce CO₂ emissions intensity by 40% against the baseline of FY 2018-19	- We are on track to achieve the combined target of the Aditya Birla Group - Achieved 57% renewable power share - Achieved 48% during the reporting period
 Reducing Water Consumption	50% reduction in water consumption by FY 2029-30 against the baseline of FY 2018-19	Achieved 42% reduction in total water consumption
 Waste Management & Circularity	Achieve single-use plastic certification by 2027	On track to achieve the same as we have banned the majority of the single-use plastics at both plants and offices
 Diversity & Inclusion	To achieve 10% year-on-year increase in women staff of the total fresh hire until 2026	While the target was not fully achieved during the current reporting period, the company has undertaken strategic restructuring of its hiring process to strengthen future performance. These improvements are expected to support better alignment with the target
 Safety & Training	- Achieve year-on-year increase in training hours per person per year by 10% - Zero harm to be achieved by 2026	- Achieved - The target was not achieved during the current reporting period; however, the company remains on track to achieve the same in the upcoming reporting period. Several health and safety measures have been implemented, which have contributed to a significant reduction
 Sustainable Supply Chain & Governance	- Screen all newly onboarded suppliers on ESG criteria - Conduct periodic reviews of existing policies and improvement of policies as applicable	- Established a framework for screening the new suppliers onboarded and we are on track to achieve the same - This is an ongoing task and we periodically update our policies and implement the new ones wherever it is required

Corporate Governance at CEL

At CEL, we remain committed to upholding the highest standards of integrity, accountability, sustainability, and transparency across all aspects of our operations. We have established robust internal control systems, comprehensive risk management frameworks, and stringent compliance mechanisms to ensure adherence to our Code of Conduct and applicable regulations. Strong corporate governance forms an integral part of our business philosophy and is guided by the principle of trusteeship.



We continue to reinforce our commitment to ethical business practices by ensuring compliance with statutory requirements and fostering a culture of responsibility, efficiency, and sustainability. Through this approach, we strive to create long-term value for all our stakeholders while maintaining the highest levels of integrity.





Approach to Corporate Governance

Our governance framework is rooted in our core 'Power of Five' values, which serve as the foundation of our organisational culture and ethical standards. This values-driven approach shapes our identity, reinforces our purpose, and supports excellence in governance practices.

Our approach to corporate governance is anchored in strict adherence to the Code of Conduct, which is applicable across all levels of the organisation, including senior management. We have implemented a comprehensive set of policies and procedures aligned with regulatory requirements to ensure ethical conduct, transparency, and accountability in all business activities.

Board's Role and Composition

Our Board of Directors plays a pivotal role in guiding the Company's strategic direction, strengthening governance practices, and ensuring sustainable value creation. The Board is committed to upholding transparency, accountability, and ethical leadership in alignment with our governance principles and core values. Its responsibilities include oversight of strategic decision-making, risk management, and compliance with legal and regulatory frameworks, thereby fostering a culture of integrity and sustainability across the organisation.

We have implemented a Board Diversity Policy to promote inclusivity and diversity, which enhances the quality of decision-making, strengthens accountability, and supports sustainable business growth.

As of 31st March 2026, the Board comprised six (6) Directors with

significant experience in their respective fields. Of these, one (1) is an Executive Director and the remaining five (5) are Non-Executive Directors, including two (2) women Directors. Among the five Non-Executive Directors, three (3) are Independent Directors, one (1) of whom is a woman. The Independent Directors are distinguished professionals and collectively represent 50% of the total strength of the Board.

We adhere to all applicable regulatory requirements with respect to Board composition and Directorship limits. Directors comply with prescribed thresholds for board positions and committee memberships, in line with the provisions of the Companies Act and SEBI Listing Regulations. These measures ensure effective governance oversight while maintaining independence and accountability at the Board level.

Board Competencies



 **Financial Literacy**



 **Strategic Leadership**



 **Legal and Compliance**

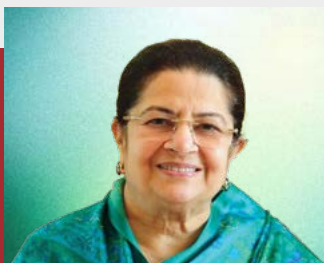


 **Sustainability**



 **Philanthropy**

Our Board of Directors



Ms. Rajashree Birla
(Chairperson)



Ms. Krupa R. Gandhi
(Independent and
Non-Executive Director)



Mr. Ashish Razdan
(Independent and
Non-Executive Director)



Mr. Ravindra Kastia
(Independent and
Non-Executive Director)



Mr. Jayant V. Dhobley
(Non-Executive Director)



Mr. Suresh Sodani
Managing Director and
Chief Executive Officer



Senior Management



Mr. Yogesh Shah
Chief Financial Officer



Mr. Rahul Dubey
VP-Legal &
Company Secretary



Mr. Rajeev Rathi
Jt. President
(Unit Head - Bharuch Plant)



Mr. Alok Upadhyay
Sr. Vice President
(Unit Head - Pune Plant)



Mr. Milind Ashtaputre
Jt. President
(NTCF Marketing)



Mr. Sanjay Mehrotra
Jt. President
(NFY Marketing)



Mr. Sandeep Kumar
Vice President
Commercial

**Ms. Rajashree Birla**

(Chairperson)

Areas of expertise

Corporate Governance, Industry Experience/Knowledge, Strategic Leadership, Sustainability, Philanthropy

Tenure

11 yrs

Meetings attended

100%

**Ms. Krupa R. Gandhi**

(Independent and Non-Executive Director)

Areas of expertise

Corporate Governance, Industry Experience/Knowledge, Financial literacy, Strategic Leadership, Risk Management, Legal and Compliance

Tenure

6 yrs

Meetings attended

100%

**Mr. Ashish Razdan**

(Independent and Non-Executive Director)

Areas of expertise

Corporate Governance, Financial literacy, Strategic Leadership, Legal and Compliance, Risk Management

Tenure

2.4 yrs

Meetings attended

50%



Audit Committee

Nomination and
Remuneration CommitteeCorporate Social
Responsibility CommitteeStakeholders
Relationship Committee

M

M

M

M


Mr. Ravindra Kastia

(Independent and Non-Executive Director)

Areas of expertise

Corporate Governance, Financial literacy, Strategic Leadership, Legal and Compliance, Risk Management

Tenure

1.5 yrs

Meetings attended

100%

C


Mr. Jayant V. Dhobley

(Non-Executive Director)

Areas of expertise

Corporate Governance, Industry Experience/Knowledge, Financial Literacy, Leadership, Risk Management, Sustainability, Legal and Compliance

Tenure

2.6 yrs

Meetings attended

100%

M

M

M


Mr. Suresh Sodani

Managing Director and CEO

Areas of expertise

Corporate Governance, Industry Experience/ Knowledge, Financial literacy, Strategic Leadership, Legal and Compliance, Risk Management, Sustainability

Tenure

6 yrs

Meetings attended

100%

M


Mr. Yogesh R. Shah

Chief Financial Officer

Areas of expertise

Corporate Governance, Strategic Planning, Budgeting, Finance & Accounts, Legal Compliance and Risk Management

Tenure

1 yrs

Meetings attended

100%

Enabling Value Beyond Business

Strategic Overview

Built on Trust. Driven by Excellence, we are shaping a future-ready organisation by leveraging the confidence earned through decades of consistent performance, responsible business practices, and strong stakeholder relationships. Trust forms the bedrock of our operations, while

excellence drives our pursuit of superior quality, operational efficiency, innovation, and sustainable growth. Guided by our strategic priorities, we continue to strengthen our capabilities, enhance financial resilience, and foster a people-centric culture that empowers progress. Through disciplined

execution and a commitment to continuous improvement, we aim to create enduring value for all stakeholders while contributing meaningfully to society and building a more sustainable future.

Strategic Objectives SO1 Customer-Oriented

Focus Areas

1. Enhance customer satisfaction
2. Customise products as per customer requirements and maintain world-class quality
3. Expansions according to customer requirements

Approach and Way Forward

Better collaboration to collect feedback and inputs, co-create sustainable solutions, information sharing and exploring partnerships

Strategic Objectives SO3 Maintain Position as Industry Leader

Focus Areas

1. Increase operational capacity through organic growth
2. Establish and maintain leadership in the selected (old and new) segments

Approach and Way Forward

- ① Increasing production capacity by making the process more efficient
- ① Focusing on technological advancement
- ① Better industry collaboration

Strategic Objectives SO2 Sustainability

Focus Areas

1. Resource Optimisation
 - ① Benchmark for reducing water consumption
 - ① Industry leader in reducing waste generation
 - ① Reducing CO₂ emissions
2. Policies and framework
3. Investment in Human Capital

Approach and Way Forward

- ① Reduce CO₂ emissions intensity by 40% by FY 2029-30, considering fiscal year FY 2018-19 as the base year
- ① 50% water consumption reduction by 2030 from the baseline of FY 2018-19
- ① Achieve single use plastic certification by 2027
- ① Screen new major suppliers on ESG criteria
- ① Year-on-year increase in training hours per person per year by 10%

Strategic Objectives SO4 New Market Segment

Focus Areas

1. Venturing into new market segments based on external environmental stimuli
2. Considering different geographies & demographics for the product range and offerings

Approach and Way Forward

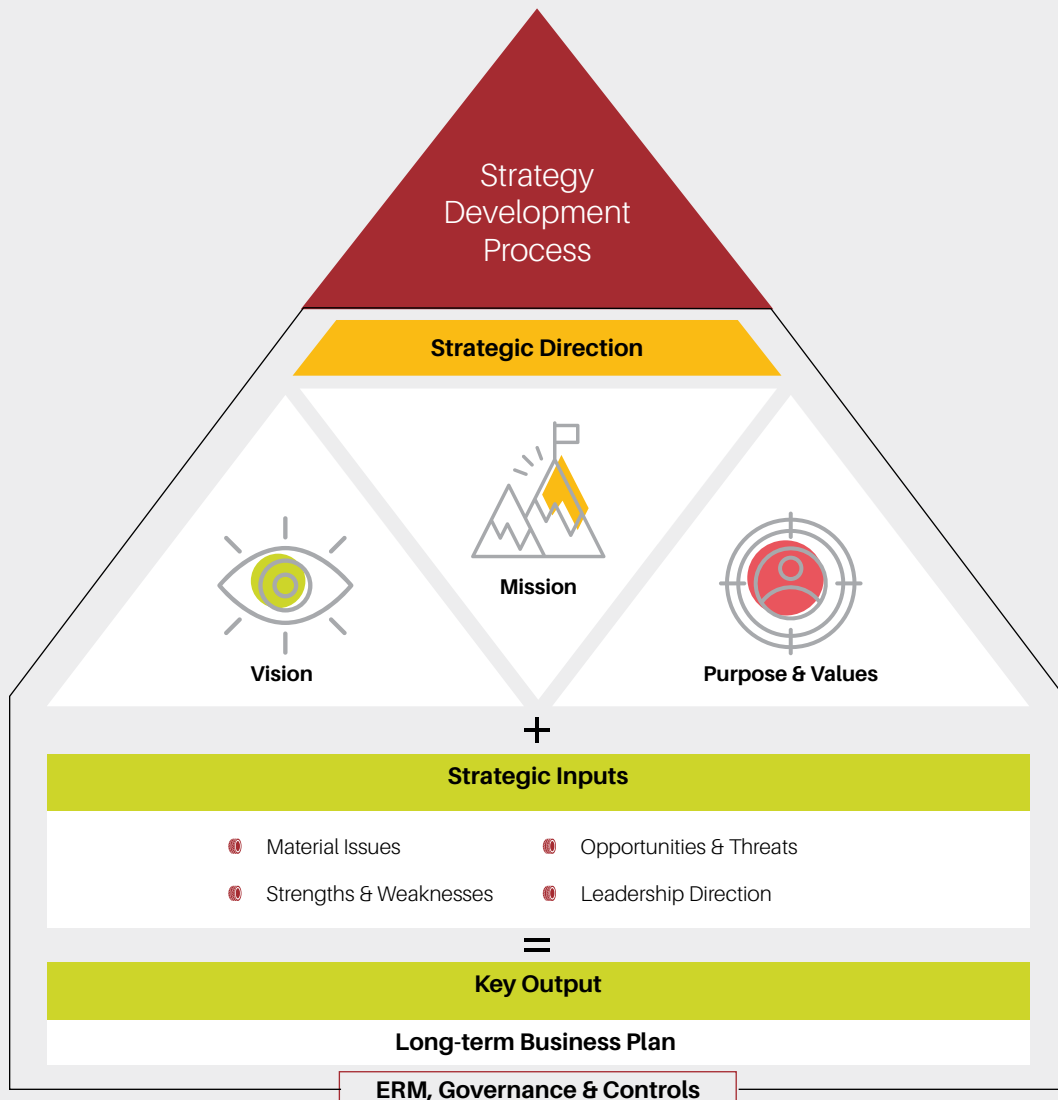
- ① Investment in market research and analysis to identify potential product segments and product diversifications
- ① Assess market potential in different regions and develop strategies to enter new markets through partnerships

Our strategic planning framework is anchored in our core purpose, values, and long-term vision, and is shaped by the guidance of our Board of Directors and senior leadership. The process involves a structured assessment of our internal strengths and capabilities, as well as the external business environment, to identify emerging risks and opportunities

that may influence our operating landscape. Insights derived from stakeholder engagements and materiality assessments further inform the prioritisation of our strategic focus areas.

This integrated approach enables us to develop both long-term and annual strategic

plans, which are systematically cascaded across business units and functions. Clearly defined roles and responsibilities at each level ensure effective alignment, accountability, and execution of our strategic initiatives.



Business Model

Inputs



Financial Capital

- Shareholder Equity - ₹21.85 Crs
- Net Worth - ₹1,500.59 Crs
- Operating cash Flows - ₹125.43 Crs
- Capital Expenditure - ₹37.02 Crs



Manufactured Capital

- Net Asset Value - ₹1,500.59 Crs
- Manufacturing Facilities - 3
- Reinforcement Fabric & Synthetic Yarn Capacity (tonnes/annum) - 92,000



Intellectual Capital

- R&D Expenditure - ₹1.10 Crs
- Certification & Accreditation
- In-House modification & innovation
- Technology Upgradation



Human Capital

- Total Workforce - 3,198
- Total Hours of Training - 1,02,135.7
- Employee benefit expenses as % of total revenue - 0.69
- Employee well-being policies - Human Rights, Anti-corruption and bribery, Non-discrimination, Anti-harassment, POSH



Social & Relationship Capital

- Community Initiatives - 24
- CSR Expenditure - ₹1.79 Crs
- Total Suppliers - 1,714
- Total Customer Base - 684



Natural Capital

- ETP at plants - Yes
- Total Energy Consumption - 15,20,584.34 GJ
- Renewable energy consumption - 8,71,657.48 GJ
- Total Water Consumption - 6,46,601 KL

Value Creation Approach

Our Vision

As an organisation our goal is to become a leading and trustworthy player in the business of tyre reinforcement and the production of man-made textile yarn. We are committed to achieving this by continuously innovating and improving our processes, products, and services to meet the evolving needs and expectations of our customers.



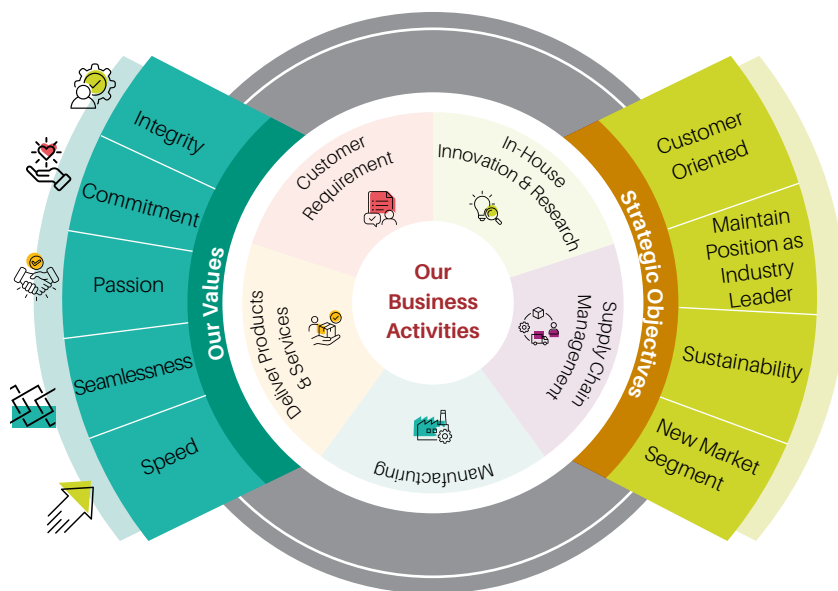
Our Mission

- We aim to provide innovative, cost-effective and sustainable solutions
- Implementing total quality management to ensure complete customer and stakeholder satisfaction



Our Purpose

To enrich lives, by building dynamic and responsible businesses and institutions, that inspire trust.



Stakeholders Involved

As an organisation, we understand the importance of engaging with all our stakeholders to create a sense of reliability in our business operations. We believe that involving our stakeholders in our value creation approach is essential to building trust and maintaining long-term relationships.

Our stakeholders include customers, supply chain partners, employees, investors, contract laborers, communities, government and regulators, and external analysts and rating agencies. Each of these stakeholders plays a critical role in our success, and we are committed to working with them to create value for everyone involved.



Outputs

Product Portfolio

Total volume of Reinforcement Fabric & Synthetic Yarn produced

Total Quantity Produced - **72,508 MT**

Total Revenue Generated from Reinforcement Fabric & Synthetic Yarn

- Reinforcement Fabric - **47.81%**
- Synthetic Yarn - **48.54%**
- Others - **3.65%**

By-Product: There is no by-product that is generated from the process apart from the waste

Total Waste Generated - **11,632.81 MT**

Total Emissions Generated in Process

Emissions

- Scope 1 Emissions - **15,481.32 tCO₂e**
- Scope 2 Emissions - **90,040.16 tCO₂e**

Outcomes

Financial Capital

- Revenue - **₹1,705.41 Crs**
- EBITDA - **₹189.68 Crs**
- PAT - **₹101.69 Crs**
- EPS - **₹46.54**
- Market Cap - **₹814.04 Crs**

Manufactured Capital

- ISO Certifications: ISO 9001:2015, ISO 14001:2015, ISO 50001:2018 and ISO 45001:2018, IATF-16949: 2016, NABL (ISO/IEC - 17025:2017), GRS-V4.0 & OEKO-TEX STANDARD 100
- Customer-centric approach

Intellectual Capital

- Total numbers of new products developed - **14**

Human Capital

- Total Employee Turnover Rate - **11.11%**
- Lost Time Injury (LTI) Incidents - **1**
- Diversity Ratio (% of Women in the Workforce) - **1.84%**
- % Workers covered under legitimate trade unions - **37%**

Social & Relationship Capital

- Total beneficiaries in impact of community initiatives - **48,669**
- Customer satisfaction survey score - **A**
- Rate of resolution of complaints - **100%**
- Responsible Supply Chain

Natural Capital

- % Energy requirements fulfilled through renewable source - **57%**
- CO₂ emissions intensity - **1.455 tCO₂/MT**
- Total Wastewater Discharged - **0 KI**
- % hazardous Waste Recycled - **68**

SDG Alignment



Contribution to SDGs



Advancing Global Goals through Local Action

At CEL, we are committed to aligning our operations, workforce, and community initiatives with the United Nations Sustainable Development Goals (SDGs) to foster a more equitable and sustainable world by 2030.

We undertook a comprehensive internal assessment to identify the SDGs most relevant to our business. This prioritisation considered our regional footprint, current and potential impact areas, and the scope for meaningful contributions. The outcome of this exercise has helped us focus our efforts where they matter most, ensuring our actions drive measurable and lasting change.

Below are the SDGs identified as key priorities for CEL.



Embedding SDGs into Strategic Planning

Our strategic planning framework is deeply interwoven with the United Nations Sustainable Development Goals (SDGs), which serve as a compass for identifying material issues that shape our Strategic Objectives (SOs). The achievement of these hinges on the effective stewardship of our key capitals: financial, intellectual, manufactured, human, natural, and social & relationship. Together, these interconnected capitals fuel our long-term growth ambitions while ensuring that our progress directly contributes to the broader global sustainability agenda.



Embracing Business Opportunities with Purpose

Strengthening Our Future through Strategic Growth

Our journey toward building a future-ready enterprise is anchored in a strong foundation of trust and a relentless pursuit of excellence. Guided by this philosophy, we continue to strengthen our product portfolio, invest in advanced manufacturing capabilities, and embrace digital transformation to enhance resilience, create long-term value, and respond effectively to evolving market dynamics.

As part of our strategic priorities, we are increasing our focus on value-added and sustainable products through investments in advanced spinning technologies and product diversification. These initiatives are expected to strengthen operational agility, improve resource efficiency, and enhance our ability to serve high-growth markets. While global economic uncertainties, including inflationary pressures, continue to influence the operating environment, our disciplined execution, prudent capital allocation, and demand-driven approach position us well to navigate these challenges.

Strengthening Our Market Position through Portfolio Diversification

Trust is strengthened through our ability to anticipate changing customer needs and consistently deliver high-quality products. In line with this commitment, we have established PTCF operations at the Pune facility to cater to the growing demand for radial tyres in passenger vehicles while maintaining a measured approach amidst market volatility. At the same time, we are expanding our NFY portfolio to meet the increasing demand from the activewear and performance apparel segment, reinforcing our presence across emerging applications.

Building Excellence through People and Culture

Excellence is driven by a culture of continuous improvement, innovation, integrity, safety, environmental stewardship, and community engagement. By empowering our people and fostering strategic agility, we continue to strengthen our competitive position while creating sustainable value for all stakeholders.

Built on Trust. Driven by Excellence.

As we continue to build on the trust of our stakeholders and pursue excellence across every aspect of our business, we remain committed to creating a resilient, technology-driven, and sustainable organisation that is well positioned to capture future opportunities and deliver enduring value.

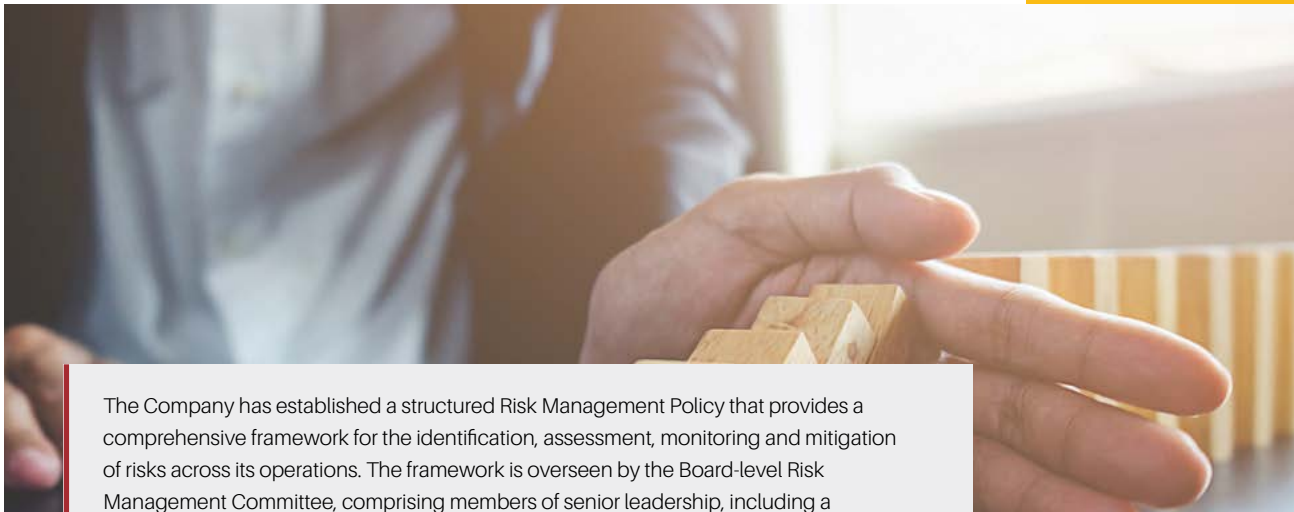
Accelerating Digital Transformation for Operational Excellence

Our commitment to excellence is further reflected in our digital transformation journey. Guided by a structured three- to five-year roadmap, we are advancing initiatives across digital revenue creation, customer experience, operational excellence, asset optimisation, and enterprise risk management. As we progress toward Industry 5.0 and prepare for emerging Industry 6.0 opportunities, we continue to integrate automation, artificial intelligence, and advanced analytics into our operations to improve efficiency, strengthen process reliability, and enhance decision-making.

Supporting this transformation, we have implemented an automated dryer process monitoring system that captures critical process parameters, enables seamless batch-wise data recording, and provides real-time analytical insights through an integrated dashboard. We have also deployed an AI-enabled vision system in the dipping section to inspect fabric prior to winding, enabling early defect detection, improving process consistency, and minimising manual intervention. Together, these technology-driven initiatives strengthen our quality assurance framework, enhance manufacturing efficiency, and reinforce our commitment to delivering reliable, high-performance products.

Risk Management

In an increasingly dynamic business environment, sustainable growth depends on the ability to identify opportunities while effectively anticipating and managing risks. The Company has embedded risk management into its strategic planning and decision-making processes, enabling it to strengthen resilience, protect stakeholder value and support long-term value creation.



The Company has established a structured Risk Management Policy that provides a comprehensive framework for the identification, assessment, monitoring and mitigation of risks across its operations. The framework is overseen by the Board-level Risk Management Committee, comprising members of senior leadership, including a Non-Executive Director as Chairperson, an Independent Director, the Managing Director and the Chief Financial Officer, with the Company Secretary acting as Secretary to the Committee. The Committee meets periodically to review the risk landscape, evaluate emerging risks and guide appropriate mitigation actions.

A Structured and Dynamic Framework

The Company follows a structured and calibrated approach to risk assessment, evaluating identified risks based on their likelihood and potential impact. This enables risks to be classified across defined probability and impact levels, thereby supporting consistent prioritisation and focused mitigation planning.

Where financial impact cannot be readily quantified, the Company applies a qualitative assessment methodology, considering the extent of operational disruption and potential impact on business continuity. This approach helps distinguish risks of varying severity and ensures that management attention is directed toward areas with higher potential impact.

Through this disciplined framework, the Company is able to assess, prioritise and address key risks in a timely and effective manner.

Anticipating the Risks of Tomorrow

In line with its forward-looking approach, the Company continuously monitors emerging risks across key areas such as market conditions, operational continuity, technology evolution and environmental development. This proactive assessment enables the Company to respond in a timely manner, safeguard current performance and support sustainable long-term growth.

Through this integrated risk management approach, the Company strengthens its resilience and adaptability while reaffirming its commitment to responsible business conduct and sustainable value creation in an evolving business landscape.

Market Risks

Steep Fall in Raw Material Prices

Volatility in key raw material prices, mainly in Caprolactam prices, may result in immediate corrections in Nylon Filament Yarn selling prices, impacting profitability through inventory valuation losses, mark-to-market (MTM) losses, and margin pressure on higher-cost inventory holdings.

SO3

- ① Continuous monitoring of global Caprolactam and downstream market trends to enable timely pricing decisions
- ① Prudent inventory management to limit exposure to sudden raw material price corrections
- ① Maintaining optimal inventory levels and faster inventory turnover to reduce valuation risks
- ① Regular review of procurement and pricing strategies to align with prevailing market conditions
- ① Focus on value-added and specialty products, which are relatively less susceptible to raw material price volatility
- ① Close tracking of customer demand and market dynamics to facilitate timely pass-through of cost movements



Competition from the Unorganised Sector

In NFY business, competition from unorganised manufacturers, low-cost imports, and players with locational advantages could impact pricing and margins.

SO1
SO2
SO3
SO4

- ① Increased focus on finer denier, value-added products with superior margin potential and exiting from unviable products
- ① Continued engagement with regulatory authorities for appropriate trade protection measures against unfairly priced imports
- ① Tapped the export market for value-added products
- ① Made representation to government to increase duty on yarn



Capitals


Financial
Capital

Manufactured
Capital

Human
Capital

Social &
Relationship Capital

Intellectual
Capital

Natural
Capital

Risks

Mitigation Plans

Strategic Objective

Linked Capital

Market Risks

Bad Debt

The Company is exposed to bad debt risk arising from the potential failure of customers to meet their payment obligations.

SO3

- ① Incentive schemes to encourage timely and early customer payments
- ① Robust receivable monitoring, accounting controls, and follow-up processes
- ① Credit policy to control risk
- ① Stopping supplies in case of delays in receipt
- ① Consistent focus on receivable management, resulting in no bad debts over the past three years



Raw Material Availability

Disruptions in the supply of critical raw materials, particularly Caprolactam, due to supply chain constraints, single supply source in India, geopolitical factors, and limited sources outside China may affect production continuity and operating performance.

SO1
SO2
SO3
SO4

- ① Diversification of the supplier base across geographies to reduce supplier and country concentration risks
- ① Maximising domestic sourcing of Caprolactam through long-term contractual arrangement with strategic suppliers
- ① Development and approval of alternate global suppliers to strengthen supply chain resilience
- ① Establishment of long-term procurement arrangements for critical raw materials
- ① Close collaboration with customers to obtain timely approvals for alternate raw material sources, ensuring flexibility and continuity of supply



Foreign Currency Fluctuations

Given the Company's dependence on imported raw materials, fluctuations in foreign exchange rates may impact costs and profitability.

SO3
SO4

- ① Comprehensive hedging policy covering foreign currency exposure during the usance period of letters of credit
- ① Foreign exchange risks associated with capital expenditure commitments are adequately covered upon firm commitment
- ① Prudent inventory management



Capitals

Financial Capital

Manufactured Capital

Human Capital

Social & Relationship Capital

Intellectual Capital

Natural Capital

Risks
 Mitigation Plans

Strategic Objective
 Linked Capital

Operational Risks

Labor Cost

Higher labour costs, particularly at the Pune facility, may impact operational costs.

SO2

SO3

- ① Rationalisation of manpower strength
- ① Continuous focus on productivity improvement, manpower optimisation, and cost efficiency initiatives across operations
- ① Proactive engagement with employee representatives to facilitate healthier and efficient work environment



Delay and Inefficient Project Execution

Delays in project execution, product qualification, or customer approvals may impact commercialisation timelines and expected returns.

SO1

SO3

SO4

- ① Transparent ordering process and involving plant, commercial & finance team
- ① Right person at right place through recruitments for timely execution of projects
- ① Planning, execution and review of projects to mitigate the anticipated delay in projects



Environmental & Social Risk

Environmental Non-Compliance

Non-Compliance of consent to operate conditions could lead to closure of operations and/or heavy penalties.

SO2
SO3
SO4

- ① Present consent condition specifies zero liquid discharge in drains
- ① Installed RO & ZLD at Bharuch. RO/ZLD has helped in significant reduction in groundwater drawal
- ① Significant reduction in hazardous waste discharge by installing paddle dryer at Pune
- ① Arrangement of co-processing of hazardous waste instead of landfill
- ① Manufacturing of 'Green Polymer' using process waste
- ① New saw dust boiler at Bharuch has improved reliability and reduced LDO/LNG use
- ① Reviews/inspections by external authorities
- ① Compliance with the terms & conditions of the Consent to Operate



Energy Cost

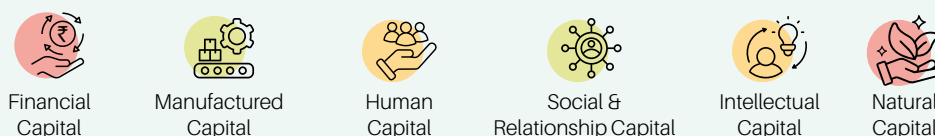
The risk which arises due to an increase in the prices of energy supplies.

SO2
SO3
SO4

- ① Availing power subsidy from Maharashtra Government
- ① Commissioned solar and wind hybrid under group captive initiative at Bharuch
- ① Agreement signed with ABREL for doubling of hybrid power
- ① Buying solar power on bilateral basis
- ① Steps taken for setting up of renewable power project with ABREL under group captive scheme in Maharashtra
- ① Implemented 1 MW rooftop solar at Bharuch
- ① Converted LDO steam boiler to LNG at Pune
- ① Energy conservation initiatives, which include converting CC3 to CC4 in a phased manner
- ① Use of LNG for superheater HTM instead of LDO at Pune



Capitals



Risks

Mitigation Plans

Strategic Objective

Linked Capital

Environmental & Social Risk

Fire and Explosion

Risk of loss owing to fire and explosion incidents at plants.

SO2
SO3

- ① Higher fire risks in old-design plants being addressed through systematic audits, changes to fire-resistant cables, lights, and installation of monomer exhaust systems
- ① Fire tender for Pune and Bharuch
- ① Hydrant line above the ground to ensure no leakages and have proper pressure
- ① Decongestion of plants
- ① Periodic safety and fire audits and implementation of their recommendations
- ① Strengthening of vigilance system and mock drills
- ① Valuation of assets by independent valuer to ensure adequacy of insurance cover
- ① Smoke detectors and water sprinkler systems for prevention



Unsafe Working

The risk of accidents arising due to unsafe working conditions.

SO2
SO3

- ① Relaunch of process safety system to align with best practices
- ① Strengthening of vigilance system and use of PPEs
- ① Continuous training to follow safety first approach and increased supervision



Technology Risk

Risk Arising Due to Technology Failure

The risk of reduced product quality due to the usage of old technologies.

SO1
SO3
SO4

- ① Gradually replacing old-technology conversion equipment (looms and cable corders) with new technology
- ① IMS/IATF/NABL certification to ensure adherence to benchmarked processes
- ① Proper training of people and good maintenance of machines
- ① Benchmarking to adopt best operating practices



Engaging Stakeholders, Empowering Progress

At Century Enka, we believe that meaningful stakeholder engagement lies at the heart of sustainable growth and long-term value creation. Our journey is shaped not just by internal decisions, but by the voices of those we work with—our employees, customers, investors, suppliers, regulators, and the communities around us. Each of these stakeholders plays a vital role in influencing our direction, helping us stay aligned with evolving expectations and broader societal needs.

For us, engagement is not a one-time exercise, but an ongoing dialogue. It is through continuous conversations,

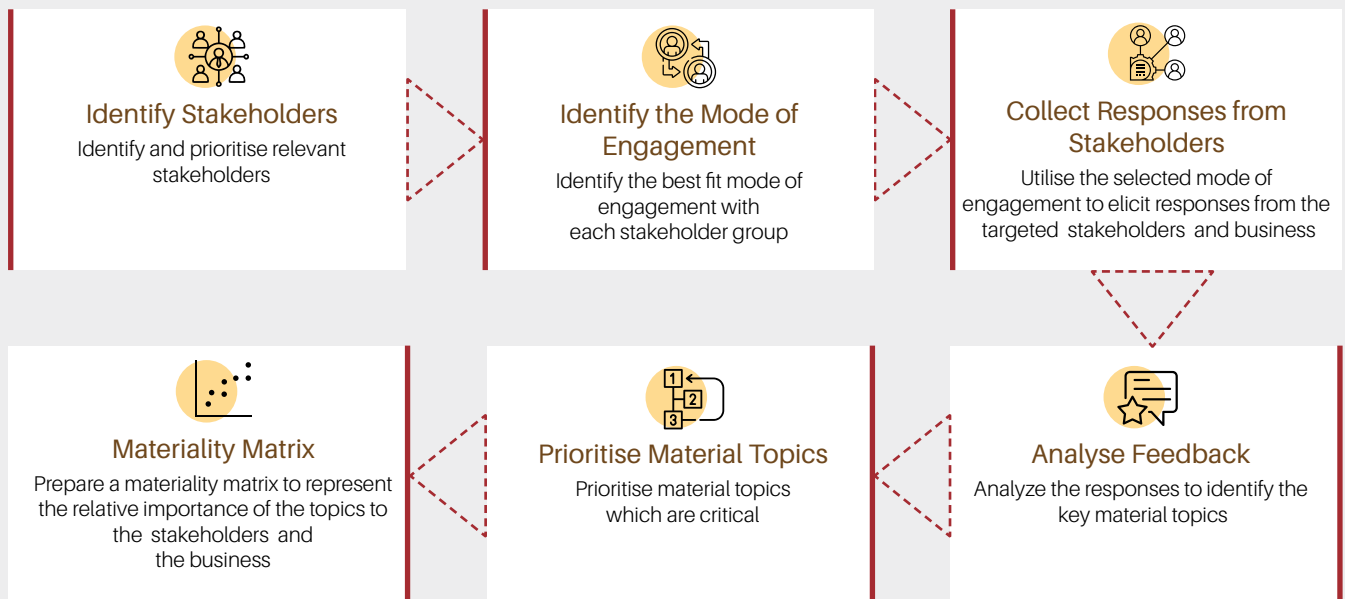
shared insights, and transparent communication that we are able to build trust and strengthen relationships. These interactions enable us to better understand emerging priorities, address concerns thoughtfully, and co-create solutions that are both meaningful and sustainable.

A few years ago, as part of our ESG journey, we undertook a structured stakeholder engagement exercise to deepen this understanding. By identifying and prioritising stakeholders based on their influence and relevance across economic, environmental, and social dimensions, we created a clear roadmap for engagement. This foundation continues to guide our approach today,

ensuring consistency and focus in how we connect and collaborate.

At Century Enka, **'Built on Trust. Driven by Excellence.'** is more than our guiding theme. It defines the way we engage with our stakeholders and create enduring value. Our stakeholder engagement framework enables us to proactively anticipate risks, identify emerging opportunities, and align our actions with evolving sustainability priorities while fostering transparency, accountability, and meaningful collaboration. By strengthening relationships built on mutual trust and shared purpose, we continue to create long-term value and contribute to inclusive and sustainable growth for all our stakeholders.

Our Approach to Stakeholder Engagement & Materiality Assessment:





For Stakeholders



Employees



Supply Chain Partners



Future Generation



Investors



Contract Labourers



Customers



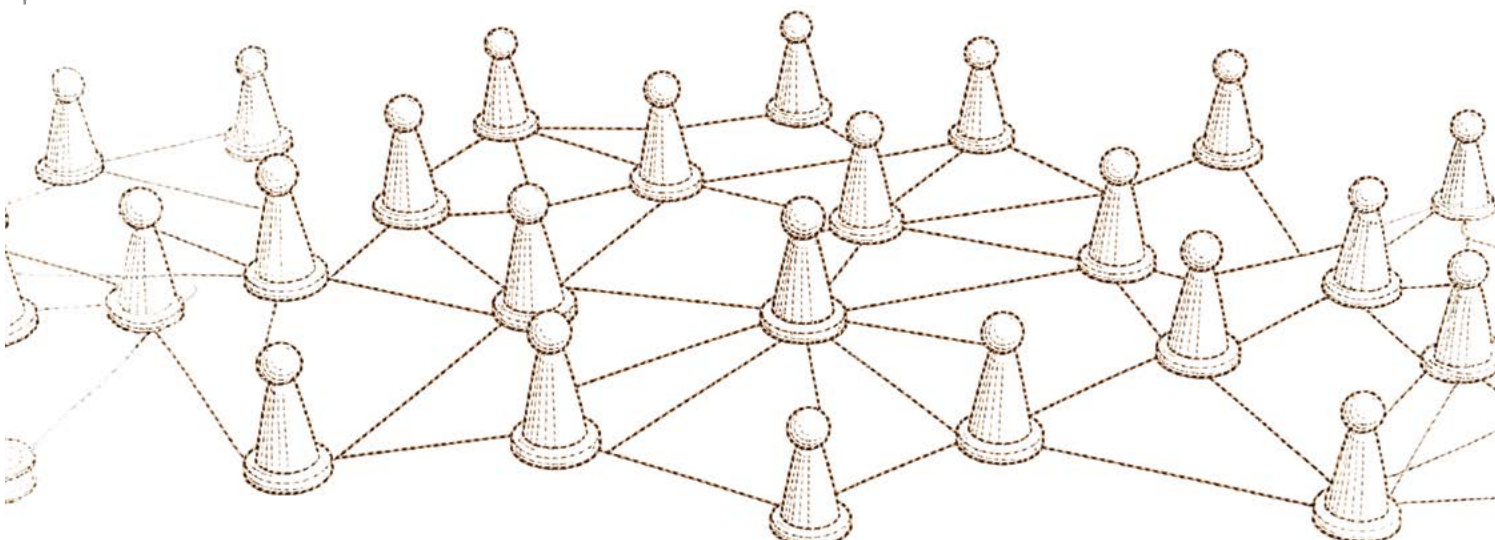
Government & Regulators



Analysts & Rating Agencies



Communities



Stakeholder Engagement Process

Stakeholder Group	Significance & Mode of Engagement	Key Expectations	Our Approach
 Employees	Significance Get employment and become a part of business activities Frequency of Engagement Continuous Modes of Engagement ① Emails and meetings ① Training programs ① Performance appraisal reviews ① Grievance redressal mechanism	1. Career growth and employee benefits 2. Occupational health and safety	① Timely salary payments ① Ensuring a safe and healthy working environment ① Skill improvement trainings
 Contract Labourers	Significance Get livelihood and support in business activities Frequency of Engagement Continuous Modes of Engagement ① Grievance redressal mechanisms ① Meetings	1. Safe working environment 2. Timely and fair payments	① Timely salary payments ① Ensuring safe and healthy working environment
 Supply Chain Partners	Significance Provide essential raw materials and services needed for business operations Frequency of Engagement Continuous Modes of Engagement ① Emails ① Meetings ① Stakeholder engagement surveys	1. Timely payment 2. Good deals or pricing 3. Continuity of orders	① Robust procurement policy ① Maintaining ethics and transparency ① Following CEL's values and aligning with our vision ① Doing risk assessment for critical suppliers
 Customers	Significance Impacted by the quality of products and services Frequency of Engagement Continuous Modes of Engagement ① Regular business interactions	1. Product quality and pricing 2. Post-sales support	Ensuring quality of products ① Timely delivery ① Better pricing ① Product certifications ① Openness to feedback
 Investors	Significance Provide capital and expect to earn a certain rate of return on that invested capital Frequency of Engagement Quarterly and annually Modes of Engagement ① Board meetings ① General meetings ① Annual reports ① Regular business interactions	1. Sustainable financial returns and market share 2. Risk management 3. Good corporate governance	① Transparent and timely disclosures, quarterly and annual financial reporting, Strong governance and risk management, Responsible capital allocation, Shareholder engagement through general meetings and investor communications etc.



Stakeholder Group	Significance & Mode of Engagement	Key Expectations	Our Approach
 Government and Regulators	Significance Providing licenses and permissions to operate, and receiving corporate, payroll, and sales taxes Frequency of Engagement Annually, and as and when required Modes of Engagement - Annual reports - Formal meetings	1. Adhere to compliance requirements and laws 2. Payment of taxes	① Compliance with all regulatory requirements ① Payment of fees, taxes and royalties ① Adopting renewable energy
 Communities	Significance Neighborhoods or local governance where we operate and make an economic, social, or environmental impact through our operations Frequency of Engagement Continuous Modes of Engagement - CSR meetings - Interaction with local governance and people	1. Livelihood training programs 2. Employment opportunities 3. Safe environment	① Community infrastructure development initiatives ① Skill development programs ① Educating the local people
 Analysts and Rating Agencies	Significance Assess the credit risk through ratings and help investors make informed decisions about investing in the Company Frequency of Engagement As and when required Modes of Engagement - Emails - Annual reports	1. Risk management, including mitigation measures 2. Timely disclosures 3. Law compliance	① Maintain effective communication channels and disclose relevant information
 Future Generation	Significance Inherit the results of the actions and decisions made by the organisation Frequency of Engagement Continuous Modes of Engagement - Social media - Job interview interactions	1. Protect the environment 2. Transparency in communication 3. Be a responsible organisation	① Adopting cleaner manufacturing methods ① Disclosing ESG parameters

Materiality Assessment

We recognise that understanding what truly matters is fundamental to creating and sustaining value over the long term. Our material topics serve as a compass, guiding our decisions and shaping a focused sustainability roadmap with clearly defined goals across environmental, social, and governance (ESG) dimensions.

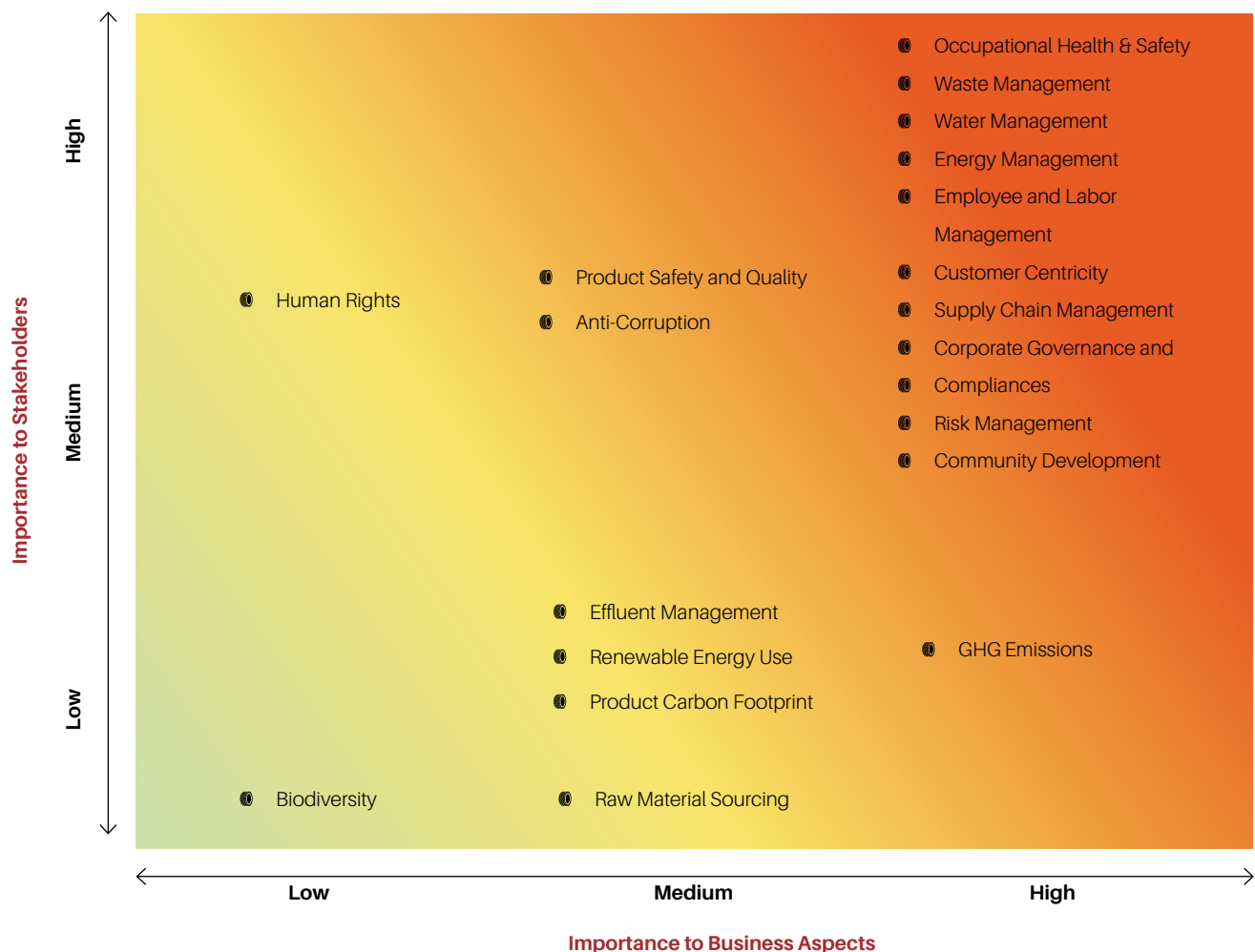
To bring clarity and structure to this process, we evaluate and prioritise issues based on both stakeholder expectations and their impact on our

business. By assigning appropriate weightage to these factors, we develop a robust materiality matrix that helps us distinguish between high, medium, and emerging priorities, ensuring that our efforts are directed where they matter most.

Our material topics guide our sustainability strategy and disclosures. The materiality assessment conducted in FY 2021–22 was reviewed during FY 2025–26 in light of evolving stakeholder expectations, regulatory developments, business priorities and sectoral ESG trends. Based on this review, the

identified material topics continue to remain relevant and have been retained for the current reporting period.

These priorities are not static; they evolve with the changing business landscape. We regularly review them in the context of shifting stakeholder expectations, regulatory developments, and our strategic objectives. However, during the current reporting period, we found that these core topics remain highly relevant, continuing to guide our path toward responsible growth and long-term value creation.



Frameworks Linked with Material Topics

Material Topics	GRI Topics	GRI Indicators	SDG Alignment	Reference in IR
 Occupational Health & Safety	Occupational Health & Safety	403	 	
 Labor and Employee Engagement	Employment	401	 	
	Labor Management Relations	402		
	Customer Health & Safety	416	 	
 Customer Centricity	Customer Health & Safety	416	 	
 Supply Chain Management	Supplier Environmental Assessment	308	 	
	Supplier Social Assessment	414		
 Waste Management	Waste	306	 	
 Water Management	Water & Effluents	303	 	
 Energy Management	Energy & Emissions	302, 305	 	
Risk Management				
Strategic Overview Section				
 Community Development	Local Communities	413	 	
 Corporate Governance & Compliance	Environmental Compliance	307		
	Socio-Economic Compliance	419		



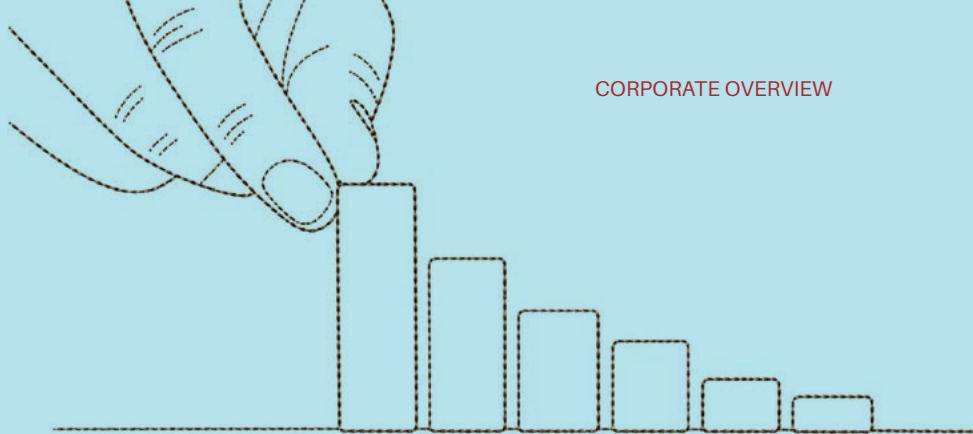
Financial CAPITAL

8 DECENT WORK AND
ECONOMIC GROWTH



Through the strategic and prudent management of financial resources, we drive sustainable growth and strengthen our competitive positioning in an evolving market landscape. Our disciplined approach to capital allocation, cost optimisation, and risk management enables us to generate consistent returns while maintaining financial resilience.

By balancing growth investments with operational efficiency and liquidity management, we remain focused on creating enduring value for our stakeholders over the short, medium, and long term.



Key Highlights

₹ **1,705.41** Crs
Revenue

₹ **814.04** Crs
Market Capitalisation

5.96%
PAT Margin

₹ **1,500.59** Crs
Net Asset Value

₹ **46.54**
EPS

5.57%
Increase in Net Worth

₹ **189.68** Crs
EBITDA

₹ **37.02** Crs
Capital Expenditure

Key Focus Area:

- ① Economic Value Generation
- ① Capital Expenditure
- ① Management of Cash Flows
- ① Tax Strategy
- ① Business Ethics and Anti-corruption

Interlinkage with other Capitals



Manufactured
Capital



Human
Capital



Social &
Relationship Capital



Intellectual
Capital



Natural
Capital



Approach to Financial Capital

We maintain a disciplined and robust financial management framework to support our ongoing operations and future growth opportunities. Our approach involves continuous assessment of funding requirements, along with benchmarking key performance indicators to drive operational efficiency and productivity. We remain focused on initiatives

aimed at enhancing operations, optimising costs, and generating sustainable positive cash flow.

Adequate capital allocation and liquidity management are key priorities, enabling us to pursue growth opportunities while maintaining a balanced approach to value creation for stakeholders. This is reflected in our consistent track record of dividend

distribution, with a payout ratio of 32% in the reporting period, including a recommended dividend of ₹11 per share. We place significant importance on the trust and confidence of our stakeholders, recognising their continued investment as a reflection of their belief in our long-term performance.

Economic Value Generation

We remain committed to protecting and enhancing shareholder value through prudent financial management and adherence to our core business principles. Our objective is to generate sustainable returns for our shareholders while creating long-term economic value for all stakeholders.

Economic value generation is assessed through two key components—Economic Value Generated (EVG) and Economic Value Distributed (EVD). EVG represents the total revenue generated by the Company, while EVD reflects the value distributed in the form of operational costs and payments to various stakeholders.

The Economic Value Created is derived by subtracting EVD from EVG, providing a measure of the Company's profitability and the value generated for shareholders and stakeholders. This approach enables us to evaluate our financial performance comprehensively and supports our commitment to sustainable value creation.



Particulars	2025-26 (₹ Crs)	2024-25 (₹ Crs)	2023-24 (₹ Crs)
Revenues	1,705	2,002	1,744
Other Income	42	37	33
Direct Economic Value Generated	1,747	2,039	1,777
Operating Costs	1,482	1,810	1,586
Employee Benefits	130	128	121
Payment to Providers of Capital	24	26	27
Payment to Government	25	27	16
Community Investments	2	3	3
Economic Value Distributed	1,663	1,994	1,753
Economic Value Retained	84	45	24

Notes:

Revenue generated includes revenue from operations.

Operating cost includes cost of materials consumed, purchase of stock in trade, changes in inventories of finished goods, work in progress and stock in trade and operating expenses excluding CSR expenses

Payment to providers of capital includes finance costs.

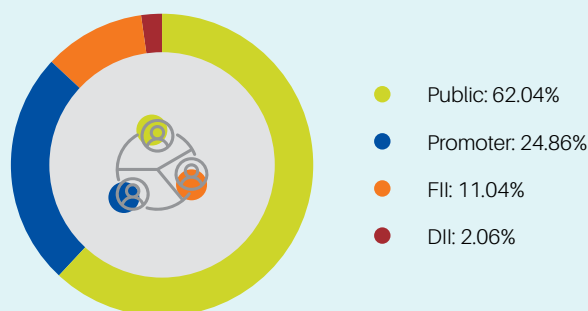
Payment to government includes rates & taxes, current tax, excess/short provision of tax relating to earlier years, and deferred tax.

Community investments include CSR expenses.

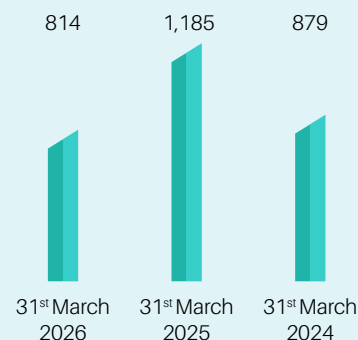
Payment to providers of capital includes dividend as well.



Shareholding Pattern as of 31st March 2026



Market Capitalisation (₹ in Crs)



Management of Cash Flows

As we continue to strengthen our position as a trusted leader in the tyre reinforcement and synthetic yarn industry, we are leveraging our strong liquidity to support capacity expansion in value-added product segments. Our capital allocation strategy is aligned with enhancing market presence and reinforcing our competitive advantage.

Our robust balance sheet and consistent financial performance reflect our prudent financial discipline and commitment to sustainable growth. We remain focused on preserving this financial strength while utilising it effectively to achieve our long-term strategic objectives.

Business Ethics and Anti-corruption

We recognise the inherent risks associated with business interactions involving customers, vendors, and suppliers, and accordingly, have implemented robust controls to mitigate potential risks of unethical conduct. Regular assessments are conducted for employees engaged in external interactions to identify and address any concerns related to integrity or compliance.

Our Code of Conduct serves as a foundational document guiding ethical behavior, transparency, and accountability across the organisation, and is applicable to the Board, senior management, and all employees. Complementing this, our Related Party Transactions Policy ensures transparency and appropriate governance in dealings involving related entities.

To reinforce our commitment to ethical conduct, we conduct periodic training and awareness programs covering anti-corruption policies and practices for employees and leadership.

We are pleased to report that during FY 2025-26, zero material incidents of corruption were recorded within the Company. Furthermore, we did not incur any penalties, fines, or regulatory actions related to corruption or conflicts of interest, reflecting our strong governance framework and ethical business practices.

Capital Expenditure

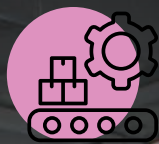
The Company invested ₹37.02 Crs during the year in modernisation, technology upgrades, energy conservation, and infrastructure development initiatives. These investments are focused on enhancing operational efficiency, improving asset reliability, and supporting sustainable long-term growth.

Tax Strategy

Aligned with our commitment to responsible corporate practices, we have established a robust tax governance framework to ensure compliance with all applicable tax laws and regulatory requirements. This framework is subject to regular review by the Finance and Audit Committees, ensuring timely discharge of tax liabilities and adherence to statutory obligations.

Our approach emphasises transparency, accuracy in reporting, and ethical conduct, supported by disciplined accounting practices aimed at minimising tax-related risks. We actively monitor regulatory developments and align our tax strategy accordingly to maintain compliance and operational effectiveness.

As part of our ethical framework, we do not seek or accept undue government incentives. We also provide structured grievance mechanisms to enable stakeholders to raise concerns or provide feedback related to tax and compliance matters. Operating within the Indian tax jurisdiction, we consistently fulfill all statutory obligations, including advance tax payments.



Manufactured CAPITAL

8 DECENT WORK AND
ECONOMIC GROWTH



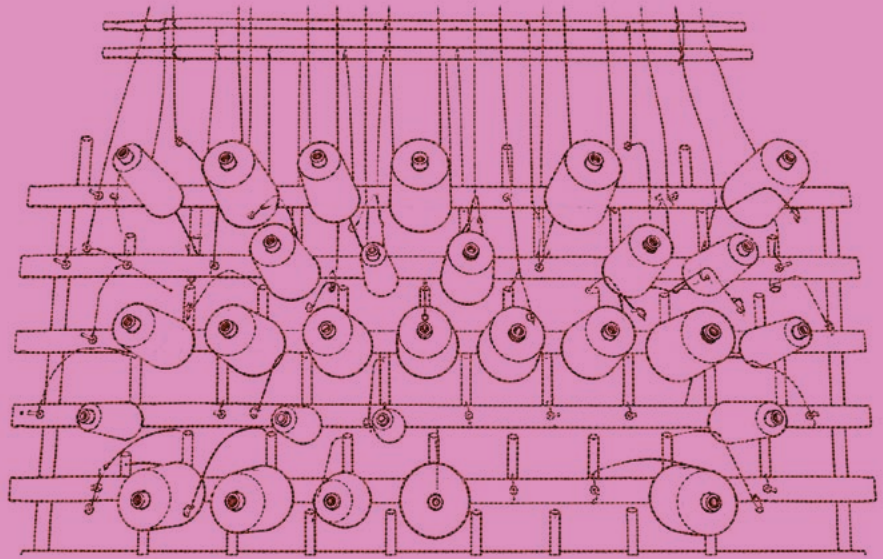
9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



As a leader in India's textile sector, our scalable and innovation-driven facilities strengthen our industry position while creating lasting value and trust for our shareholders and enhancing our commitment to environmental stewardship. Through continuous improvement, we aim to redefine industry benchmarks while fostering a greener future.



Key Highlights

1,749 MT

Green Product Produced

92,000 MT

Manufacturing Capacity

Total Operational
Manufacturing Facilities

3

in Maharashtra and in Gujarat

₹815.36 Crs

Revenue Share of Reinforcement Fabric

₹827.84 Crs

Revenue Share of Synthetic Yarn

Key Focus Area:

- Our Product Portfolio
- Our Product Offerings

Interlinkage with Other Capitals



Financial
Capital



Social &
Relationship Capital



Intellectual
Capital



Natural
Capital

Relevant Material Topics



Customer
Centricity



Supply Chain
Management



Our Approach to Manufacturing Excellence

We remain committed to achieving manufacturing excellence by continuously strengthening our position as a leading textile manufacturer in India. Our approach is anchored in the integration of advanced technologies and the promotion of a culture of innovation, enabling us to enhance operational efficiency and optimise production processes.

Our focus on environmental responsibility further drives us to upgrade our facilities in line with globally accepted standards. Our manufacturing units at Pune and Bharuch are equipped with advanced environmental management systems and are certified under ISO 14001:2015 and ISO 9001:2015, reflecting our adherence to quality and environmental excellence. Through the adoption of cutting-edge technologies and

progressive manufacturing practices, we aim to enhance productivity, manage risks effectively, and expand our production capabilities, thereby reinforcing our industry leadership.

Our Product Portfolio

Our manufacturing facilities at Pune and Bharuch are equipped with state-of-the-art technology, enabling us to produce a diverse portfolio of high-quality products. Our N finds application across a wide range of textile segments, including ethnic wear, intimate wear, sportswear, and activewear. Our NTCF reinforces tyres used in two-wheelers, commercial vehicles, and off-the-road (OTR) applications, enhancing their strength, durability, and performance. Building on our expertise in tyre reinforcement solutions, we are also expanding into PTCF for passenger car radial (PCR) tyres. PTCF is designed to provide superior dimensional stability, support vehicle load, and improve tyre longevity and performance, positioning us to address the evolving requirements of the passenger mobility segment and unlock new avenues for growth.

Sustainability remains a core pillar of our operations. Our dope-dyed yarn production process contributes to water conservation and reduces the environmental impact associated with conventional dyeing methods. In addition, our products are certified under the STANDARD 100 by OEKO-TEX®, demonstrating compliance with stringent environmental and human safety standards.

Supported by a well-established distribution network, we ensure timely and cost-effective delivery of our products across regions. Through continuous innovation, process optimisation, and a strong focus on quality, we aim to deliver products that meet global

benchmarks while driving sustainable growth and long-term value creation.

Synthetic Yarn



Sub Products:

- ① Nylon Tyre Cord Fabric
- ② Polyester Tyre Cord Fabric

Reinforcement Fabric



Sub Products:

- ① Nylon Filament Yarn
- ② Nylon Industrial Yarn
- ③ Polyester Industrial Yarn



Synthetic Yarn

Key Features and Application

- 1 Nylon, also referred to as polyamide, is a highly versatile material widely utilised across applications such as ethnic wear, knitting, hosiery, and functional apparel. Known for its softness, natural sheen, vibrant coloration, and flexibility, it offers enhanced comfort, moisture absorption, breathability, and skin-friendly characteristics, making it a preferred choice within the textile industry.
- 2 Owing to its superior dyeing properties, NFY delivers rich color intensity and a refined luster to

finished fabrics. Supported by advanced engineering capabilities, our products offer enhanced durability, softness, and efficient moisture management, making them well-suited for next-generation intimate wear and performance textiles.

- 3 Our NFY is extensively used across a wide range of traditional and modern apparel, including sarees, salwar suits, lehengas, kurtis, sherwanis, and dhoti-kurtas, for both men and women. Available in multiple variants, it provides excellent color depth, a smooth and lightweight finish, and cost-effective solutions. It also finds significant application in activewear, where comfort and flexibility are critical,

while its inherent strength supports intricate designs and seamless blending with other yarns.

- 4 In addition to aesthetic applications, nylon is also used in technical textiles for purposes such as packaging and temporary bonding. We remain committed to manufacturing high-quality NFY through the use of advanced technologies and continuous process innovation, ensuring consistent performance and reliability.

Monofilament Yarn



Nylon monofilament yarn consists of a single, continuous, untwisted filament, available in both bright and semi-dull variants. It is produced using specialised manufacturing processes and is widely used across diverse applications requiring strength and uniformity.

Nylon Mother Filament



Mother yarn is a multifilament drawn yarn that is subsequently converted into monofilament yarn through controlled filament separation during processing. This versatile yarn finds applications across textiles such as sarees, gowns, curtains, and mosquito nets, while also serving key functional roles in automotive components and footwear, particularly in sports shoes.

Multifilament Yarns



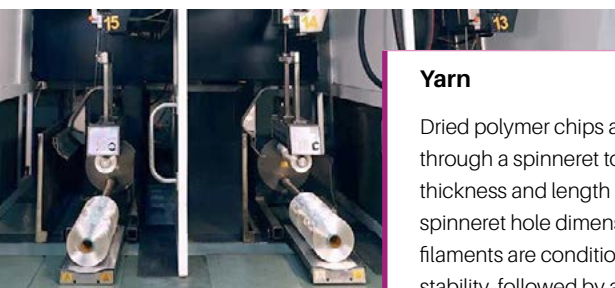
Nylon multifilament yarns are manufactured through high-speed processes, with intermediate drawing integrated into spinning to improve polymer orientation and crystallisation. Partially Oriented Yarn (POY), obtained directly from the melt spinning process, serves as a base for value-added variants such as Air Textured Yarn (ATY), Draw Textured Yarn (DTY), and draw warping applications.

Additional key product variants include Fully Drawn Yarn (FDY), High-Oriented Yarn (HOY), DTY, ATY, and Draw Winder Yarns, each catering to specific end-use requirements. TOW, another important form, comprises continuous synthetic filaments bundled in a loose, rope-like structure, which are further processed and cut into staple fibers for applications such as flocking.

Reinforcement Fabric

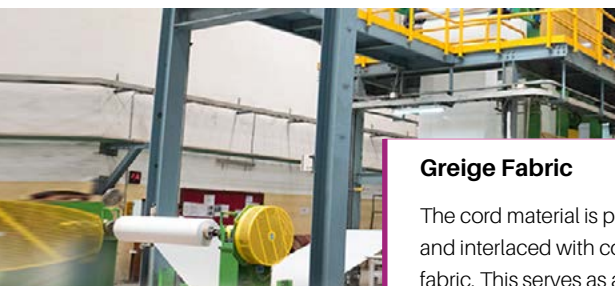
We manufacture high-quality NTCF designed to reinforce tyres across a wide range of vehicle segments, including two-wheelers, light and heavy commercial vehicles, and off-the-road applications. Engineered for enhanced strength and durability, our NTCF contributes significantly to maintaining tyre structure, improving load-bearing capacity, and optimising overall performance.

By supporting extended tyre life and enhancing operational efficiency, our reinforcement solutions contribute to improved safety and reliability. Through consistent quality and advanced manufacturing capabilities, we continue to deliver products that meet stringent industry standards and support superior performance across diverse applications.



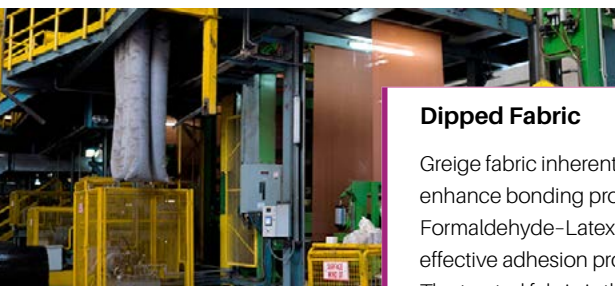
Yarn

Dried polymer chips are melted, filtered, and extruded through a spinneret to produce yarn of varying denier. The thickness and length of the fibers are controlled through spinneret hole dimensions and drawing speeds. The extruded filaments are conditioned with water and oil to ensure process stability, followed by air quenching and solidification. This process enhances tensile strength, elasticity, and thermal resistance. The yarn is subsequently drawn to align polymer chains, thereby improving strength, durability, and overall performance characteristics.



Greige Fabric

The cord material is processed through a warping operation and interlaced with cotton or poly-cotton weft to form greige fabric. This serves as a base reinforcing material for a wide range of industrial and textile applications.



Dipped Fabric

Greige fabric inherently exhibits limited adhesion to rubber. To enhance bonding properties, it is treated with a Resorcinol-Formaldehyde-Latex (RFL) solution, which acts as an effective adhesion promoter between the fabric and rubber. The treated fabric is then subjected to a heat-setting process involving controlled stretching to reduce thermal shrinkage. Subsequently, it is passed through multiple curing stages to achieve strong rubber adhesion, improved dimensional stability, and enhanced durability in end-use applications.

Enhancing Chiller Efficiency through Automated Tube Cleaning

Background

To improve the efficiency and reliability of refrigeration systems, an indigenously developed Automatic Online Condenser Tube Cleaning System was implemented across all chillers in the Century Enka Refrigeration Section.

Intervention

The system enables continuous, online cleaning of condenser tubes, ensuring optimal heat transfer conditions without interrupting operations.

Impact Delivered



Improved Energy Efficiency

Maintained lower approach temperatures, resulting in reduced specific power consumption (kW/TR)



Enhanced Reliability

Eliminated the need for frequent shutdowns for manual cleaning, improving plant availability



Improved Safety

Reduced risks associated with manual condenser cleaning activities

Conclusion

The deployment of an automated tube cleaning system has strengthened operational efficiency, reliability, and safety, while contributing to energy optimisation across the refrigeration system.

Polyester Tyre Cord Fabric (PTCF)

PTCF is a premium reinforcement material manufactured from high-tenacity polyester yarn and specifically designed for radial passenger car tyres. It provides excellent dimensional stability, high tensile strength, low shrinkage, and superior fatigue resistance, enabling tyres to retain their shape and structural integrity under demanding operating conditions. PTCF enhances tyre durability, load-bearing capacity, ride comfort, handling, and fuel efficiency while contributing to improved safety and overall vehicle performance. Manufactured using advanced technology and stringent quality standards, our PTCF is engineered to deliver consistent performance, reliability, and long service life, meeting the evolving requirements of leading tyre manufacturers and the growing passenger mobility market.

Enhancing Operational Efficiency through Advanced Winder Technology

Conversion of ACW Winders to Wings Technology

Background and Context

Technology plays a critical role in driving productivity, efficiency, and product quality in yarn processing operations. Traditionally, our operations relied on ACW winders, where the godet was positioned at a height of 2-4 meters, resulting in higher yarn path angles and associated quality limitations.

In line with our continuous improvement philosophy and commitment to operational excellence, we partnered with the OEM (Barmag) to upgrade the existing ACW winders by integrating advanced wings technology into a modern solution designed to enhance yarn quality and process efficiency.

Technology Innovation

The wings technology reconfigures the yarn path by positioning the godet directly above the winder, enabling a gentler and more streamlined yarn flow.

This optimised configuration significantly reduces yarn deflection angles, resulting in improved control over key quality parameters, including:

**Enhanced
yarn evenness**

**Better yarn
tension
uniformity**

**Lower CV%
(Coefficient
of Variation)**

**Improved
dyeability**

Additionally, the improved yarn path facilitates superior package formation, leading to enhanced performance in downstream processes such as texturing.

Implementation

- Successfully converted 48 winding positions from conventional ACW configuration to wings technology
- Seamless integration achieved with OEM support, ensuring minimal disruption to operations

Impact Delivered



Quality Improvement

IA (Intermediate Attribute) improved from 81.8% to 87.1%, reflecting a significant enhancement in product quality



Operational Efficiency

Waste reduced from 1.3% to 1.0%, driving better resource utilisation and manpower requirement reduced from 22 to 15 man-days, improving productivity



Financial Value Creation

Achieved an estimated annual cost saving of ₹176 Lacs, reinforcing cost competitiveness

Conclusion

The successful conversion from conventional ACW winders to wing technology marks a significant milestone in our journey toward manufacturing excellence. This initiative has delivered measurable improvements in product quality, operational efficiency, and cost optimisation. By leveraging advanced technology and strategic OEM collaboration, we continue to strengthen our competitive position while driving sustainable value creation across our operations.



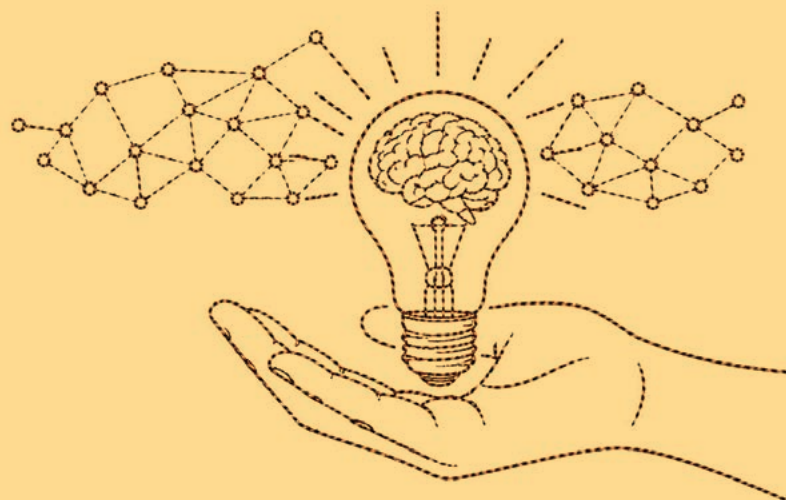


Intellectual CAPITAL



We regard knowledge as a strategic asset and innovation as a key driver of our progress. Our intellectual capital forms the cornerstone of our pursuit of excellence, supported by advanced technologies, a skilled workforce, and a strong culture of continuous innovation. As a leading player in the NTCF and NFY segments, we leverage our domain expertise, proprietary processes, and focused investments in research and development to create sustained long-term value.

We adopt a proactive approach to change, focusing not only on adaptation but also on anticipation. Through a forward-looking mindset and a commitment to continuous improvement, we translate ideas into actionable outcomes and convert potential into measurable performance.



Highlights

109.77 Lacs
R&D Expenditure

80
Product Innovations

38
Global Recycled Standard
(GRS) Products

Interlinkage with Other Capitals



Financial
Capital



Social &
Relationship Capital



Manufactured
Capital



Natural
Capital



Human
Capital

Key Focus Area:

- Empowering Innovation for a Smarter Tomorrow
- Transforming Potential into Performance
- Product Certifications

Empowering Innovation for a Smarter Tomorrow

We believe that innovation is driven by a mindset that embraces change and encourages continuous learning. With a clear objective to advance technological capabilities within the textile sector, we are focused on integrating emerging and advanced solutions across our value chain. By combining in-house expertise with strategic collaborations, we aim to accelerate the adoption of new technologies across key functions, including manufacturing, operations, and marketing. This approach enables us to deliver more efficient, agile, and sustainable outcomes.



Transforming Potential into Performance

Agility and responsiveness to evolving market dynamics remain central to our innovation approach. We continuously refine our product portfolio and operational processes to enhance value creation for our customers. Through sustained investments in capability development and product innovation, we are strengthening our position in the technical textiles segment and aligning our offerings with the growing demand for high-performance, application-driven materials across industries.

Product Certifications

Our greige yarns are certified under the Global Recycled Standard (GRS) – Version 4.0, reflecting our commitment to sustainability and responsible sourcing practices. These yarns are manufactured using high-quality recycled inputs, ensuring alignment with customer specifications and applicable standards.

Our NFY has also been certified under GRS, OEKO-TEX® Standard 100, and REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals), demonstrating its compliance with stringent environmental and human safety requirements. In addition, our NTCF is REACH-certified, reinforcing its adherence to global chemical safety norms.

Our laboratories are accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL), ensuring conformance with both national and international standards and enhancing customer confidence in our product quality.

Further reinforcing our focus on innovation and digital excellence, we have been honored with the prestigious CII DX (Digital Transformation) National Award in the 'Innovative In-Service Excellence' category for our project on 'AI-based Online Fabric Defect Monitoring and Controlling.'

Conversion of POY to HTY

We have successfully undertaken an in-house re-engineering initiative to convert an underutilised polyester Partially Oriented Yarn (POY) facility into a High Tenacity Nylon Yarn (HTY) production unit, thereby enhancing our capabilities in the technical textiles segment while improving precision, operational efficiency, and asset utilisation. The products manufactured through this upgraded facility have received strong market acceptance, reaffirming the success of this strategic transformation. Building on this progress, we are further strengthening our draw texturing capabilities, as Draw Textured Yarn offer superior strength, durability, and lightweight characteristics suitable for a wide range of textile applications. In addition, our entry into the polyester tyre cord segment has expanded our product portfolio, enabled diversification, and opened access to new market opportunities. Together, these focused initiatives have improved cost efficiencies and operational performance while aligning our product development efforts with evolving market requirements and customer specifications, thereby reinforcing our position as a reliable, innovative, and forward-looking partner in the technical textiles space.

Driving Import Substitution through Indigenous Product Innovation

Strategic Intent

To strengthen product competitiveness and reduce dependence on imports, we embarked on a structured New Product Development (NPD) initiative focused on designing, validating, and commercialising high-performance solutions tailored to evolving customer requirements.

This program is aligned with our commitment to innovation, quality excellence, and sustainable business growth, ensuring that our offerings meet global performance standards while optimising cost efficiency.

Background and Challenge

In FY 2024-25, the installation of a Barmag DTY machine marked a strategic step toward expanding our presence in the premium activewear and athletic textile segment. However, during the initial phase of operations, several challenges were identified:

Barre issues in fabric, particularly in circular knitting applications

Higher rejection levels in DTY production

Inferior performance of in-house POY compared to imported alternatives

Variability in yarn quality impacting downstream processes

These constraints posed a risk to product acceptance in high-performance applications and highlighted the need for a targeted improvement strategy.

Innovation and Development

To address these challenges, a comprehensive NPD initiative was undertaken, focusing on:

Reducing quality variations at the POY stage

Optimising process parameters across the value chain

Developing a specialised indigenous spin finish oil tailored for DTY applications

The newly developed spin finish was rigorously tested through extensive trials on DTY machines, ensuring performance consistency and scalability across production.

Impact Delivered



Product & Process Enhancement

- ① Improved yarn binding, resulting in smoother DTY processing
- ① Enhanced running stability on Barmag DTY machines
- ① Significant reduction in barre defects in fabric
- ① Overall DTY performance surpassing that of imported POY



Quality Excellence

- ① OLT Grade (A+ performance) improved to 85% using in-house POY
- ① Compared to 74% with imported POY, demonstrating a clear quality advantage

Conclusion

The successful development and deployment of an indigenous spin finish solution has significantly enhanced the quality and performance of POY for DTY applications. The resulting yarn meets the rigorous requirements of high-end circular knitting and activewear segments, positioning us strongly in premium markets. This initiative represents a strategic milestone in import substitution, reinforcing our capability to deliver globally competitive products through in-house innovation while driving sustainable value across the business.



Natural CAPITAL



We operate in an industry that is inherently dependent on natural resources and therefore recognise the importance of responsible and forward-looking environmental stewardship. Our approach is guided by the principles of sustainability, resilience, and long-term value creation, ensuring that environmental considerations are integrated into all aspects of our operations.

We have implemented advanced systems and robust controls to optimise the use of energy and water, increase the share of renewable resources, and strengthen responsible sourcing practices. Through continuous improvements in waste management, recycling initiatives, and the adoption of cleaner technologies, we aim to reduce our environmental footprint and preserve the natural capital that supports our business. These focused efforts are aligned with India's transition toward a Net Zero future, and we remain committed to contributing meaningfully as a responsible organisation driving positive environmental impact.



Highlights for the Year

57%

Energy Consumption from Renewable Sources

68%

Hazardous Waste Recycled

8.92 GJ/₹ Lacs

Energy Intensity

0.62 (tCO₂e/₹ Lacs)

Emissions Intensity

Zero

Total Wastewater Discharge

Key Focus Area:

- Strengthening Natural Capital through Responsible Resource Stewardship
- Operational Excellence
- Advancing Sustainable Packaging Solutions
- Driving Energy Efficiency and Renewable Transition
- Water Management
- Biodiversity Conservation and Ecosystem Balance
- Waste Management

Interlinkage with Other Capitals



Financial Capital



Social & Relationship Capital



Manufactured Capital



Intellectual Capital

Relevant Material Topics



Waste Management



Water Management



Energy Management



Corporate Governance and Compliances

Strengthening Natural Capital through Responsible Resource Stewardship



Transitioning to Low-Carbon Operations

We are progressively advancing toward energy-efficient and low-emission processes to reduce our greenhouse gas footprint and support broader climate-related objectives.



Water Conservation and Management

Through the implementation of advanced water management practices and increased recycling, we aim to optimise water usage and reduce reliance on freshwater resources.



Maximising Resource Recovery

We focus on enhancing resource efficiency through systematic recycling and reuse initiatives, enabling the conversion of waste streams into valuable inputs.



Circular Economy Integration

We continue to explore opportunities to embed circular economy principles within our value chain, promoting resource optimisation and sustainable material flows.

Operational Excellence

Environmental Management Systems

We have implemented ISO 14001:2015, ISO 9001:2015 and ISO 50001 certified systems across our operations, providing a structured framework for regulatory compliance, continuous improvement, and enhanced environmental performance.

Driving Efficiency in Material Utilisation for a Sustainable Future

We adopt a structured and responsible approach to material management, focusing on improving efficiency and minimising environmental impact across the entire value chain, from procurement and storage to utilisation in manufacturing processes.

Our operations primarily utilise caprolactam and nylon chips as key inputs, with total material consumption amounting to 69,930 MT during the reporting period. Recognising the environmental implications associated with conventional raw materials, we are actively evaluating alternative inputs that reduce dependence on non-renewable resources.

These initiatives contribute to lowering energy consumption, minimising emissions, and improving waste management outcomes. Through continuous process optimisation and resource efficiency measures, we are progressively integrating circularity into

our operations, thereby supporting the conservation of natural capital and advancing our sustainability objectives.

Raw Material Consumption

26,981 MT
Caprolactam

40,836 MT
Nylon Chips

2,113 MT
Polyester Chips

Advancing Sustainable Packaging Solutions

We continue to strengthen our sustainability efforts by adopting environmentally responsible packaging practices. As part of this initiative, we have promoted the reuse of paper tubes and plastic materials by encouraging key suppliers to participate in return and reuse programs, thereby extending the lifecycle of packaging materials. During the reporting period, we also evaluated and implemented more sustainable packaging alternatives to reduce reliance on conventional materials. A key advancement has been the introduction of transparent biodegradable bags, which improve environmental performance while maintaining product visibility. These alternatives have received positive customer acceptance and are enabling us to progressively replace traditional packaging materials such as paper tubes and plastics. Building on earlier transitions to compliant packaging materials, we have further adopted biodegradable options that support both sustainability and cost efficiency. The favorable customer response reinforces the effectiveness of these initiatives and our continued commitment to responsible packaging solutions.

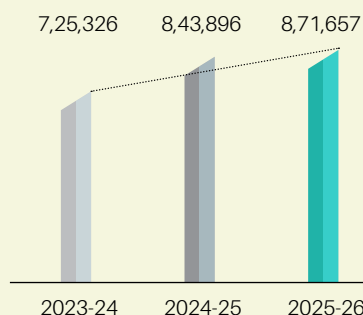
Driving Energy Efficiency and Renewable Transition

Energy management remains a critical focus area within our operations, with sustained efforts to reduce dependence on fossil fuels and align with global sustainability imperatives. We are progressively transitioning towards cleaner energy sources and adopting energy-efficient processes aimed at reducing overall consumption and associated emissions.

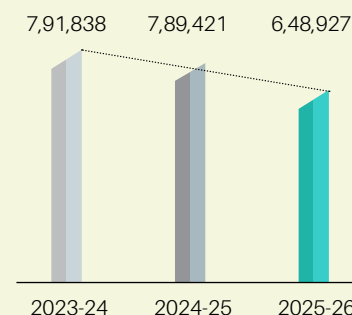
Our approach is supported by a robust monitoring and reporting framework that enables continuous assessment of energy usage across facilities. This allows us to identify high-consumption areas and implement targeted efficiency improvement measures. Our energy mix comprises both renewable and non-renewable sources, with process steam generated from biomass-based renewable sources, while electricity and fuels such as LNG, LDO, and HSD contribute to non-renewable energy inputs.

A dedicated Energy Conservation Cell oversees the implementation of energy initiatives, sets internal efficiency targets, and drives continuous improvement across operations. During the reporting period, our total energy consumption stood at 15,20,584 GJ, with 57% derived from renewable sources. These efforts support our long-term objective of achieving 60% of total energy consumption from renewable sources by 2030, reinforcing our commitment to sustainable and responsible operations.

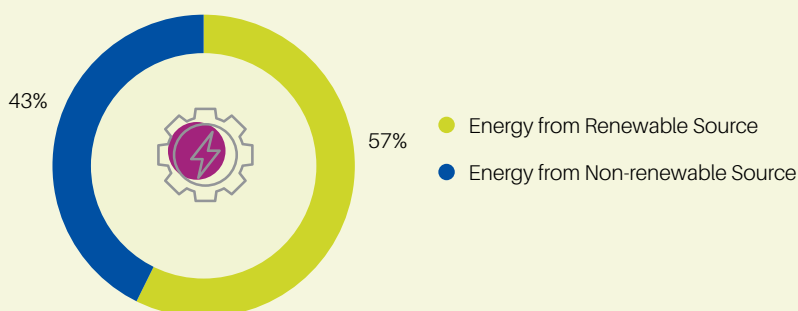
Energy Consumption - Renewable Sources (in GJ)



Energy Consumption - Non-renewable Sources (in GJ)



Energy Consumption in FY 2025-26



Strengthening Energy Efficiency through Strategic Interventions

Enhancing energy efficiency continues to remain a key priority within our sustainability framework. During FY 2025–26, we implemented a series of targeted initiatives across our operational units aimed at improving process efficiency and reducing overall energy intensity. These initiatives included the removal of redundant cooling systems, transition from pneumatic to more efficient mechanical systems, and optimisation of steam usage through the isolation of non-operational headers.

Supported by an investment of ₹1,308.25 Lacs, these interventions resulted in daily energy savings of 1,209.20 kWh and annual cost savings of ₹499.56 Lacs. The cumulative impact of these measures led to a reduction of 1,589 GJ in energy consumption, along with a corresponding decrease of 313 tCO₂e in Scope 2 emissions. These outcomes reflect our continued focus on operational efficiency, resource optimisation, and transition toward a lower-carbon business model.

Driving Energy Efficiency through EC Fan Retrofit in Cooling Towers

Background

To enhance energy efficiency and operational performance, Century Enka retrofitted its process cooling towers with advanced Electronically Commutated (EC) fan technology.

Intervention

The EC fan system integrates built-in electronic speed control, enabling real-time modulation of fan speed based on cooling demand, eliminating the need for external variable frequency drives.

Impact Delivered



Energy Optimisation

Significant reduction in cooling tower fan power consumption



Operational Efficiency

Optimised airflow control reduces energy usage during partial load conditions



Improved Reliability

Elimination of mechanical transmission components reduces wear and maintenance requirements



System Stability

Ensures consistent performance under varying process conditions

Conclusion

The EC fan retrofit has strengthened energy efficiency, reduced operating costs, and enhanced system reliability, reinforcing our commitment to sustainable and efficient operations.

Reducing Emissions for a Cleaner Tomorrow

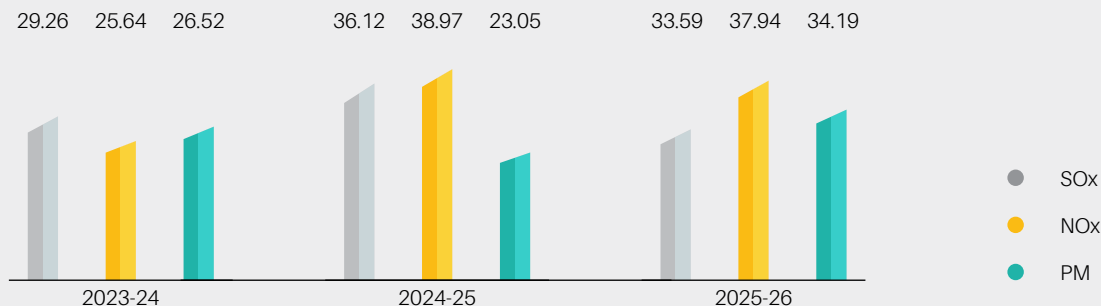
We continue to take structured actions to minimise greenhouse gas emissions and air pollutants through the adoption of cleaner fuels, sustainable technologies, and process improvements. During the reporting period, we transitioned from Light Diesel Oil (LDO) to Liquefied Natural Gas (LNG), while increasing the use of biomass-based steam generation for boiler operations. This has

significantly contributed to the reduction of our Scope 1 emissions.

In addition, investments in renewable energy infrastructure, including briquette-fired boilers, have further supported our efforts to lower our carbon footprint. Our operations also generated 18,040.44 tCO₂e of biogenic emissions, primarily associated with the use of biomass as a renewable energy source.

We maintain a proactive approach toward emissions management by continuously monitoring ambient air quality and stack emissions to ensure full compliance with applicable State Pollution Control Board (SPCB) norms. These initiatives reinforce our commitment to environmental responsibility and sustainable operations.

Air Emissions (in MT)



To strengthen our environmental governance, we have implemented advanced air pollution control systems and aligned our practices with emerging global standards in emission management technologies. Our

environmental performance is monitored through a digitised and integrated KPI tracking platform, referred to as the environmental canvas. This system enables real-time data monitoring, supports online audit

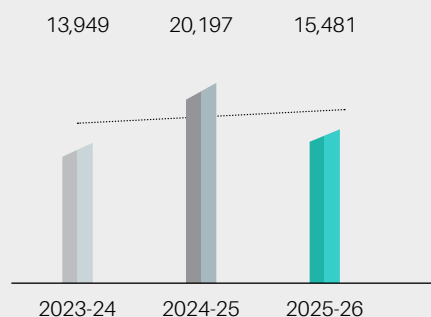
processes, and provides consolidated dashboards, thereby facilitating informed decision-making and ensuring consistent regulatory compliance.

Emissions Reduction

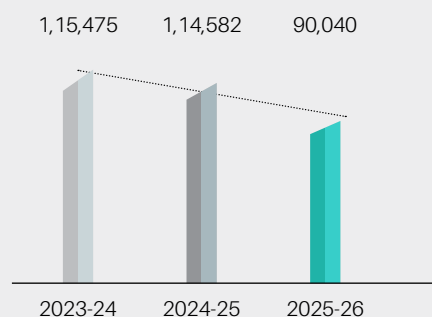
We remain committed to achieving Net Zero greenhouse gas (GHG) emissions by 2050, supported by clearly defined short- and medium-term targets. One of our key goals includes achieving a 40% reduction in CO₂ emissions intensity (tCO₂e/MT) by FY 2029-30, benchmarked against the FY 2018-19 baseline.

To support this transition, we are progressively increasing the share of renewable energy within our overall energy mix. As a result of these focused initiatives, our renewable energy consumption recorded a significant increase of 9.62% compared to the previous reporting period, reflecting our continued progress toward a low-carbon and sustainable operating model.

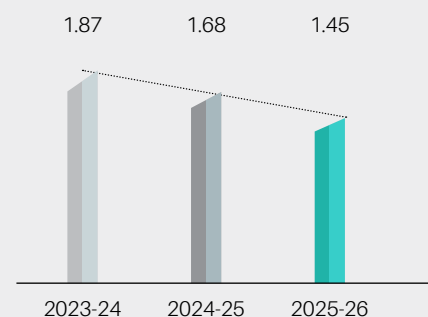
Scope 1 Emissions (in tCO₂e)



Scope 2 Emissions (in tCO₂e)



Carbon Intensity (in Total Emissions/MT)



Scope 3 Emissions

In the current financial year, we have disclosed data across eight Scope 3 emissions categories, demonstrating our commitment to addressing indirect emissions throughout our value chain. This includes emissions from our supply chain, logistics, and product lifecycle. By enhancing transparency in our emissions reporting, we seek to improve operational efficiencies, enable supplier decarbonisation, and align with leading industry practices for sustainable manufacturing.

Category	Category Name	2025-26 Emissions (tCO ₂ e)	2024-25 Emissions (tCO ₂ e)
Category 1	Purchased Goods & Services	6,64,763	9,06,941 [^]
Category 2	Capital Goods	94	121
Category 3	Fuel- and Energy-related Activities	38,125	59,456
Category 4	Upstream Transportation and Distribution	8,344	8,101
Category 5	Waste Generated in Operations	128	460
Category 6	Business Travel	137	2,533
Category 7	Employee Commute	3,418	4,494
Category 9	Downstream Transportation and Distribution	3,155	2,425
Total		7,18,163	9,84,531

[^]The previous year's figures for scope 3 emissions have been updated for category 1 – purchased goods & services, to reflect improved accuracy following a refinement in the calculation methodology.

Water Management

While water consumption in spinning and weaving processes remains relatively limited, textile wet processing operations require significant water input and generate effluents containing chemical and solid residues. Recognising these challenges, we have adopted a structured approach focused on reducing water usage at the source, optimising processes, and minimising discharge to the extent possible.

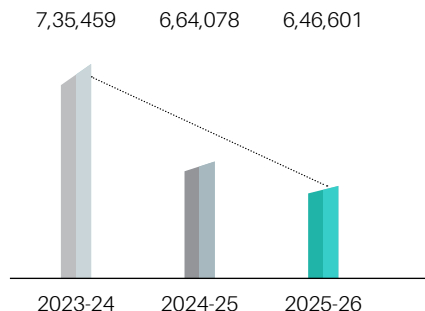
Both our manufacturing facilities have achieved Zero Liquid Discharge (ZLD) status through the implementation of advanced water treatment and recycling systems. A key development during the reporting period was the commissioning of an integrated ZLD system at our Bharuch facility, incorporating multi-stage Reverse Osmosis (RO), Mechanical Evaporation (MEE), and Agitated Thin Film Dryer (ATFD) technologies. This initiative has contributed to a significant reduction in freshwater consumption.

We continue to make steady progress toward our long-term target of reducing total water consumption by 50% by FY 2029–30, using FY 2018–19 as the baseline.

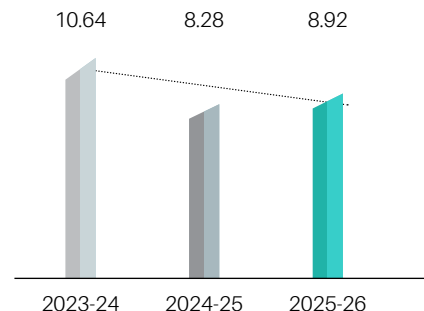
During the current reporting period, total water consumption across both facilities stood at 6,46,601 kiloliters, with water sourced from municipal supplies at Pune and groundwater

resources at Bharuch. Our ongoing focus on water stewardship reflects our commitment to sustainable resource management and operational efficiency.

Water Consumption (in Kl)



Water Intensity (in Kl/MT)



Biodiversity Conservation and Ecosystem Balance

Recognising the increasing pressures from overexploitation, land-use changes, and rising demand for natural resources, we are committed to ensuring that our operations do not negatively affect surrounding ecosystems.

Our facilities in Pune and Bharuch are located outside ecologically sensitive or protected areas and do not pose significant risks to local biodiversity. Additionally, our manufacturing processes do not directly depend on the biodiversity of nearby regions.



To minimise potential impacts and promote ecological health, we have undertaken several initiatives:

- 1** Green belt development remains a priority, with approximately 52% of the land at our Bharuch facility dedicated to green cover, including a diverse mix of trees, shrubs, and herbs.
- 2** Regular plantation drives are conducted, including fruit tree plantations within the premises, as part of World Environment Day activities aligned with the theme 'Ecosystem Restoration'.

These initiatives contribute to ecosystem restoration, improve the local environment, and reinforce our commitment to sustainable and biodiversity-friendly practices. By integrating biodiversity considerations into our operations, we aim to support the long-term health of natural ecosystems and enhance the well-being of surrounding communities.

Waste Management

By adhering to the principles of reduce, reuse, and recycle, we aim to significantly reduce our environmental impact while ensuring compliance with all necessary regulations set by the State Pollution Control Board (SPCB).

Waste Generated (in MT)

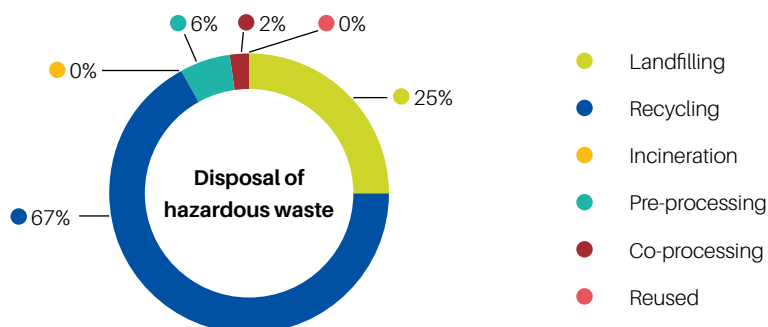
Waste Category	2025-26	2024-25	2023-24
Hazardous Waste	3,195.40	3,667.37	2,938.56
Non-Hazardous Waste	8,437.41	7,029.04	8,042.55

Waste Diverted from Disposal (in MT)

Waste diversion method	2025-26	2024-25	2023-24
Pre-processing	213.97	267.98	198.42
Recycling	2,654.01	2,722.8	2,352.40
Co-processing	49.45	36.82	-
Reused	7.97	-	-

Waste Directed to Disposal (in MT)

Waste Disposal Method	2025-26	2024-25	2023-24
Incineration	0.03	0.05	0.06
Landfill	1,696.91	1,403.30	387.68
Other Disposal Operations (Boiler ash is sent to brick manufacturers and civil debris is sent to vendor for further processing)	7,176.59	3,398.2	8,042.55



Eco-friendly Waste Management: Transforming Waste into Valuable Resources

We continuously implement environmentally responsible practices across our operations, with a strong emphasis on effective waste management and resource circularity.

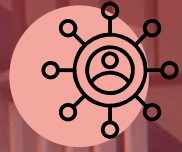
Hazardous waste, including plastic liners, bags, and drums, is systematically collected and recycled through government-authorised recyclers, while insulation waste is safely disposed of in designated landfills in compliance with regulatory requirements.

At our Bharuch facility, a structured approach has been adopted to manage horticultural and garden waste. Five composting pits convert organic waste into nutrient-rich manure over the course of a year, generating approximately 11.57 metric tons annually. This compost is subsequently used to support green belts, plantations, and landscaped areas, enhancing the ecological quality of our premises.

To further improve organic waste management, a 100 kg/day food waste composting unit was installed near the

canteen in 2023. This system efficiently converts around 20-25% of food waste into compost, while the remaining liquid is evaporated during the process, resulting in negligible discharge. The compost produced is reused for landscaping purposes, enabling a closed-loop approach to organic waste handling and reducing landfill dependency.

Through these initiatives, we go beyond compliance by improving resource efficiency, minimising waste, and actively contributing to environmental sustainability and biodiversity conservation.



Social & Relationship CAPITAL



Building meaningful, long-term relationships with stakeholders who are central to the organisation is essential to building a resilient and responsible business. Our engagement strategy is rooted in trust, respect, and mutual value creation, enabling us to navigate changing economic and business landscapes with confidence and stability. These enduring partnerships play a crucial role in supporting our sustainable growth journey.



Highlights for the Year

658

Total Suppliers

100%

Customer Grievances Resolved

AllNew Suppliers Onboarded after
Assessment on ESG Criteria**22**

Community Initiatives Under 7 Categories

684

Total Customers

₹179.42 Lacs

Total CSR Expenditure

48,669

CSR Beneficiaries

Key Focus Area:

- Investing for Impact
- Our CSR Initiatives
- Strengthening Customer Relationships
- Building a Responsible and Resilient Supply Chain

Linkage with Other Capitals

Financial
CapitalHuman
Capital

Linked Material Topics

Customer
CentricitySupply Chain
ManagementCommunity
Development



Our Approach

Driven by strong values, we nurture trust-based relationships with customers, suppliers, employees, communities, and regulators. We engage consistently to meet evolving expectations, emphasising

transparency, ethics, and community involvement. Through responsible sourcing and impactful development, we enhance our social fabric and reputation as a reliable

industry leader. We believe robust social and relationship capital benefits stakeholders and ensures our growth and relevance.

Investing for Impact

To ensure our efforts are meaningful, we regularly engage with these groups to gather feedback and evaluate the effectiveness of our community programs. Understanding that impact assessment is an ongoing journey, we have established a structured framework to identify relevant stakeholder groups for each initiative. This inclusive approach helps us remain responsive, transparent, and aligned with the evolving needs of those we aim to support.

1 ▶ Interact

Regular interaction with villages located nearby to our plants

2 ▶ Requirements

Consider requirements raised by the Sarpanch/Zilla Adhyaksha/Local Communities and NGOs

3 ▶ Activities

All the activities that should be given priority are identified

4 ▶ Budget

After identification, budget is allocated for all the activities for the fiscal year

5 ▶ Implementation

The final step is to implement the project and also to monitor the progress of the same

Our CSR Initiatives

Our Corporate Social Responsibility (CSR) efforts are a core component of how we do business, rooted in the belief that creating value goes hand in hand with uplifting communities and protecting the environment. We strive to ensure our operations contribute positively to society by supporting initiatives in health, education, livelihood, infrastructure, and ecological sustainability. These programs are carried out either directly or in collaboration with NGOs, charitable trusts, civil society organisations, or local authorities. Special focus is given to villages located near our manufacturing units, with a vision to gradually expand our reach. A dedicated CSR Committee and Board provide oversight, ensuring all initiatives are effectively monitored and aligned with our long-term goals.

CSR Highlights

48,669

Total Lives Benefited

Vocation Training

124

Individuals Trained & Skilled

Gender Equality & Women's Empowerment

100

Orphan Students Benefited

Rural Infrastructure Development

34,990

Villagers Benefited

Promotion of Education

5,392

Students Benefited

Upgradation of School Infrastructure

1,034

Students Benefited

Environment Sustainability & Ecological Balance

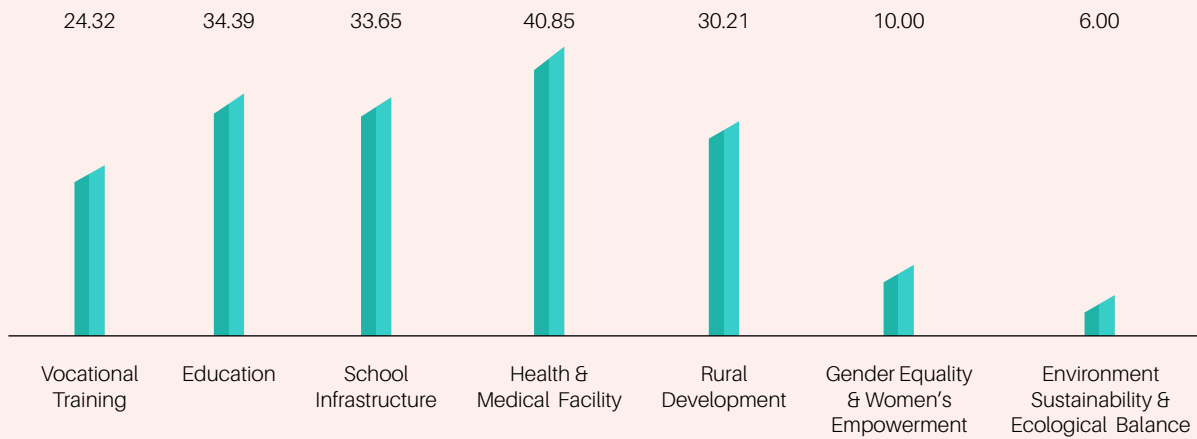
1,000

Lives Benefited

Health & Medical Facility

6,029

Underprivileged Lives Benefited

**CSR Expenses** (₹ in Lacs)

₹179.42 Lacs
Total CSR Spent

Empowering Communities through Education

At CEL, we view education as a powerful catalyst for both personal advancement and community development, making it a cornerstone of our outreach efforts. Over the past year, we have prioritised the creation of inclusive and enabling learning environments that support diverse learners. Our initiatives have focused on strengthening educational infrastructure, equipping teachers with the right skills, and ensuring access to essential learning materials. In addition, we have actively promoted literacy campaigns to drive awareness and engagement at the grassroots level. Through these integrated efforts, we aim to create sustainable, long-term impact by empowering individuals and fostering resilient, knowledge-driven communities.



Poshanvahini Project – Empowering Women, Combating Malnutrition

Overview

The Poshanvahini Project was implemented in the tribal regions of Narmada District with the objective of strengthening Anganwadi services through the engagement of trained local women volunteers. Undertaken in alignment with the Ministry of Women and Child Development's Integrated Child Development Services (ICDS) program, the initiative focused on enhancing the delivery of nutrition, childcare, and early childhood education services.

By integrating community participation with government efforts, the project contributed toward improving health and developmental outcomes among children, while also supporting Sustainable Development Goal (SDG) 2 – Zero Hunger.



35+
Anganwadi Centers

₹10.70 Lacs
Total Investment

Benefited
1800+
Children

Impact

- Out of 218 identified children, 74 children were successfully rehabilitated and shifted to the normal nutritional category
- Safe and reliable transportation facilities were ensured for children attending Anganwadi centers
- Focused care and continuous monitoring were provided to address cases of malnutrition
- Strengthened implementation of ICDS through consistent grassroots-level support
- Generated livelihood opportunities for local women engaged as Poshanvahini volunteers

Outcome

The initiative contributed to improved operational efficiency of Anganwadi centers and enhanced service delivery at the community level. It also supported better physical and cognitive development among children while promoting women's participation in community-led development initiatives.

Shikshasathi Project – Bridging Gaps in Tribal Education

Overview

The Shikshasathi Project was implemented across 30 government primary schools in Bharuch District to address the shortage of teaching staff and strengthen classroom learning. In collaboration with the district education authorities, 30 volunteer teachers were sponsored and deployed across schools in Jhagadia, Valia, and Netrang talukas. The initiative aims to improve educational outcomes and ensure learning continuity, aligned with Sustainable Development Goal (SDG) 4 – Quality Education.

30 Nos.
of Govt. Schools Benefited

₹110.07 Lacs
of Total Expenses

Benefited
2,200
Students



Impact

- Additional teaching support provided across 30 government schools
- 30 trained volunteer teachers engaged from local communities
- Strengthened academic support for students requiring additional attention
- Supported improved student attendance and retention rates

Outcome

The initiative contributed to improved operational efficiency of Anganwadi centers and enhanced service delivery at the community level. It also supported better physical and cognitive development among children while promoting women's participation in community-led development initiatives.



Kanya Kelavani & Praveshotsav Project – Celebrating New Beginnings in Education

Overview

The Kanya Kelavani & Shala Praveshotsav initiative was implemented across villages in Bharuch District with the objective of promoting school enrollment, particularly among girl children. In collaboration with government schools and Anganwadi centers, essential school supplies were distributed to ensure school readiness and reduce financial barriers for families.

The initiative supports improved access to education and contributes to strengthening foundational learning at the community level.

17 Schools &
18 Anganwadis
Covered

Benefited
1,239
Students

₹9.88 Lacs
of Total Expenses

Impact

- Distribution of essential school materials including uniforms, shoes, bags, and stationery
- Encouraged enrollment and retention of children in primary education
- Reduced financial burden on families from rural and tribal communities
- Strengthened preparedness of students entering the academic year

Outcome

The initiative contributed to improved school participation and created a supportive environment for early education. It reinforced ongoing efforts toward achieving universal enrollment and sustained learning outcomes.



Basic Education in Rural & Tribal Area- Pune

Overview

Support was extended to Ekal Vidyalayas operated by the Friends of Tribals Society, which implements the One Teacher School (OTS) model to provide non-formal primary education in rural and tribal areas. These schools focus on foundational learning for children aged 4–10 years, addressing educational gaps in underserved regions.

Benefited
60
Students

₹**1 Lacs**
of Total Expenses

Impact

- ① Strengthened access to non-formal primary education
- ① Enabled early-stage learning for children in remote communities
- ① Supported foundational literacy and numeracy development

Outcome

The initiative contributed to improving early education outcomes and enhancing accessibility to learning opportunities in rural and tribal regions.



Financial Assistance for Pursuing Professional Courses

Overview

Financial assistance was extended to Mahesh Forum, a charitable trust supporting students from economically weaker backgrounds in pursuing professional and higher education at recognised institutions.

Benefited
71
Students

₹**2.50 Lacs**
of Total Expenses

Impact

- ① Supported access to higher education for deserving students
- ① Reduced financial constraints impacting educational continuity
- ① Enabled enrollment in recognised colleges and professional courses

Outcome

The initiative facilitated continued education and strengthened the long-term career prospects of beneficiaries, enabling them to build sustainable and independent livelihoods.





Distribution of Stationery- Pune

Overview

Support was provided to students of Sharda Vihar Madhyamik Vidyalaya, Chorwane (Ratnagiri) through the distribution of school bags, umbrellas, books, and notebooks to improve access to essential learning resources.

Benefited
22
Students

₹**0.23** Lacs
of Total Expenses

Impact

- ① Addressed basic educational needs of students
- ① Reduced financial burden on families
- ① Encouraged regular school attendance and participation

Outcome

The initiative contributed to improved learning conditions and enhanced student confidence in academic activities.



Upgradation of School Infrastructure

Overview

School infrastructure at Rajashree Vidya Mandir, Bharuch was upgraded through the provision of essential facilities such as knitted bird protection nets, water coolers, and furniture. The initiative was undertaken to address key infrastructural gaps and to improve the overall quality of the learning environment. The focus remained on creating a safer, more functional, and conducive space for students within the school premises.

Upgraded School Infrastructure: Bird Protection Grill, Water Coolers, and Essential Furniture

Benefited
785
Students

₹**21.33** Lacs
of Total Expenses

Impact

- ① Improved access to safe drinking water and better seating arrangements
- ① Enhanced usability of classrooms and school facilities
- ① Reduction in disruptions caused by environmental factors through protective infrastructure
- ① Strengthened the overall learning environment, supporting daily academic activities

Outcome

The initiative contributed to the development of a structured and supportive educational environment, improving overall student experience and supporting consistent academic engagement.



Financial Assistance to Aditya Birla Education Trust

Overview

Financial assistance was extended to Aditya Birla Education Trust to support school-based mental health initiatives aimed at strengthening students' emotional well-being. The program, delivered during school hours for grades 1-12, focuses on social, emotional, and psychological development, contributing to a more supportive and balanced school environment.

Benefited
125
Students

₹**5 Lacs**
of Total Expenses

Impact

- Improved access to structured mental health and well-being program
- Enhanced awareness and understanding of emotional and social development among students
- Strengthened the overall school environment through focused well-being interventions

Outcome

The initiative contributed to improved student well-being, emotional resilience, and holistic development alongside academic learning.



Upgradation of Industrial Training Institute (ITI) infrastructure

Overview

Infrastructure at Rajashree Private Industrial Training Institute was upgraded to support a more modern, technology-enabled learning environment aligned with industry requirements. The initiative included the provision of key equipment such as smart boards, computers for the IT lab, inkjet colour printers, air conditioning units, and other essential items. These enhancements aimed at strengthening the quality of technical training and improving overall classroom functionality.

Upgraded ITI Infrastructure: AC, Colour printer, Smart Board and Training Instruments.

Benefited
124
Students

₹**7.32 Lacs**
of Total Expenses

Outcome

The initiative supported improved delivery of vocational training and increased students' exposure to industry-relevant skills and technologies.



Strengthening Community Health and Well-being

At CEL, we recognise that good health is fundamental to individual well-being and sustainable community development, making healthcare a key pillar of our outreach initiatives. Over the past year, we have focused on improving access to essential medical services through a range of targeted interventions. Our efforts have included organising free eye check-up camps and blood donation drives to promote preventive care and support critical healthcare needs. We have also distributed sanitary napkins to raise awareness around menstrual hygiene and improve health outcomes for women. Additionally, we have extended nutritional support to aid in the eradication of TB and undertaken the construction of toilets and urinals to enhance sanitation infrastructure. Through the provision of medical aid in nearby areas, we aim to ensure that timely healthcare support reaches underserved populations. Collectively, these initiatives reflect our commitment to building healthier, more resilient communities and leading to a long-term positive impact.

Free Eye Check-Up at Camp

Overview

Eye check-up and cataract surgery camps were organised in collaboration with Sewa Rural, Jhagadia, with a focus on improving access to basic eye care services in rural areas. A total of 5 camps were conducted across villages in Bharuch and Narmada districts, covering locations including Amletha, Rajpardi, Indore, Asha, and Umalla. The initiative aimed to support early diagnosis, treatment, and management of eye-related conditions among underserved communities.

Conducted in Amletha (Narmada District), Indore, Asha, Rajpardi & Umalla Villages of Bharuch Districts.

₹3.89 Lacs
of Total Expenses

Impact

- ① 1,331 patients screened through eye check-up camps
- ① 361 patients received medication for identified conditions
- ① 135 cataract surgeries conducted, restoring vision
- ① 1,042 patients provided with spectacles for vision correction
- ① Improved access to primary and preventive eye care services in rural locations

Outcome

- ① Early detection and timely treatment of eye-related ailments
- ① Improved vision and day-to-day functioning for beneficiaries
- ① Increased awareness regarding eye health and preventive care



Blood Donation Drive

Overview

A Blood Donation Camp was organised in collaboration with the Red Cross Society, Bharuch District at our premises in February. The initiative aimed to support the healthcare system by ensuring the availability of blood for emergencies and critical care needs. The camp witnessed active participation from employees, contributing to the overall success of the initiative.

₹ **0.25** Lacs
of Total Expenses



Impact

- ① One camp conducted at the Centaury Enka's premises
- ① 62 units of blood collected
- ① Active participation from employees in the donation drive
- ① Supported local healthcare institutions with essential blood supply
- ① Strengthened access to emergency medical resources within the district

Outcome

- ① Contribution toward meeting immediate and critical blood requirements
- ① Strengthened support to hospitals and healthcare centers in the region

Women's Hygiene (Distribution of Sanitary Napkins)

Overview

A menstrual hygiene initiative was implemented in collaboration with Dev Foundation across select villages in Bharuch district. The program focused on improving awareness and access to sanitary products among rural girls and women. As part of the initiative, sanitary napkins were distributed along with awareness sessions on menstrual hygiene practices, addressing key barriers such as limited access, cost, and social stigma.

₹ **2.00** Lacs
of Total Expenses



Impact

- ① 1,128 women and adolescent girls benefited
- ① 40,608 sanitary napkins distributed, supporting hygiene needs for an extended period
- ① Increased awareness on menstrual hygiene and safe practices
- ① Encouraged adoption of sanitary napkins among beneficiaries
- ① Initiative implemented across six villages: Bamalla, Kariyapura, Tavadi, Shir, Raisangpura, and Vali

Outcome

- ① Improved adoption of hygienic menstrual practices
- ① Better awareness and understanding of menstrual health
- ① Reduced hesitation and improved accessibility of hygiene products

Nutrition Support in Eradication of TB

Overview

Nutritional support for tuberculosis (TB) patients was extended in collaboration with the District TB Center under the Government's Nikshay Mitra initiative. The program was implemented across Jhagadia and Netrang talukas of Bharuch district to support patients undergoing treatment under the National TB Elimination Program (NTEP). The initiative focused on providing nutritional kits to TB patients to complement medical treatment and improve recovery outcomes.

Impact

- ❶ 2,753 TB patients benefited through nutritional support
- ❷ Improved access to nutritional supplementation during treatment
- ❸ Supported adherence to TB treatment regimes
- ❹ Initiative implemented across Jhagadia and Netrang talukas
- ❺ Treatment success rates recorded at 92% (Jhagadia) and 93% (Netrang)

₹19.53 Lacs
of Total Expenses



Outcome

- ❶ Improved recovery and treatment completion among TB patients
- ❷ Strengthened effectiveness of ongoing TB treatment programs
- ❸ Reduction in treatment discontinuation through supportive care

Financial Support to Construct Toilet/Urinal

Overview

Financial support was provided for the construction of toilet and urinal facilities at Shri Kailash Ashram Shala, Vankhuta village (Jhagadia, Bharuch district). The initiative focused on strengthening sanitation infrastructure within the school by creating clean, safe, and functional facilities for students. The facilities include separate units for boys and girls, along with basic provisions for hygiene and maintenance.

Outcome

- ❶ Improved hygiene and sanitation conditions within the school premises
- ❷ Better comfort and usability of school facilities for students
- ❸ Reduced challenges related to lack of sanitation infrastructure

₹10.00 Lacs
of Total Expenses

Impact

- ❶ 55 students benefited from improved sanitation facilities
- ❷ Enhanced access to clean and safe toilet infrastructure within the school
- ❸ Improved hygiene practices among students through better facilities
- ❹ Addressed basic sanitation gaps affecting daily school routine
- ❺ Supported a more functional and accessible school environment

Financial Assistance for Construction of Residential Building for Orphan Students

Overview

Financial assistance was extended to M/s. Snehwan Trust, Pune for the construction and development of residential infrastructure for orphan children. The support was utilised for the development of a dining hall and associated facilities, aimed at improving basic living conditions and ensuring access to safe and hygienic spaces. The initiative focused on strengthening residential infrastructure for children residing at the Trust.



₹10.00 Lacs
of Total Expenses

Impact

- 100 orphan children benefited from improved residential facilities
- Enhanced access to safe and hygienic dining infrastructure
- Improved living conditions within the residential premises
- Addressed basic infrastructural needs supporting day-to-day well-being
- Strengthened overall residential environment for beneficiaries

Outcome

- Improved hygiene and usability of shared living and dining spaces
- Better support for nutritional and daily living requirements
- Enhanced safety and functionality of residential infrastructure

High Mast Light Tower in Various Villages

Overview

High mast light towers were installed across nearby villages to address inadequate street lighting and improve public infrastructure. A total of 12 high mast towers were installed across villages including Bamalla, Dholi, Thawa, Asnaavi, Rajpardi, Sevad, and Raisingpura, providing reliable illumination in community spaces. The initiative focused on enhancing visibility and accessibility during nighttime, particularly in tribal and remote areas.

₹10.48 Lacs
of Total Expenses



Impact

- 7,774 villagers benefited from improved lighting infrastructure
- 12 high mast light towers installed across multiple villages
- Improved visibility in public areas, roads, and common spaces
- Enhanced mobility and accessibility during night-time
- Reduced safety concerns associated with poorly lit areas

Outcome

- Improved safety and usability of village infrastructure after dark
- Better ease of movement for residents during night-time
- Reduction in risks related to low visibility and accidents

RCC Benches Installation

Overview

RCC benches were installed across villages in Jhagadia, Netrang, and Valia talukas to strengthen basic public infrastructure. The initiative focused on providing durable and weather-resistant seating in common areas such as community spaces, bus stops, school premises, and marketplaces, improving accessibility and convenience for villagers.

₹4.49 Lacs
of Total Expenses

Impact

- 24,161 villagers benefited from the initiative
- 136 RCC benches installed across multiple villages
- Improved availability of seating in public and community spaces
- Enhanced comfort for residents, especially in high-footfall areas
- Strengthened usability of shared infrastructure across locations



Outcome

- Improved convenience and accessibility in public spaces
- Better support for community interactions and daily activities
- Durable infrastructure ensuring long-term usability
- Enhanced functionality of village-level amenities

Beauty Therapist Training for Women's Empowerment

Overview

A Beauty Therapist Training program was implemented for women from Umalla and Vaghpura Gram Panchayats to support skill development and livelihood opportunities. The initiative involved structured training in beauty and wellness services over a defined period, along with the provision of beauty parlour kits to enable participants to apply their skills. The program focused on enhancing employability and supporting income-generating opportunities.

₹5.19 Lacs
of Total Expenses

Impact

- 55 women benefited from the training program
- Improved access to vocational skill development in beauty and wellness
- All participants successfully completed training and received certification
- Provided with beauty parlour kits to support practical application of skills
- Enhanced readiness for wage employment and self-employment opportunities



Outcome

- Improved employability and skill base among participants
- Increased opportunities for income generation through self-employment
- Better utilisation of acquired skills in local communities
- Contribution toward livelihood enhancement at the household level

Road Construction in a Village

Overview

Financial support was provided to Raisingpura Gram Panchayat for the construction of a P.C.C. road measuring 356 meters in length and 4 meters in width in Raisingpura village. The initiative focused on strengthening local infrastructure by improving road connectivity, which serves as a key access route for villagers and supports daily transportation and agricultural activities.

Impact

- ① Approximately 3,000 villagers benefited
- ① Improved road connectivity within the village
- ① Enhanced transportation of agricultural produce and daily essentials
- ① Safer and smoother movement for pedestrians and vehicles

₹ **10.04** Lacs
of Total Expenses

Outcome

- ① Improved year-round usability of the village road
- ① Better ease of movement for farming and livelihood activities
- ① Reduced challenges related to poor road conditions
- ① Enhanced connectivity supporting daily community needs
- ① Contribution toward improved village-level infrastructure and accessibility



Environment Sustainability & Ecological Balance

Overview

A plantation development initiative was undertaken in open areas under the Pimpri Chinchwad Municipal Corporation (PCMC), Pune, to enhance green cover and improve the urban environment. The project focused on creating green spaces that support better air quality and contribute to environmental balance in the surrounding area.

Impact

- ① Approximately 1,000 individuals benefited
- ① Increased green cover in designated open areas
- ① Improved local environmental conditions and air quality
- ① Development of green spaces within urban surroundings
- ① Supported sustainable use of available land

₹ **6.00** Lacs
of Total Expenses

Outcome

- ① Contribution toward environmental sustainability and ecological balance
- ① Creation of greener and more usable community spaces
- ① Improved overall environmental conditions in the area
- ① Support to long-term urban environmental management
- ① Enhanced quality of surrounding living environment





Strengthening Customer Relationships

Our customer engagement approach centers on building long-term partnerships and delivering solutions that evolve with changing customer needs and expectations. We prioritise proactive collaboration and maintain regular interactions with dealers and end users to gain deeper insights and consistently provide value-driven solutions.

Grievance Redressal and Data Privacy

We have established a comprehensive grievance redressal mechanism across all key product segments, including NFY, Nylon Tyre Cord, Greige Fabric and fabric, and dipped fabrics. This ensures timely and transparent resolution of customer issues. We also maintain strict data privacy standards to safeguard customer information, and we are pleased to report that no data privacy complaints were received during the year.

Customised Labeling and Sustainable Practices

We emphasise clear and customised product labeling to support informed customer decision-making, especially for tailored offerings. An automated labeling system enhances efficiency and minimises manual errors, ensuring consistency and accuracy. As part of our sustainability efforts, we have developed eco-friendly green polymer chips from recycled caprolactam waste, packaged distinctly to highlight their environmental benefits. This standardised approach reinforces transparency and reliability, with no reported concerns regarding product information or labeling accuracy.

Quality Products and Responsive Services

We strive to enhance customer experience by delivering high-quality products supported by responsive services across multiple touchpoints. These include personal visits, participation in exhibitions and trade fairs, and targeted communications to keep customers informed about new offerings. To monitor satisfaction and identify improvement areas, we conduct biannual surveys assessing key parameters such as product quality, pricing, availability, and after-sales service.

Circular Economy and Product Safety Compliance

Our operations are increasingly aligned with circular economy principles, particularly in material management. During the reporting period, we achieved zero instances of non-compliance related to product health and safety, reflecting our strong commitment to accountability and customer well-being. Our technical sales teams regularly engage with customers to gather feedback, address quality concerns promptly, and share insights with production teams to drive continuous improvement.

Building a Responsible and Resilient Supply Chain

CEL is dedicated to integrating sustainability across all aspects of its supply chain operations. We actively collaborate with suppliers who align with our sustainability values, while conducting periodic risk assessments, providing training and capacity-building support, and fostering transparent engagement with stakeholders. Key performance indicators such as carbon footprint, water usage, waste generation, and overall supply chain transparency are continuously monitored to drive improvement.

With a supplier network comprising approximately 658 partners including providers of chemicals, fuel, and packaging materials we apply rigorous ESG criteria during vendor selection and onboarding. Critical suppliers are regularly evaluated against globally recognised standards, including ISO certifications. In addition, we are developing a structured action plan to proactively identify and mitigate environmental risks throughout our value chain.

Our initiatives also include incorporating plastic recycling into supply chain processes and carrying out biannual supplier reviews and audits to assess performance on quality, timeliness, and responsiveness. We are further strengthening supply chain resilience by increasing domestic sourcing and reducing reliance on international markets.

Looking ahead, we aim to expand supplier engagement efforts, implement advanced risk assessment tools, and enhance transparency and accountability in disclosures. These steps reflect our commitment to building a supply chain that not only ensures business continuity but also delivers positive outcomes for people and the environment.





Human CAPITAL

3 GOOD HEALTH
AND WELL-BEING



4 QUALITY
EDUCATION



5 GENDER
EQUALITY



6 CLEAN WATER
AND SANITATION



8 DECENT WORK AND
ECONOMIC GROWTH



10 REDUCED
INEQUALITIES



At CEL, we are committed to nurturing our workforce while prioritising the health, safety, and overall well-being of our employees. With a team of over 3,198 individuals, we continue to drive innovation and advance our sustainability goals. We also focus on building an inclusive, engaging, and growth-oriented workplace that empowers our people to perform at their best. Our vision is to create a lasting legacy of value with our people at the core of a forward-looking and sustainable strategy. By investing in talent development, fostering a culture of collaboration, and promoting continuous learning, we aim to build a resilient organisation capable of long-term success.



Highlights for the Year

3,198

Total Workforce

72

New Employee Hires

1,02,135.7

Total Hours of Training Conducted

95.2 Hours

Average Safety Training Hours per Employee

0.31

LTIFR

Key Focus Area:

- ① Nurturing Our Workforce
- ① CEL's Commitment to Diversity and Inclusion
- ① Employee Well-being and Development
- ① Driving Ethical Practices and Respect for Human Rights
- ① Commitment to a Safe and Inclusive Workplace

Interlinkage with Other Capitals



Financial Capital



Social & Relationship Capital



Intellectual Capital

Relevant Material Topics



Occupational Health & Safety



Employee and Labor Management

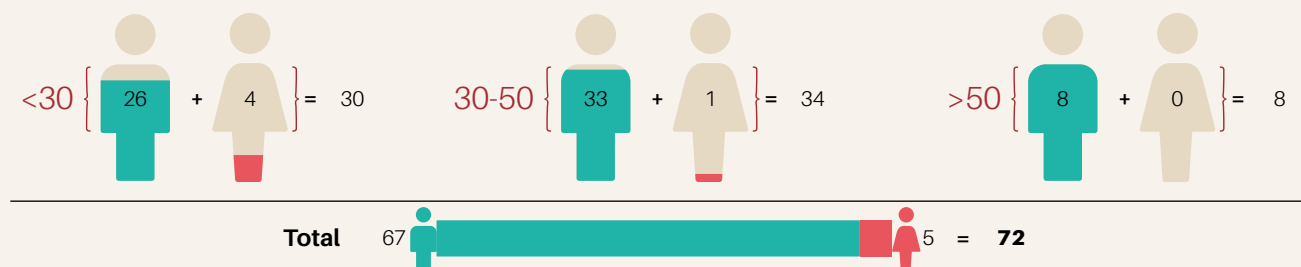
Nurturing Our Workforce

Guided by a philosophy of participative management, CEL promotes open dialogue and collaboration between leadership and employees, fostering a strong culture of teamwork that defines the organisation. By placing emphasis on employee well-being, development, and inclusivity, the Company continues to invest in its people, recognising that their success is integral to overall organisational growth.

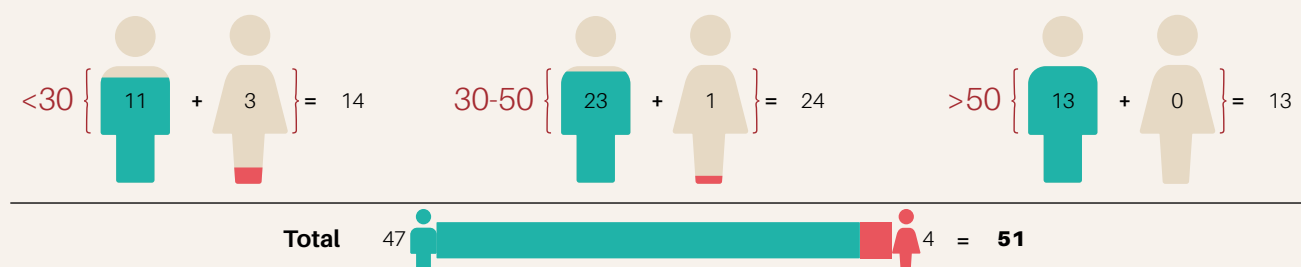
Through a consistent focus on collaboration, shared decision-making, and community engagement, CEL is creating long-term value while strengthening its position as a leader in the industry.

Overview of Our Workforce

Total Employee Hire



Total Employee Turnover



CEL's Commitment to Diversity and Inclusion

At CEL, diversity and inclusion are fundamental to our culture and success. A workforce enriched by varied backgrounds, experiences, and perspectives fosters innovation, enhances organisational capabilities, and drives business growth. We embrace fairness and equal opportunities for all, regardless of age, religion, gender, race, disability, or any other characteristic. Our recruitment process is designed to uphold unbiased hiring practices, ensuring every candidate has an equitable chance.

By actively supporting local hiring initiatives and seeking diverse talent, we create opportunities for underrepresented groups. Through targeted development programs, we promote skill upgradation, refinement and knowledge building among employees, thereby fostering an inclusive and empowering environment.

At CEL, we believe that equitable remuneration is fundamental to employee well-being and long-term value creation. During the reporting period, we conducted a Living Wage Assessment across our locations (Pune and Bharuch) to evaluate the alignment of employee remuneration with

recognised living wage benchmarks. The assessment involved a detailed review of compensation structures, consultation with key business functions, identification of location-specific living wage benchmarks, and analysis of eligible payroll data. By comparing actual remuneration against applicable benchmarks, we identified areas of good practice as well as opportunities for further enhancement. The insights generated through this exercise will support our ongoing efforts to strengthen fair wage practices, promote employee welfare, and advance our broader ESG commitments.

Workforce Diversity

Category	Employment Type	Total	Male (No.)	Male (%)	Female (No.)	Female (%)
Employees	Permanent	488	467	96%	21	4%
Employees	Other than Permanent	8	7	88%	1	12%
Employees Total	Permanent + Other than Permanent	496	474	96%	22	4%
Workers	Permanent	969	969	100%	0	0%
Workers	Other than Permanent	1,733	1,696	98%	37	2%
Workers Total	Permanent + Other than Permanent	2,702	2,665	99%	37	1%
Differently Abled Employees	Permanent	0	0	0%	0	0%
Differently Abled Employees	Other than Permanent	0	0	0%	0	0%
Differently	Permanent + Other than Permanent	0	0	0%	0	0%
Differently Abled Workers	Permanent	3	3	100%	0	0%
Differently Abled Workers	Other than Permanent	3	3	100%	0	0%
Differently Abled Workers Total	Permanent + Other than Permanent	6	6	100%	0	0%

'Gain Within, Give Beyond'

This International Women's Day, aligned with the theme 'Give To Gain,' the Pune unit moved beyond traditional celebrations to focus on meaningful engagement. A Vision Board Workshop titled 'Gain Within, Give Beyond' was organised exclusively for women employees, providing a safe and reflective space to reconnect



with personal aspirations and goals. Through guided activities and creative expression, participants visualised their journeys and explored what true growth means to them. The initiative fostered self-awareness, inspiration, and a stronger sense of community, reinforcing the idea that when individuals grow within, they are better empowered to give beyond.

Employee Well-being and Development

Guided by our 'Built on Trust. Driven by Excellence' philosophy, we have established comprehensive skill enhancement initiatives that offer diverse learning opportunities and support continuous employee development.

Regular performance evaluations and career development discussions help employees stay aligned with their professional goals. In FY 2025-26, 99% of our workforce received

structured feedback, providing clarity on growth pathways and encouraging future aspirations.

As part of our commitment to continuous learning, CEL invests significantly in employee training, delivering substantial training hours each year to equip our workforce with the capabilities needed to grow and succeed.

Average Hours of Training

209.30

Employees (Permanent)

18.8

Workers (Permanent)

Skill Upgradation Training

Particulars	2025-26			2024-25		
	Total Number of Employees/Workers	Number of Employees/Workers Covered	Percentage of Employees/Workers Covered	Total Number of Employees/Workers	Number of Employees/Workers Covered	Percentage of Employees/Workers Covered
Employees						
Male	467	467	100%	463	454	98%
Female	21	21	100%	21	21	100%
Total	488	488	100%	484	475	98%
Workers						
Male	2,665	489	18.3%	2,635	1,017	38%
Female	37	0	0	28	Nil	Nil
Total	2,702	489	18.09%	2,663	1,017	30%

At CEL, employee well-being remains a key priority. Our comprehensive Employee Wellbeing Policy is designed to ensure that every individual feels valued, supported, and motivated in the workplace.

Recognising the impact of stress on productivity, we have introduced focused stress-management initiatives, including workshops that provide employees with

practical tools to manage workplace pressures effectively. We also promote physical well-being through gym facilities at residential colonies, regular yoga sessions, and wellness activities that encourage an active and healthy lifestyle.

In line with our commitment to inclusivity and accessibility, we have developed disability-friendly infrastructure across our

facilities. These include features such as non-slip flooring, wider doorways, wheelchair-accessible pathways, grab bars, and specially designed toilets and sinks, ensuring a safe and comfortable environment for all employees.

Mental well-being remains a core focus of our approach. Through the Making Individuals and Teams Resilient (MITR) training program, we support mental health and resilience-building. In partnership with MPower, an organisation dedicated to mental health awareness, we create a confidential and inclusive space for employees to seek guidance and engage in open discussions.

Percentage of Employees Covered by

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)
Male	467	467	100%	467	100%	0	0%
Female	21	21	100%	21	100%	21	100%
Total	488	488	100%	488	100%	21	100%

Percentage of Permanent Workers Covered by

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)
Male	969	969	100%	969	100%	0	0
Female	0	0	0	0	0	0	0
Total	969	969	100%	969	100%	0	0

Next Move Policy

Our Next Move Policy continues to make a meaningful impact across the Pune and Bharuch units, empowering employees to take charge of their career journeys like never before. By opening doors to internal opportunities, the policy has enabled employees to explore new roles, expand their skillsets, and embrace fresh challenges, all within the organisation. These seamless transitions have not only created learning-rich experiences but have also strengthened our ability to effectively leverage internal talent.

More than just a policy, it has become a platform for growth, confidence, and career progression, reinforcing a culture where employees feel encouraged to step forward and evolve. At its core, the initiative reminds us that career growth doesn't always mean looking outside. Sometimes the most impactful opportunities are right within. Because moving forward internally is just as powerful as moving ahead.



Retirement Benefits for a Secure Future

We prioritise the long-term well-being of our employees by offering a comprehensive retirement benefits package that ensures financial security and peace of mind beyond their years of service.

A key element of this package is the gratuity plan, governed by the Payment of Gratuity Act,

1972. Employees who complete five years of service receive benefits based on their tenure and salary at retirement, with regular reviews ensuring fairness and adequacy.

Additionally, our contributions to the provident fund, help employees build a solid financial foundation for their future.

To further safeguard their health and well-being, our Employee State Insurance (ESI) scheme provides medical benefits and financial assistance, ensuring support during critical times.

Details of Retirement Benefit Plans (Permanent Workforce)

Benefits	2025-26			2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	1.43	4.02	Yes	2.33	2.46	Yes

Learning and Development

At CEL, we cultivate talent through personalised development programs and growth opportunities, combining training, digital learning, coaching, and workshops. Focusing on safety, technical skills, and managerial competencies, we prepare our workforce to excel and drive innovation in a dynamic environment.

Century Group, part of the Aditya Birla Group, launched the Learning Fest – Embrace the Future initiative to foster a culture of continuous learning, capability building, and future readiness across the organisation.

The program was designed to equip employees with critical skills required in a rapidly evolving business environment, including digital transformation, data analytics, risk management, macroeconomic awareness, growth mindset, authentic leadership, and ecosystem influence. Led by dedicated learning champions, the initiative encouraged cross-functional collaboration and enabled employees to enhance their professional capabilities through structured and engaging learning interventions.

The initiative also integrated innovation, sustainability, safety, and employee engagement through programs such as the

Learning Premier League, Best from Waste, Water Saving Campaign, and Suraksha Sarvapratham. These activities promoted practical application of learning while encouraging responsible resource use, workplace safety, creativity, and inclusive participation. The program culminated in a Learning Carnival, celebrating knowledge-sharing, employee contribution, and emerging talent across the organisation. Through this initiative, Century Group strengthened its human capital development approach and reinforced its commitment to building an agile, engaged, and future-ready workforce.

Employee Engagement Activities



ABG Value Session



Better Together – Employee Engagement



Engineer Day Celebration



Republic Day Celebration



Training



Vishwakarma Pooja Celebrations



Learning Fest 2025

Driving Ethical Practices and Respect for Human Rights

At CEL, we are committed to conducting our business with integrity, guided by our core philosophy of 'Leadership with Trust.' We place strong emphasis on maintaining a workplace that is fair, respectful, and aligned with global human rights standards. Our Human Rights Policy reinforces this commitment by strictly prohibiting any form of discrimination, harassment, child labor, or forced labor.

During the reporting period, we are pleased to highlight that no cases of indigenous rights violations were identified. We continue to uphold employees' rights to freedom of association and collective representation, supported through formal agreements for permanent and unionised contract workers at our Pune facility. Additionally, our Bharuch unit follows a structured performance evaluation framework to ensure transparent appraisals and support employee growth.

Through continuous efforts to build a culture of respect, equality, and opportunity, we aim to create a positive and empowering environment for all.

Stakeholders Whose Rights We Respect and Protect

We recognise that our business activities influence a diverse group of individuals. These key stakeholders, or rights-holders, include:

Employees and associates: All individuals working directly or indirectly for the organisation

Contractual staff: Workforce engaged via third-party service providers

Local communities: Populations residing in areas impacted by our operations

End users and clients: Individuals and organisations that utilise our offerings

Commitment to a Safe and Inclusive Workplace

CEL remains dedicated to fostering an environment that balances employee well-being with performance excellence. Our Human Rights Policy serves as a foundation to ensure that all individuals are treated with dignity, their rights are respected, and they are provided with a workplace that is safe, inclusive, and supportive.



Workplace Health, Safety, and Well-being Framework

At CEL, we prioritise the health and safety of our workforce and stakeholders through a robust Occupational Health and Safety framework. Our system is designed to identify potential risks early and implement preventive measures that protect employees, contractors, visitors, and surrounding communities. To ensure continuous improvement, we undertake periodic internal reviews and independent external audits.

We emphasise employee well-being through round-the-clock medical facilities, offering primary healthcare, preventive services, vaccinations, and emergency support. These in-house services are closely linked with external specialists and hospitals for advanced treatment when required. Regular health assessments, including pre-employment screenings and ongoing medical checkups, help us monitor and support long-term employee health.

Through strategic collaborations with healthcare providers, employees and their eligible family members benefit from outpatient care, diagnostic services, and radiology support. Additionally, comprehensive insurance coverage spanning health, accident, and life protection ensures financial resilience in unexpected situations.

To maintain hygienic work environments, CEL has established a Water, Sanitation, and Hygiene (WASH) Committee, which oversees access to clean water, sanitation standards, and hygiene practices. Employees actively contribute to these initiatives, driving continuous improvements.

We also adopt a proactive approach to workplace hazards through Hazard Identification and Risk Assessment (HIRA) and continuous monitoring of environmental conditions such as noise, dust, lighting, and fumes. Specialised health checks, including audiometry tests for high-noise work areas, further safeguard employee well-being.

Strengthening Capability through Training and Process Safety Initiatives

Initiative

A comprehensive Gap Analysis exercise was conducted to assess current practices against required benchmarks. The review provided valuable insights into existing processes and highlighted critical areas for improvement, particularly in quality excellence, traceability, and operational consistency.

In parallel, a Process Safety Management (PSM) training program was implemented, bringing together cross-functional teams to build a deeper understanding of process hazards and risk management frameworks.

Execution

The initiatives included:

- ① A structured evaluation of systems and processes to identify gaps and opportunities for improvement
- ① Detailed sessions on key PSM elements such as hazard identification, risk assessment, mechanical integrity, and management of change
- ① Use of real-world case studies and interactive discussions to drive practical understanding
- ① Emphasis on embedding operational discipline and proactive safety practices into everyday workflows

Key Takeaway

These initiatives reflect a strong commitment to building safe, reliable, and sustainable operations. By investing in structured training and continuous improvement, the organisation is fostering a culture of vigilance, accountability, and operational excellence across its manufacturing units.



Background

As part of its continued commitment to operational excellence and a zero-harm culture, focused capability-building initiatives were undertaken across the Pune and Bharuch units. These initiatives aimed to enhance process robustness, strengthen safety governance, and align operations with best-in-class standards.

Impact

- ❶ Enhanced clarity on improvement areas, enabling targeted action and process strengthening
- ❷ Improved awareness and capability in process hazard management and risk mitigation
- ❸ Strengthened focus on early warning signals, incident learning, and accountability-driven behaviors
- ❹ Reinforcement of a resilient safety culture, where safety is embraced as a shared organisational value rather than a compliance requirement

Embedding a Culture of Safety Excellence

Ensuring a secure work environment is fundamental to CEL's operations. Our safety governance is led by structured committees, including the Plant-Level Safety Committee and the Apex Safety Committee, which oversee the implementation of our ISO 45001:2018-certified safety management system across all facilities.

Our long-term vision of achieving

'Zero Harm'

is guided by key focus areas:

- | | |
|--|---|
| ❶ Strengthening safety ownership and leadership across all organisational levels | ❶ Promoting safe driving and transportation practices |
| ❷ Enhancing safety practices for contractors | ❷ Advancing process safety protocols |
| ❸ Improving systems for hazard detection and risk reduction | ❸ Reinforcing occupational health and workplace hygiene standards |

Recognising the importance of digital transformation, CEL integrates technology-driven solutions into safety management. Employees contributing to safety excellence are recognised through both financial and non-financial rewards, supporting our ambition to achieve Zero Harm.

A key digital initiative, the SURAKSHA platform, has been deployed at our Bharuch and Pune sites. This system allows employees to report and track incidents such as near-misses, unsafe conditions, and environmental concerns, while providing real-time insights and analytics for improved decision-making.



Key Safety Programs and Practices

CEL has implemented a wide range of initiatives to strengthen workplace safety and engagement:

- Systematic investigation of incidents using Root Cause Analysis (RCA) techniques
- Regular internal cross-functional audits and independent third-party assessments
- Comprehensive emergency preparedness and response planning
- Implementation of structured safety protocols like Permit-to-Work (PTW), Lockout-Tagout (LOTO), and Daily Toolbox Talks (DTT)
- Digital reporting mechanisms for unsafe acts, near-misses, and observations
- Employee-driven programs such as Safety Suggestion Schemes and awareness campaigns conducted throughout the year
- Observance of key events including National Safety Week, Road Safety Week, Fire Service Day, No Tobacco Day, and Chemical Safety Day
- Continuous awareness through safety bulletins, case studies, and multilingual communication materials
- Ensuring visitor safety through induction sessions, guidance materials, and mandatory PPE usage
- Integration of safety performance into the annual employee evaluation process

Commitment to a Safe and Healthy Future

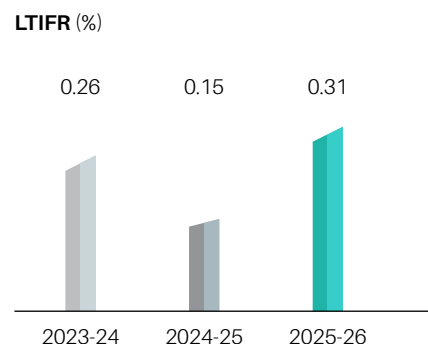
Through a comprehensive and proactive approach, CEL continues to strengthen its safety culture by combining people, processes, and technology. Our goal is to create a workplace that not only prioritises safety but also promotes health, resilience, and overall well-being for every individual associated with our operations.

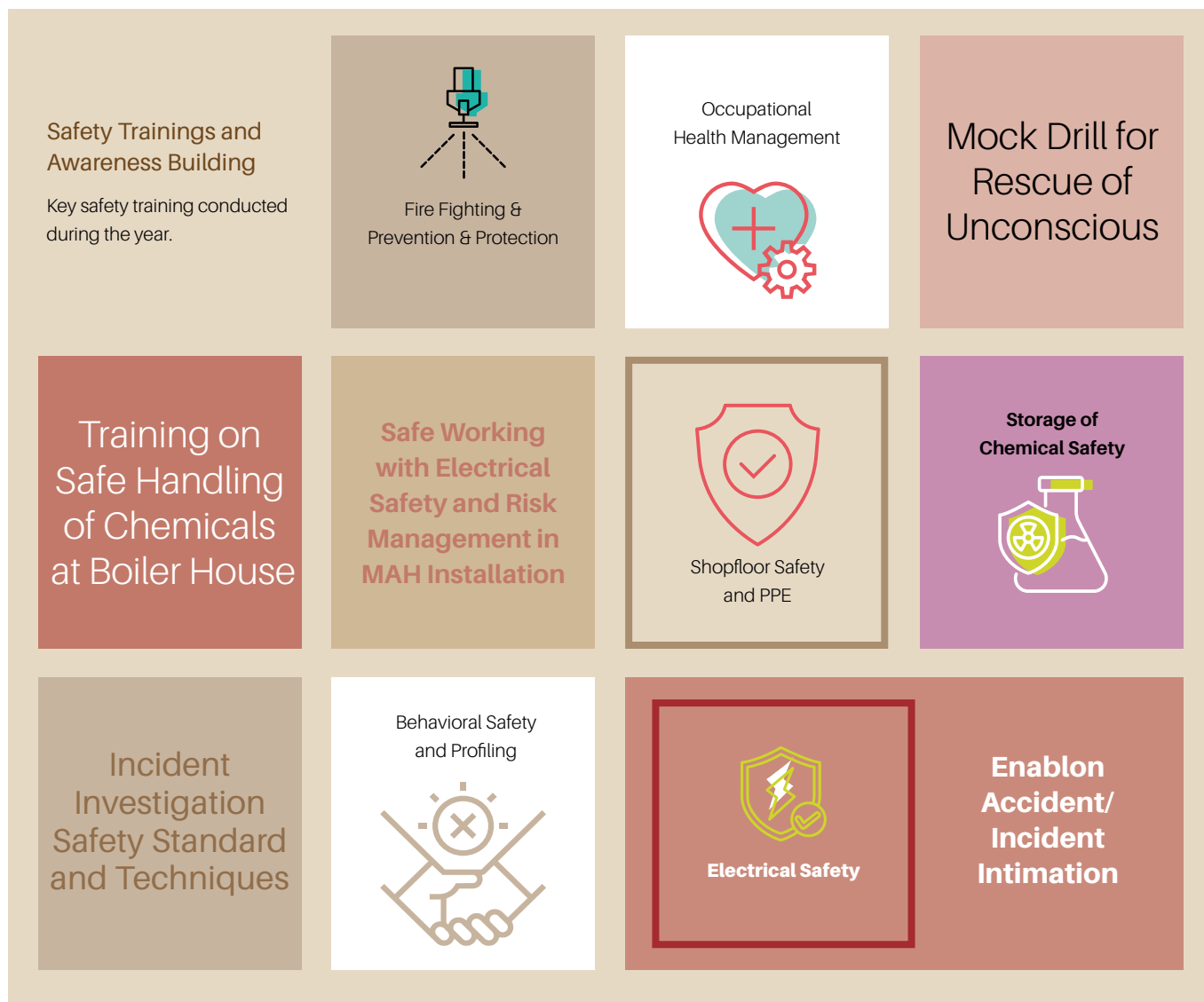
Executive Oversight on Health & Safety



Occupational Health & Safety

Particulars	Category	Units	2025-26	2024-25	2023-24
Fatalities	Employees	Number	Nil	Nil	Nil
	Workers	Number	Nil	Nil	Nil
LTI	Employees	Number	Nil	Nil	0
	Workers	Number	1	1	2
Occupational Diseases	All	Number	Nil	Nil	Nil
Fatality Rate	Employees	Rate	Nil	Nil	Nil
	Workers	Rate	Nil	Nil	Nil
LTIFR	Employees	Rate	Nil	Nil	0
	Workers	Rate	0.31	0.15	0.26
Occupational Diseases Rate	All	Rate	Nil	Nil	Nil
Total Man-hours Worked	Employees	Hours	10,68,684	13,95,902	10,14,949
	Workers	Hours	32,78,215	64,68,761	65,13,030





At CEL, safety is a collective priority supported by a well-defined committee structure. Operational safety practices are managed by the Departmental Safety Committee, ensuring implementation at the ground level, while the Central Safety Committee, comprising equal representation from management and workers, provides strategic direction and oversight for safety initiatives across the organisation.

To strengthen safety awareness across all touchpoints, CEL provides a wide range of resources, including safety handbooks, health advisories, fire prevention protocols, and general workplace safety guidelines for employees, contractors, and visitors. To ensure inclusivity and accessibility, the Occupational Health Prevention Guide

is made available in multiple languages, including English, Hindi, Gujarati, and Marathi.

We actively encourage open dialogue with employees, incorporating their feedback and concerns into our ongoing risk assessment and mitigation strategies, ensuring that safety practices remain practical and effective. Employees and workers are integral to maintaining a safe work environment. They actively participate in key risk assessment processes such as Hazard Identification and Risk Assessment (HIRA), Job Safety Analysis (JSA), and Hazard and Operability Studies (HAZOP). Their involvement helps in identifying potential hazards, strengthening preventive controls, and improving overall operational safety.

Additionally, employees contribute to incident investigations, root cause analysis, and safety planning, while also engaging in committee activities and safety-focused competitions that reinforce awareness and accountability.

CEL places strong emphasis on building safety competence through structured training programs across all levels of the organisation. These programs cover a wide spectrum of topics, including:

- ① Electrical and mechanical safety
- ① Chemical and process safety
- ① Shopfloor and behavioral safety practices
- ① Emergency response preparedness

Regular fire safety training sessions, firefighting drills, and mock emergency exercises are conducted to ensure readiness in critical situations. These efforts equip employees with the necessary knowledge

and skills to identify risks early and take proactive measures to prevent incidents.

By combining employee participation, continuous learning, and structured governance, CEL continues to strengthen

a workplace culture where safety is embedded in everyday operations. This proactive approach ensures that all individuals are aware, responsible, and empowered to contribute to a safe and secure working environment.



National Road Safety Week Training



Electricity Safety Campaign



National Safety Week Celebrations

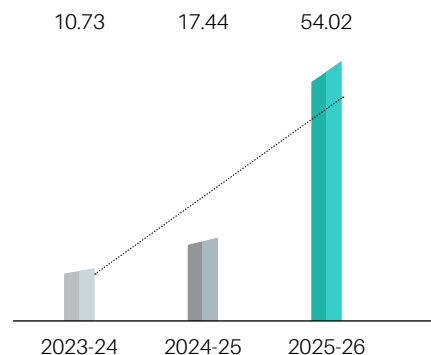


National Fire Safety Day Celebration



Fire Safety Day

Average Safety Training Hours





Hazard Identification & Risk Assessment

At CEL, we adopt a structured and forward-looking approach to identifying and managing workplace risks. Regular site inspections and risk evaluation exercises are conducted to ensure potential hazards are recognised and addressed in a timely manner. These include systematic processes such as safety audits, Job Safety Analysis (JSA), and comprehensive risk assessments,

which enable us to evaluate operational risks across activities.

In addition to periodic evaluations, we carry out daily safety observations and sampling exercises to detect unsafe behaviors and workplace conditions. This continuous monitoring helps reinforce a culture of vigilance and early intervention.

Our risk identification processes have highlighted a range of key workplace hazards

associated with day-to-day operations. These include risks linked to chemical exposure, excessive noise, machinery operation, ergonomic factors, and electrical systems. Each of these categories is carefully assessed and managed through targeted controls and preventive measures.

A detailed categorisation of these identified hazards is presented below.

Identified Occupational Hazards

1

Physical Hazards

These include general physical hazards like noise, bad smell, and cold, among others, and particulate contaminate hazards which includes dust, fumes, and aerosol, among others.

2

Ergonomic Hazards

These hazards happen because of improper workstation design, heavy manual lifting and from poorly designed tools and equipments.

Chemical Hazards

These hazards occur due to carcinogenicity, mutagenicity, toxicity, corrosiveness and chemical burns, sensitisers to skin or other organs.

3

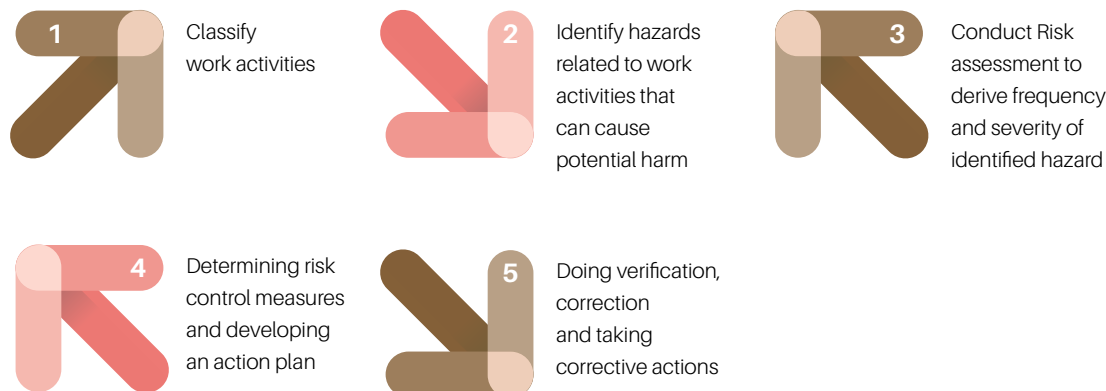
Biological Hazards

These hazards include health issues happening due to virus, bacteria, pathogenic microorganism, fungus & biomedical waste.

4

Hazard Identification Process

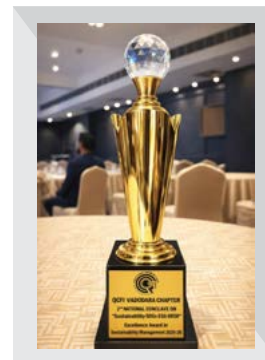
The HIRA sheet lists all work activities, both routine and non-routine, and based on the risk rating, appropriate control mechanisms are put in place. We have a step-by-step method for determining risk:



We have implemented safety engineering controls, acoustic barriers, sound absorbers, and fall arresters in all areas where work is done at a higher level, and 100% of our plants and offices have been assessed by entity itself.



Awards



Future Outlook Snapshot

Century Enka's Strategic Alignment with National Priorities

Century Enka Limited (CEL) plays an important role in contributing to India's growth story by aligning its strategy with the nation's vision of 'Viksit Bharat' by 2047. The Integrated Annual Report for FY 2025-26 highlights CEL's commitment to strengthening India's manufacturing ecosystem, advancing sustainability practices, and fostering long-term, value-driven growth.

Our approach is guided by three core pillars: People, Planet, and Profit, through which we integrate macroeconomic trends, industry dynamics, and national priorities into our business strategy.

People: Empowering Workforce and Communities

India's manufacturing sector continues to play a key role in generating employment and driving inclusive economic growth. At CEL, we remain committed to building a skilled, inclusive, and future-ready workforce, with a total employee base of 3,139 and a continued focus on improving diversity and inclusion across the organisation. Through structured learning and development initiatives, we aim to strengthen technical capabilities, enhance productivity, and bridge skill gaps across our operations. Safety remains a core priority, reflected in our robust occupational health and safety practices, coupled with continuous monitoring and training to ensure a safe working environment. Our corporate social responsibility (CSR) initiatives have positively impacted approximately 48,669 beneficiaries across multiple communities, with a focus on education, healthcare, livelihood development, and community infrastructure. By investing in human capital and community well-being, we continue to support India's broader socio-economic development goals.

Planet: Advancing Sustainable Manufacturing Practices

India's increasing focus on sustainable industrial growth and resource efficiency presents both an opportunity and responsibility for manufacturing organisations. At CEL, we are committed to reducing our environmental footprint through responsible resource management, energy efficiency, and adoption of cleaner technologies. Our natural capital strategy focuses on optimising energy use, improving water efficiency, and enhancing waste management practices across our operations. During the reporting period, we achieved a reduction of 13.37% in emissions intensity and continued to increase the share of renewable energy in our overall energy mix. With India advancing its sustainability agenda, CEL's manufacturing practices and environmental initiatives contribute to building a more resilient and resource-efficient industrial ecosystem. Our efforts remain aligned with national priorities on climate action, circular economy, and sustainable consumption.

Profit: Driving Sustainable Growth and Operational Excellence

India's push toward strengthening domestic manufacturing and achieving Atmanirbharta has created significant opportunities for industries such as technical textiles and tyre reinforcement. In alignment with this momentum, CEL continues to strengthen its position across its core business segments. In FY 2025-26, our financial performance reflected steady progress, with revenue from operations of ₹1,70,541 Lacs and improved operational efficiencies supporting margin stability. Our focus on cost optimisation, product diversification, and capacity expansion particularly in high growth segments such as PTCF, positions us well to capture emerging opportunities. We continue to focus on innovation, digital transformation, and process optimisation to enhance productivity and competitiveness. By leveraging technological advancements and strengthening our operational capabilities, we aim to drive sustainable growth while delivering long-term value to our stakeholders.

Conclusion: A Catalyst for Change

Century Enka Limited remains committed to charting a growth trajectory that is sustainable at every level, while strengthening its position as a reliable leader in the synthetic yarn and reinforcement segment. Looking ahead, the Company will continue to focus on enhancing operational efficiency, optimising its product portfolio, and unlocking new growth avenues through capacity expansion and value-added offerings. Sustainability will remain central to its strategy, with continued emphasis on increasing renewable energy adoption, improving resource efficiency, and advancing its journey toward Net Zero commitments. In parallel, we will deepen our efforts in digital transformation, innovation, and stakeholder engagement to build a future-ready organisation. Backed by strong governance, prudent risk management, and a culture rooted in responsibility and continuous improvement, Century Enka Limited is well positioned to navigate evolving market dynamics and create long-term value for its stakeholders while contributing meaningfully to a more sustainable future.

GRI Content Index

Statement of use	Century Enka Limited has reported with reference to GRI Standards for the period 1 st April 2025 to 31 st March 2026
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	GRI Disclosure 2021	Reference Section	Page Number	Omission
GRI 2: General Disclosures	Organisational Profile			
	2-1	Organisational details	About Century Enka, BRSR	12
	2-2	Entities included in the organisation's sustainability reporting	About the Report - Scope and Boundary	4
	2-3	Reporting period, frequency, and contact point	About the Report - Reporting Period, BRSR	4
	2-4	Restatements of information	About the Report - Restatements	4
	2-5	External assurance	About the Report - External Assurance	4
	2-6	Activities, value chain and other business relationships	About Century Enka, Business Model	12, 24
	2-7	Employees	Human Capital - Nurturing Our Workforce, BRSR	82-83
	2-8	Workers who are not employees	Human Capital - Nurturing Our Workforce, BRSR	82-83
	2-9	Governance structure and composition	Introduction - Corporate Governance at CEL	18-21
	2-10	Nomination and selection of the highest governance body	Corporate Governance Report	139
	2-11	Chair of the highest governance body	Corporate Governance Report	134-135
	2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance Report	136
	2-13	Delegation of responsibility for managing impacts	Corporate Governance Report	135-136
	2-14	Role of the highest governance body in sustainability reporting	Leadership - Managing Director and CEO's Message	6-9
	2-15	Conflicts of interest	Corporate Governance Report, BRSR Principle 1	150, 177
	2-16	Communication of critical concerns	Corporate Governance Report	208-209
	2-17	Collective knowledge of the highest governance body	Corporate Governance Report	23
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance Report, Directors' Report	137
	2-19	Remuneration policies	Corporate Governance Report, Directors' Report	137
	2-20	Process to determine remuneration	Corporate Governance Report, Directors' Report	139
	2-21	Annual total compensation ratio	Directors' Report - Annexure III	259
	2-22	Statement on sustainable development strategy	Leadership - Managing Director and CEO's Message	6-9

GRI Standard		GRI Disclosure 2021	Reference Section	Page Number	Omission
	2-23	Policy commitments	BRSR - Section B	166	
	2-24	Embedding policy commitments	BRSR - Section B	166	
	2-25	Processes to remediate negative impacts	BRSR - Grievance Redressal Mechanism	161	
	2-26	Mechanisms for seeking advice and raising concerns	BRSR - Grievance Redressal Mechanism	161	
	2-27	Compliance with laws and regulations	BRSR Principle 1	177	
	2-28	Membership associations	BRSR Principle 5	200	
	2-29	Approach to stakeholder engagement	Stakeholder Engagement	36	
	2-30	Collective bargaining agreements	BRSR Principle 4	187	
GRI 201: Economic Performance					
GRI 3: Management of Material Topics	3-3	Management of material topics	Materiality Assessment	40-41	
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	Financial Capital - Economic Value Creation	44	
	201-3	Defined benefit plan obligations and other retirement plans	Human Capital - Employee Well-being	81-93	
GRI 203: Indirect Economic Impacts					
GRI 203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	Social & Relationship Capital - Rural Infrastructural Development	67-68	
	203-2	Significant indirect economic impacts	Social & Relationship Capital	65	
GRI 205: Anti-Corruption					
GRI 205: Anti-Corruption	205-1	Operations assessed for risks related to corruption	BRSR Principle 1	177	
	205-3	Confirmed incidents of corruption and actions taken	BRSR Principle 1	177	
GRI 301: Materials					
GRI 3: Management of Material Topics	3-3	Management of material topics	Natural Capital - Material management	58	
GRI 301: Materials	301-1	Materials used by weight or volume	Natural Capital - Material management	58	
	301-2	Recycled input materials used	Natural Capital - Material management	58	
	301-3	Reclaimed products and their packaging materials	BRSR	179	

GRI Standard		GRI Disclosure 2021	Reference Section	Page Number	Omission
GRI 302: Energy					
GRI 3: Management of Material Topics	3-3	Management of material topics	Natural Capital – Energy Management	57	
GRI 302: Energy	302-1	Energy consumption within the organisation	Natural Capital – Energy Management, BRSR Principle 6	58, 193	
	302-3	Energy intensity	Natural Capital, BRSR Principle 6	59-60, 193	
	302-4	Reduction of energy consumption	Natural Capital – Energy Management, BRSR Principle 6	58, 199	
GRI 303: Water					
GRI 3: Management of Material Topics	3-3	Management of material topics	Natural Capital – Water Management	62, 198	
GRI 303: Water & Effluents	303-1	Interactions with water as a shared resource	Natural Capital – Water Management, BRSR Principle 6	62, 198	
	303-2	Management of water discharge-related impacts	Natural Capital – Water Management, BRSR Principle 6	62, 198	
	303-3	Water withdrawal	Natural Capital – Water Management, BRSR Principle 6	62, 198	
	303-4	Water discharge	Natural Capital – Water Management, BRSR Principle 6	62, 198	
	303-5	Water consumption	Natural Capital – Water Management, BRSR Principle 6	62, 198	
GRI 304: Biodiversity					
GRI 3: Management of Material Topics	3-3	Management of material topics	Natural Capital – Supporting Biodiversity	62, 199	
GRI 304: Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Natural Capital – Supporting Biodiversity, BRSR Principle 6	62, 199	
	304-2	Significant impacts of activities, products, and services on biodiversity	Natural Capital – Biodiversity Management, BRSR Principle 6	62, 199	
GRI 305: Emissions					
GRI 3: Management of Material Topics	3-3	Management of material topics	Natural Capital – Emissions	61-62	
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emission	Natural Capital – Emissions, BRSR Principle 6	61-62, 195	
	305-2	Indirect (Scope 2) GHG emissions	Natural Capital – Emissions, BRSR Principle 6	61-62, 195	
	305-4	GHG emissions intensity	Natural Capital – Emissions, BRSR Principle 6	61-62, 195	
	305-5	Reduction of GHG emissions	Natural Capital – Emissions, BRSR Principle 6	58-60, 199	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), ODS and other	Natural Capital – Emissions, BRSR Principle 6	61-62, 195	



GRI Standard		GRI Disclosure 2021	Reference Section	Page Number	Omission
GRI 306: Effluents and Waste					
GRI 3: Management of Material Topics	3-3	Management of material topics	Natural Capital - Waste Management, BRSR Principle 6	63	
GRI 306: Effluents and Waste	306-1	Waste generation and significant waste-related impacts	Natural Capital - Waste Management, BRSR Principle 6	63, 196	
	306-2	Management of significant waste-related impacts	Natural Capital - Waste Management, BRSR Principle 6	63, 196	
	306-3	Waste generated	Natural Capital - Waste Management, BRSR Principle 6	63, 196	
	306-4	Waste diverted from disposal	Natural Capital - Waste Management, BRSR Principle 6	63, 196	
	306-5	Waste directed to disposal	Natural Capital - Waste Management, BRSR Principle 6	63, 196	
GRI 307: Environmental Compliance					
GRI 3: Management of Material Topics	3-3	Management of material topics	Natural Capital - Environmental Compliance	34	
GRI 307: Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	Natural Capital, BRSR Principle 6	34, 197	
GRI 401: Employment					
GRI 3: Management of Material Topics	3-3	Management of material topics	Human Capital	81	
GRI 401: Employment	401-1	New employee hires and employee turnover	Human Capital - Human Resource Management	82	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employee	Human Capital - Human Resource Management, Financial Capital - Economic Value Creation, BRSR Principle 3	82, 44, 181-182	
	401-3	Parental leave	BRSR Principle 3	181-182	
GRI 402: Labor/Management Relations					
GRI 402: Labor/Management Relations	402-1	Minimum notice period regarding operational changes	There is no official notice period available, but all our employees and workers are informed about the implementation of operational changes sufficiently in advance		
GRI 403: Occupational Health & Safety					
GRI 3: Management of Material Topics	3-3	Management of material topics	Human Capital - Health & Safety	88	

GRI Standard	GRI Disclosure 2021	Reference Section	Page Number	Omission
GRI 403: Occupational Health & Safety	403-1 Occupational health and safety management system	Human Capital – Occupational Health & Safety Management, Employee Well-being, BRSR	88-93, 184-186	
	403-2 Hazard identification, risk assessment, and incident investigation	Human Capital – Hazard Identification and Risk Assessment, BRSR	88-93, 184-186	
	403-3 Occupational health services	Human Capital – Occupational Health & Safety Management, BRSR	88-93, 184-186	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Human Capital – Occupational Health & Safety	88-93, 184-186	
	403-5 Worker training on occupational health and safety	Human Capital – Safety Training, BRSR Principle 3	88-93, 184-186	
	403-6 Promotion of worker health	Human Capital – Employee Well-being, BRSR Principle 3	83, 184-186	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital – Health & Safety	88-93	
	403-8 Workers covered by an occupational health and safety	Human Capital – Health & Safety, BRSR Principle 3	88-93, 184-186	
	403-9 Work-related injuries	Human Capital – Occupational Health & Safety, BRSR report	88-93, 184-186	
GRI 404: Training & Education				
GRI 3: Management of Material Topics	3-3 Management of material topics	Human Capital – Learning and Development	86	
GRI 404: Training & Education	404-1 Average hours of training per year per employee	Human Capital – Learning and Development	86	
	404-2 Programmes for upgrading employee skills and transition assistance programs	Human Capital – Learning and Development, BRSR Principle 3	86, 183-184	
	404-3 Percentage of employees receiving regular performance and career development reviews	BRSR Principle 3	184	
GRI 405: Diversity and Equal Opportunity				
GRI 3: Management of Material Topics	3-3 Management of material topics	Human Capital – Diversity & Inclusion, BRSR	82	
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Human Capital – Diversity & Inclusion, BRSR Section A19	82, 160	
	405-2 Ratio of basic salary and remuneration of women to men	Average pay ratio of Women/Men = 0.89 (Excluding Board of Directors & KMP), BRSR Principle 5	290	
GRI 406: Non-discrimination				
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	Human Capital – Inclusion and Diversity, BRSR Principle 5	83, 192	



GRI Standard	GRI Disclosure 2021	Reference Section	Page Number	Omission
GRI 407: Freedom of Association & Collective Bargaining				
GRI 407: Freedom of Association & Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Capital – Upholding Our Commitment to Human Rights, BRSR Principle 5	87, 188, 200	
GRI 408: Child Labor				
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	Human & Social and Relationship Capital, BRSR Principle 5	70, 87, 191	
GRI 409: Forced or Compulsory labor				
GRI 409: Forced or Compulsory labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human & Social and Relationship Capital, BRSR Principle 5	70, 87, 191	
GRI 411: Rights of Indigenous people				
GRI 411: Rights of Indigenous people	411-1 Incidents of violations involving rights of indigenous peoples	Human Capital – Human Rights, BRSR Principle 5	87, 191	
GRI 413: Local Communities				
GRI 3: Management of Material Topics	3-3 Management of material topics	Social and Relationship Capital – Community initiatives and their impacts	67-78	
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	Social and Relationship Capital – Community initiatives and their impacts	67-78	
GRI 416: Customer Health and Safety				
GRI 3: Management of Material Topics	3-3 Management of material topics	Social and relationship capital – Building relationship with customers	79	
GRI 416: Customer Health and Safety	416-2 Incidents of non-compliance concerning the health and safety impacts of products and service	Social and Relationship Capital – Building relationship with customers, BRSR Principle 9	79, 203-204	
GRI 417: Marketing & Labelling				
GRI 417: Marketing & Labelling	417-1 Requirements for product and service information and labeling	Social and Relationship Capital – Building relationship with customers, BRSR Principle 9	79, 203-204	
	417-2 Incidents of non-compliance concerning product and service information and labeling	Social and Relationship Capital – Building relationship with customers, BRSR Principle 9	79, 203-204	
GRI 418: Customer Privacy				
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Social and Relationship Capital – Building relationship with customers, BRSR Principle 9	79, 203-204	

UNSDGs Index

UN Sustainable Development Goal	Overview	Report Section	Page Number
 3 GOOD HEALTH AND WELL-BEING	Good Health & Wellbeing Ensure healthy lives and promote well-being for all at all ages	 	65, 81
 4 QUALITY EDUCATION	Quality Education Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	 	67-72, 81
 5 GENDER EQUALITY	Gender Equality Achieve gender equality and empower all women and girls	 	65, 81
 6 CLEAN WATER AND SANITATION	Clean Water & Sanitation Ensure availability and sustainable management of water and sanitation for all	 	57, 65
 7 AFFORDABLE AND CLEAN ENERGY	Affordable & Clean Energy Ensure access to affordable, reliable, sustainable, and modern energy for all		57-63
 8 DECENT WORK AND ECONOMIC GROWTH	Decent Work & Economic Growth Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all	   	43, 47, 65, 81
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Industry, Innovation & Infrastructure Build resilient infrastructure, promote sustainable industrialisation, and foster innovation	  	47, 53, 65
 10 REDUCED INEQUALITIES	Reduced Inequalities Reduce inequality within and among countries	 	65, 81
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Responsible Production & Consumption Ensure sustainable consumption and production patterns	   	47, 53, 57, 65
 13 CLIMATE ACTION	Climate Action Urgent actions to combat climate change and its impacts		57-63
 15 LIFE ON LAND	Life on Land Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss		57-63

Financial Capital

Manufactured Capital

Human Capital

Social & Relationship Capital

Intellectual Capital

Natural Capital



Corporate Information

BOARD OF DIRECTORS

Mrs. Rajashree Birla
Chairperson

Mrs. Krupa R. Gandhi
Independent Director

Mr. Ashish Razdan
Independent Director

Mr. Ravindra Kastia
Independent Director

Mr. Jayant V. Dhobley
Non-Executive Director

Mr. Suresh Sodani
Managing Director and Chief
Executive Officer

KEY MANAGERIAL PERSONNEL

Mr. Yogesh Shah
Chief Financial Officer

Mr. Rahul Dubey
Vice President Legal and
Company Secretary

AUDITORS

Statutory Auditor
M/s. KKC & Associates LLP

Cost Auditor
M/s. Dhananjay V. Joshi &
Associates

Secretarial Auditor
M/s. Sanjay Sangani & Co.

REGISTERED OFFICE

Plot No- 72 & 72-A,
MIDC Bhosari,
Pune - 411026, Maharashtra
Tel. No.: 020-66127304
Email: cel.investor@adityabirla.com

SURAT OFFICE

D-519, 523 International Trade Center
Ring Road, Majura Gate, Surat,
Gujarat - 395 002
Tel. No.: 0261-2465032 / 33

FACTORIES

Unit-Pune, Plot No- 72 & 72-A,
MIDC Bhosari, Pune - 411026, Maharashtra
Tel. No. 020-66127300

Unit-Rajashree Polyfil, Rajashree Nagar,
Post: Umalla, District: Bharuch,
Gujarat - 393 120
Tel. No. 02645 - 208555

Unit-Mahad, Plot No. C-61, Part-A & B,
MIDC Area, Mahad, District: Raigad,
Maharashtra - 402 309

SHARE TRANSFER AGENT

MUFG Intime India Private Limited
(Formerly : Link Intime India Private Limited)
C-101, Embassy 247, L.B.S. Marg,
Vikhroli (West), Mumbai 400 083
Tel. No. (0) 810 811 6767
Email: investor.helpdesk@in.mpms.mufig.com

Directors' Report

For the Financial Year ended 31st March 2026

To
The Shareholders,
Century Enka Limited

"The Directors are pleased to present the 60th Annual Report, which also marks the Company's Integrated Report, along with the audited standalone and consolidated financial statements for the financial year ended 31st March 2026 (the 'period under review')."

FINANCIAL HIGHLIGHTS

₹/Lacs

Particulars	Standalone		Consolidated	
	FY 26	FY 25	FY 26	FY 25
Net Revenue from Operations	1,70,541	2,00,169	1,70,541	2,00,169
Profit before Depreciation, Finance Cost, Exceptional Items and Tax	18,969	15,208	18,969	15,208
Add/(Less):				
Depreciation	(5542)	(5497)	(5542)	(5497)
Finance Cost	(289)	(454)	(289)	(454)
Share in Loss of Associate (net of tax)	-	-	(85)	(63)
Taxation (Net)	(2783)	(2547)	(2783)	(2547)
Exceptional Items	(186)	-	(186)	-
Net Profit	10,169	6,710	10,084	6,647

SHARE CAPITAL

The Company's paid-up equity Share Capital remains at ₹2,185 lacs as on 31st March 2026. During the year, the Company has not issued any Securities.

DIVIDEND

In view of the Company's performance, the Board of Directors has recommended a dividend of 110% (i.e., ₹11 per equity share of face value ₹10 each) for the period under review, compared to a dividend of 100% (i.e., ₹10 per equity share) paid in the previous year. Pursuant to the amendments introduced by the Finance Act, 2020, under the Income Tax Act, 2025, dividends distributed by the Company are now taxable in the hands of shareholders at the applicable rates. Accordingly, the Company will deduct tax at source as per the prevailing tax laws.

UNPAID/UNCLAIMED DIVIDEND

Equity shares for which the dividend has remained unpaid or unclaimed for a consecutive period of seven years are required to be transferred to the Investor Education and Protection Fund (IEPF) Authority, in accordance with the timelines prescribed by the Ministry of Corporate Affairs (MCA), Government of India. The corresponding dividend amounts on such shares will also be transferred to the IEPF Authority. However, shareholders may claim both the equity shares and the associated dividends from the IEPF Authority by following the

procedure laid down under the Companies Act, 2013 and the rules framed thereunder.

The Company has already transferred the relevant equity shares along with the unclaimed dividend pertaining to the financial year ended 31st March 2018 to the IEPF Authority. In respect of the financial year ended 31st March 2019, the unclaimed dividend and corresponding equity shares will be transferred to the IEPF Authority after the conclusion of the Annual General Meeting, in compliance with the applicable statutory timelines.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company has formulated a Dividend Distribution Policy. The dividend recommended by the Board of Directors for the financial year under review is in accordance with the criteria outlined in this policy. The Dividend Distribution Policy is available on the Company's website and can be accessed at: <https://www.centuryenka.com/pdf/policies/dividend-distribution-policy.pdf>

TRANSFER TO GENERAL RESERVES

For the financial year ended 31st March 2026, the Board of Directors has decided not to transfer any amount to the General Reserves.

OVERVIEW AND THE STATE OF THE COMPANY'S AFFAIRS

Course of Business

On a standalone basis, the Company's net revenue from operations declined to ₹1,70,541 lacs for the financial year ended 31st March 2026, as compared to ₹2,00,169 lacs in the previous financial year. During the year under review, the decrease in revenue is primarily due to reduction in sales volume and raw material prices as compare to previous year. Profit before interest, depreciation, exceptional items and tax rose to ₹18,969 lacs, up from ₹15,208 lacs in the previous financial year. Net profit also increased to ₹10,169 lacs, compared to ₹6,710 lacs in the previous financial year. On a consolidated basis, the net profit for the year stood at ₹10,084 lacs as compared to ₹6,647 lacs in previous financial year.

Excise Duty Demand

The Customs, Excise and Service Tax Appellate Tribunal (CESTAT), vide its order dated 20th December 2019, in the Company's appeal against the order of the Commissioner of Central Excise, Raigad, upheld the denial of the benefit under Notification No. 6/2000-CE dated 1st March 2000. However, the Tribunal remanded the matter to the Commissioner with instructions to recompute the correct assessable value, allow eligible deductions, determine the applicable excise duty, and grant the appropriate CENVAT/MODVAT credit.

Subsequently, the Company filed an appeal before the Hon'ble Supreme Court of India on 22nd February 2020, challenging the portion of the Tribunal's order that upheld the denial of benefit under the said notification. The Hon'ble Supreme Court has tagged the matter with

**Directors' Report (Contd.)**

other similar appeals. An application for a stay on the recovery of interest and penalty has also been filed that may arise out of denial of benefit under the said notification.

Pursuant to the directions of the Tribunal, the Commissioner passed a revised order dated 8th September 2020, in which the recomputed excise duty demand was reduced to ₹7.30 crores (as against the original demand of ₹229.27 crores), along with interest and an equivalent amount of penalty. The Department of Central Excise has challenged this revised order before the Appellate Tribunal on 22nd January 2021, citing non-adherence to procedural norms in the recomputation, including the grant of CENVAT/MODVAT credit and allowance of deductions.

Based on legal advice, the Company believes it has a reasonably strong case before the Hon'ble Supreme Court.

EXPANSION AND MODERNISATION

During the year, the Company initiated steps to increase capacity of Draw Texturizing Yarn (DTY), Mother Yarn and continued to focus on product customization and the development of value-added products to expand its product portfolio.

The Company invested towards modernisation of plants and energy conservation measures during the period under review. The Company also invested in ABREL Century Energy Limited to obtain power from the second phase of its Hybrid (Solar and Wind) Power Project. This investment was made pursuant to the requirement that a captive user must hold a minimum of twenty-six percent (26%) of the equity shares of the power producer to qualify as a Captive User under the provisions of the Electricity Act, 2003, read with the Electricity Rules, 2005.

Going forward, the Company plans to undertake further capital expenditure towards modernization initiatives, renewable energy generation, energy conservation measures, safety enhancements, and infrastructure development to improve operational efficiency and support sustainable growth.

CHANGE IN THE NATURE OF BUSINESS

During the period under review, there was no change in the nature of business or the overall state of affairs of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the Companies Act, 2013 ('the Act'), the Companies (Accounts) Rules, 2014, the Listing Regulations, and applicable Indian Accounting Standards (IND AS 110 – Consolidated Financial Statements and IND AS 28 – Investments in Associates and Joint Ventures), the audited consolidated financial statements form an integral part of this Annual Report.

REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company does not have any subsidiaries and Joint Venture Companies except an Associate Company.

ABREL Century Energy Limited is an Associate Company. In

accordance with the provisions of Section 129(3) of the Act, read with the Companies (Accounts) Rules, 2014, the performance and financial position of ABREL Century Energy Limited is as under:

Latest Audited Balance Sheet Date	20 th April 2026
Date on which the Associate or Joint Venture was associated or acquired	Consolidation since FY 2022-23
Number of shares held as on Balance Sheet date	88,47,800
Amount of Equity Investment	₹884.78 Lacs
Extent of Holding (%)	26%
Description of how there is significant influence	NA except 26% shareholding
Net Worth attributed to shareholding as per latest audited Balance Sheet	₹783.22 Lacs
Net Profit / (Loss) for the year	₹(325.29) Lacs
Considered in consolidation	₹(84.58) Lacs
Not considered in consolidation	Nil (26% consolidated)

ENVIRONMENT

The Company acknowledges the potential risks to the local ecology and environment arising from waste discharge and emissions and remains committed to managing these risks responsibly. During the year, consumption of water, fuel, and other natural resources remained within the limits prescribed by the State Pollution Control Board (SPCB). Wastewater, hazardous waste, and gaseous emissions generated from operations were treated in full compliance with applicable SPCB regulations.

The Company has established and continues to maintain a robust Environmental Management System certified to ISO 14001:2015, enabling the systematic identification, monitoring, and mitigation of environmental impacts. All manufacturing units consistently operated in full compliance with all applicable environmental laws and regulatory requirements throughout the year. In FY'26, the Company's commitment to environmental stewardship and resource conservation was further reinforced through several prestigious recognitions. The Bharuch site was conferred the CCI Water Excellence Award 2025, while the Pune site received the CII-ITC Award for Significant Achievement in Environment Management (Manufacturing sector) and "Waste to Wealth" Award in 8th ABG Sustainability conference in 2025. Additionally, the Bharuch site secured Gold Awards for its case study projects on Water Saving Initiatives and Rooftop Rainwater Harvesting Systems from QCFI Surat and was also honoured with the Excellence in Sustainability Management Award 2025-26 by QCFI, Vadodara Chapter.

Further details on Environment, Health & Safety (EHS) practices and performance are provided in the relevant section of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The information required under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings and Outgo, is provided in a separate statement annexed to this Report as Annexure-I, and forms an integral part thereof.

Directors' Report (Contd.)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the period under review, as required under Regulation 34 and Schedule V of the Listing Regulations, forms an integral part of this Annual Report. The report provides insights into the Company's performance, industry structure, risk management practices, and other relevant matters.

CORPORATE GOVERNANCE

The Board of Directors reiterates its steadfast commitment to maintaining robust Corporate Governance practices, which are deeply embedded in the Company's core values. The Company has duly complied with all applicable provisions pertaining to Corporate Governance. In line with Regulation 34 and Schedule V of the Listing Regulations, the Corporate Governance Report for the period under review is presented in a separate section and forms an integral part of this Annual Report.

POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION & OTHER RELATED MATTERS

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee has formulated a comprehensive Nomination, Remuneration and Succession Policy. The primary objective of this policy is to establish a framework for:

- identifying individuals who are qualified to become Directors, Key Managerial Personnel (KMP), and Senior Management;
- determining the qualifications, positive attributes, and independence criteria for Directors;
- formulating the remuneration structure for Directors, KMP, Senior Management, and other employees;
- evaluating the performance of the Board, its committees, and individual Directors, and recommending the remuneration, in any form, payable to senior management.

The Company's remuneration policy is aligned to market and designed to attract and retain high-calibre talent. It aligns with industry best practices emphasizes performance-based rewards and reviewed periodically based on measurable achievements.

The Policy is available on the Company's website and can be accessed at: <https://www.centuryenka.com/pdf/policies/nomination-remuneration-and-succession-policy.pdf>

Further, the details regarding remuneration and the criteria for payment to Executive and Non-Executive Directors are disclosed in the Corporate Governance Report, which forms an integral part of this Annual Report.

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES, AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act and the Listing Regulations, the Board of Directors has undertaken its annual performance evaluation,

encompassing an assessment of the Board as a whole, its Committees, the Chairperson, and individual Directors, including Independent, Non-Executive, and Executive Directors. The evaluation framework considers various parameters, such as participation in meetings and the strategic value added by Directors towards the Company's growth and performance.

The Nomination and Remuneration Committee, in coordination with the Board, has implemented a formalized and structured evaluation process. This includes the distribution of evaluation forms to all Directors for assessing the performance of the Board, its committees, and individual Directors across all categories.

Based on the feedback received, the Board noted with satisfaction the effective functioning of the Board and its Committees. It further recognized the meaningful contributions and active engagement of each Director in their respective roles, reflecting a high level of commitment and collective performance.

DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS

The Company has obtained necessary declarations from its Independent Directors affirming that they satisfy the criteria of independence as outlined under Section 149(6) of the Act, as well as Regulation 16(1)(b) and Regulation 25(8) of the Listing Regulations. Additionally, the Independent Directors have confirmed their compliance with Schedule IV of the Act and the Company's Code of Conduct.

The Board is of the view that there have been no changes in circumstances that would affect the independence status of any Independent Director. The Board is also satisfied with the integrity, expertise, and experience of all Independent Directors, including their proficiency as required under Section 150(1) of the Act and the applicable rules.

Furthermore, in accordance with Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors have registered their names in the Independent Directors' databank maintained by the Indian Institute of Corporate Affairs.

DIRECTORS' RESPONSIBILITY STATEMENT

The audited financial statements for the period under review are in compliance with the provisions of the Act and the applicable Accounting Standards. The financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present your Company's financial condition and results of operations. Pursuant to Section 134(3)(c) read with Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;



Directors' Report (Contd.)

- they had selected such accounting policies and applied them consistently and made judgments & estimates, which are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company, at the end of the financial year, and of the profit of the Company for that period;
- they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they had prepared the annual accounts on a going concern basis;
- they had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively; and
- they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment/Re-appointment of Directors & Key Managerial Personnel

There is no change in composition of the Board of Directors or Key Managerial Personnel during the period under review.

In accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of the Company, Mrs. Rajashree Birla (DIN:00022995), Director, is liable to retire by rotation at the forthcoming 60th Annual General Meeting (AGM) scheduled for Thursday, 20th August 2026. Being eligible, she has offered herself for reappointment. Further in terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, a special resolution would require to be passed for her reappointment as she has attained the age of 75 years. Brief profile of Mrs. Rajashree Birla forms part of the notice convening the AGM. The Board recommended her re-appointment in ensuing AGM.

Key Managerial Personnel

Following are the Key Managerial Personnel of the Company:

Mr. Suresh Sodani – Managing Director and Chief Executive Officer (MD & CEO)

Mr. Yogesh R. Shah – Chief Financial Officer (CFO)

Mr. Rahul Dubey – Vice President Legal & Company Secretary (CS)

Meetings of Board of Directors

During the period under review, 4 (four) Board meetings were convened, with the interval between each meeting adhering to the timelines prescribed under the Companies Act and the Listing Regulations.

Additionally, a separate meeting of the Independent Directors was held on 17th March 2026. The relevant details are provided in the Corporate Governance Report.

Details of Committees of Directors

The Company has constituted 6 (six) Board-level Committees in accordance with the applicable laws and regulatory requirements:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Share Transfer Committee

The composition and other relevant details of the aforementioned Committees are outlined in the Corporate Governance Report, which forms an integral part of this Annual Report. The Board has reviewed and accepted the recommendations and suggestions put forth by these Committees.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There were no related party transactions during the period under review that require disclosure under Section 134(3)(h) of the Companies Act, 2013, read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

LOANS, INVESTMENTS AND GUARANTEES BY THE COMPANY

The Company has not granted any loans or provided any guarantees or securities pursuant to the provisions of Section 186 of the Companies Act, 2013. During the year, the Company invested its surplus funds in Inter-Corporate Deposits and made investment in ABREL Century Energy Limited to qualify as a Captive User in accordance with the applicable provisions of the Electricity Act, 2003 and the Electricity Rules, 2005. The details of investments have been appropriately disclosed in the financial statements under Share Application Money.

INTERNAL FINANCIAL CONTROLS

The Company has established a robust internal control system that is commensurate with the scale and nature of its operations. These controls are periodically reviewed and updated to align with the evolving needs of the business. The Internal Auditor evaluates the effectiveness and adequacy of the Company's internal control framework, and ensures compliance with established operating systems, accounting procedures, and policies across all locations of the Company.

Based on the Internal Auditor's findings, process owners implement necessary corrective actions within their respective areas to enhance operational controls. Significant audit observations, along with the corresponding corrective measures, are regularly reported to and reviewed by the Audit Committee of the Board.

Directors' Report (Contd.)

PUBLIC DEPOSITS

The Company has not accepted any public deposits during the period under review in accordance with the provisions of the Companies Act, 2013.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company complies with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) as issued by the Institute of Company Secretaries of India.

RISK MANAGEMENT

The Company, in adherence to the Listing Regulations, has established a Risk Management Committee responsible for overseeing its risk management framework and processes. Risk assessment and mitigation are integral, ongoing activities within the organization. The Company's comprehensive Risk Management Policy is periodically reviewed and updated by the Committee. The composition and terms of reference of the Risk Management Committee are detailed in the Corporate Governance Report, which constitutes an integral part of this Annual Report. The Risk Management Policy is available on the website of the Company and can be accessed at <https://www.centuryenka.com/pdf/risk-management-policy.pdf>

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company is committed to fostering ethical conduct across all its business activities and has established a robust mechanism to report any illegal or unethical behavior. Under the Vigil Mechanism/Whistle Blower Policy, employees are encouraged to report any actual or suspected violations of the Company's code of conduct, policies, or applicable laws without fear of retaliation. Through this policy, along with our Code of Conduct, we uphold the highest standards of professionalism, honesty, integrity, and ethical behavior.

No Complaints were received during the period under review.

The Vigil Mechanism/Whistle Blower Policy is available on the website of the Company and can be accessed at <https://www.centuryenka.com/pdf/policies/vigil-mechanism-whistle-blower-policy.pdf>

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE & MATERNITY BENEFIT

The Company maintains a zero-tolerance policy towards sexual harassment in the workplace and has implemented a Prevention, Prohibition, and Redressal of Sexual Harassment Policy in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the Rules made thereunder. This policy is designed to prevent and address complaints of sexual harassment at the workplace.

Committed to providing equal opportunities without discrimination based on race, caste, sex, religion, color, nationality, disability, or any

other status, the policy applies to all women associates—including permanent, temporary, contractual employees, trainees—as well as women visitors and service providers at the Company's offices and premises. The Company ensures that all employees are treated with dignity and strives to maintain a work environment free from any form of sexual harassment—physical, verbal, or psychological.

In compliance with this Act, the Company has constituted an Internal Complaints Committee to address and to resolve complaints related to sexual harassment at the workplace effectively and sensitively.

No Complaints were received during the period under review. Further, during the year no complaint was pending more than 90 days. The policy for Prevention of Sexual Harassment at Workplace is available on the website of the Company and can be accessed at: <https://www.centuryenka.com/pdf/policies/policy-prevention-sexual-harassment-workplace.pdf>

The Company has complied with the provisions relating to the maternity benefits under the Maternity Benefit Act, 1961.

CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility ("CSR") Committee. The composition and terms of reference of the CSR Committee are detailed in the Corporate Governance Report, which forms an integral part of this Annual Report. The disclosures required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided in Annexure-II, which forms part of this Report. The Company's CSR Policy is available on its website and can be accessed at: https://www.centuryenka.com/investor-relations/index.html#parentHorizontalTab6|ChildVerticalTab_215

ANALYSIS OF REMUNERATION

In accordance with Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the disclosure relating to the ratio of remuneration of each Director to the median employee's remuneration, along with other prescribed details, is annexed hereto as Annexure-III and forms an integral part of this Report.

PARTICULARS OF EMPLOYEES

The disclosures concerning remuneration and other relevant particulars as mandated under Section 197(12) of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set forth in Annexure-IV, which forms an integral part of this Report. In accordance with these requirements, the names and details of employees whose remuneration exceeds the prescribed thresholds are included. None of the employees listed in the annexure are related to any Director of the Company, nor do they individually or collectively (with their spouse and dependent children) hold more than two percent (2%) of the Company's equity shares.



Directors' Report (Contd.)

AUDITORS

Statutory Auditors

M/s KKC & Associates LLP, Chartered Accountants (ICAI Firm Registration No. FRN 105146W/100621), were appointed as the Statutory Auditors at the 55th Annual General Meeting of the Company held on 13th August 2021, for a period of five years and accordingly will complete their second term on conclusion of the ensuing 60th Annual General Meeting of the Company.

The Board has recommended the appointment of M/s Singhi & Co., Chartered Accountants (Firm Registration No. 302049E), as Auditors of the Company, for a period of five years from the conclusion of the ensuing 60th Annual General Meeting till the conclusion of the 65th Annual General Meeting of the Company. M/s Singhi & Co. have confirmed their eligibility and qualification required under the Act for holding the office as Statutory Auditors of the Company.

The Auditors' Report does not contain any qualification, reservation, disclaimer or adverse remark.

Cost Auditors

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, as amended, and notifications/circulars issued by the Ministry of Corporate Affairs from time to time, the Company has duly prepared and maintained its cost accounts and records.

On the recommendation of the Audit Committee, the Board at its meeting held on 21st May 2026, appointed M/s Gopal Keswani & Co, Cost Accountants (FRN-100761), as Cost Auditors to audit the cost records of the Company's Nylon and Polyester products of the Company for the financial year 2026-27 in compliance with applicable statutory requirements.

In accordance with Section 148(3) of the Act and the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors is subject to ratification by the Company's members. Consequently, a resolution seeking approval for the remuneration of M/s Gopal Keswani & Co for the financial year ending 31st March 2027 has been included in the Notice of the 60th Annual General Meeting scheduled on Thursday, 20th August 2026.

The cost audit report for the financial year 2024-25, was filed with the Ministry of Corporate Affairs on 18th August 2025.

Secretarial Auditors

In accordance with Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board, during its meeting held on 6th May 2024,

appointed M/s Sanjay Sangani & Co., Practicing Company Secretaries, (FCS No. 4090 and CP No. 3847), as the Secretarial Auditors for a period of 5 years for the financial years commencing from 1st April 2025 to 31st March 2030 to undertake the Secretarial Audit for the said period.

The Secretarial Audit Report for the period under review is given in Annexure-V and forms part of this Report. There were no qualifications, reservations or adverse remarks or disclaimers made by Secretarial Auditors.

Further, the Secretarial Compliance Report for the period under review, outlining compliance with all applicable provisions of the Act, SEBI regulations, circulars, and guidelines as amended from time to time, and as mandated by Regulation 24A of the Listing Regulations, is available on the Company's website and can be accessed at: <https://www.centuryenka.com/pdf/annual-secretarial-compliance-report-31march2026.pdf>

REPORTING OF FRAUDS BY AUDITORS

During the period under review, the Auditors have not reported any cases of fraud involving the Company's officers or employees to the Audit Committee, in accordance with the requirements of Section 143(12) of the Act.

ANNUAL RETURN

In accordance with Section 134(3)(a) and Section 92 of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as of 31st March 2026, in Form MGT-7, is available on the Company's website and can be accessed at

https://www.centuryenka.com/investor-relations/index.html#parentHorizontalTab6|ChildVerticalTab_212.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes or commitments impacting the financial position of the Company have occurred between the end of the financial year to which the financial statements pertain and the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has not received any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Directors' Report (Contd.)

INTEGRATED REPORT (IR) INCLUDING BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

In accordance with Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Company has prepared the Business Responsibility and Sustainability Report (BRSR) to enhance transparency and provide stakeholders with standardized disclosures on its sustainability initiatives and compliance practices, which forms an integral part of this Annual Report. The report is aligned with the Integrated Reporting (IR) Framework developed by the International Integrated Reporting Council (IIRC), and reflects the Company's commitment to communicating its value creation strategy across financial, environmental, social, and governance dimensions.

GENERAL DISCLOSURES

During the period under review:

- The Company has not issued any shares through Rights Issue, Preferential Allotment, Sweat Equity, Employee Stock Option Plans (ESOPs), or shares with Differential Voting Rights during the year under review.
- There has been no revision in the financial statements during the reporting period.
- The Company does not have any Employee Stock Option Scheme under Section 62(1) of the Companies Act, 2013, or under the SEBI (Share Based Employee Benefits) Regulations, 2014
- No provision has been made for the purchase of the Company's own shares by employees or by any Trust for the benefit of employees, as prescribed under Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014.

- The Company has neither filed any application under the Insolvency and Bankruptcy Code, 2016, nor is there any proceeding pending under the said Code as on the date of this report.
- The Company has not entered into any one-time settlement with banks or financial institutions; accordingly, no disclosures are applicable in this regard.
- The credit rating of the Company is disclosed in Corporate Governance Report.

ACKNOWLEDGEMENT

The Board of Directors conveys its sincere appreciation to the Central and State Governments, the Company's bankers, financial institutions, stakeholders, and business associates for their support and cooperation. The Board looks forward to their continued support in the years ahead.

The Board also extends its heartfelt thanks to all employees for their unwavering dedication, hard work, and professionalism. Their invaluable contributions have played a crucial role in the Company's success, and the Board gratefully acknowledges their efforts.

For and on behalf of the Board of Directors

Jayant V. Dhobley

Non-Executive Director

DIN: 02402556

Suresh Sodani

Managing Director & CEO

DIN: 08789604

Place: Mumbai

Date: 21st May 2026

Annexure to the Directors' Report

ANNEXURE -I

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

(A) CONSERVATION OF ENERGY

The Company is engaged in the continuous process of energy conservation through improved operational and maintenance practices:

(i) Steps taken and impact of conservation of energy:

Sr No	Steps Taken	Impact (Annualized Savings)
	Electricity	KWH (in Lacs)
A.	Upgradation of Cable Corder Machines from CC3 to CC4	21.80
B.	Optimization of pump running based on load of Mist Cooling Tower	5.54
C.	Replacement of inefficient pumps in air washers of Air Handling Units by high efficiency pumps in plant	4.82
D.	Auto Tube cleaning system in Chiller	3.85
E.	Installation of Variable Frequency Drives (VFDs)	3.73
F.	Optimisation in running of Air Handling Units	2.25
G.	Compressed air replaced with blower air for Chips transportation in poly	1.95
H.	Installation of Electronically Commutated fans and energy efficient pumps in cooling towers	1.83
I.	Usage of medium pressure air instead of high pressure air in Air Texturising Machine	1.73
J.	Replacement of Air Handling Unit fan with high efficiency fan to save energy in plant.	0.99
K.	Isolation of redundant chilled water lines in plant	0.88
L.	Stoppage of chilled water booster pump in plant	0.73
M.	Common Air Handling Unit for Line in plant for the power optimisation.	0.66
N.	Installation of Booster Air Compressor	0.65

Sr No	Steps Taken	Impact (Annualized Savings)
	Electricity	KWH (in Lacs)
O.	Usage of low-pressure instrument air instead of high pressure booster air for looms	0.62
P.	Various other energy conservation measures	2.36
	Steam	Tons
A.	Reduction of steam consumption in dryer by reducing steam pressure of dryer ejector.	1,590
B.	Use of Flash steam in Poly	105

(ii) Steps taken for Utilization of alternate sources of energy: Nil

(iii) Capital investments on energy conservation equipment's during the financial year 2025-26 was ₹1,224.32 Lacs (previous year ₹324.78 Lacs).

(B) TECHNOLOGY ABSORPTION 2025-26

(i) Efforts made for technology absorption:

- SCADA system implemented for ETP operations.
- New opacity meter and online saw dust measurement system installed on Biomass based heaters.
- Upgradation of Control system from CC3 to CC4 in conversion of Cable Corder machines.
- Installation of auto tube cleaning system on chillers.
- Replacement of obsolete control system in Hypox machines with advance control system.
- Installation of Automatic Tube cleaning system for condenser tube chillers.
- Installation of Sonner feeder technology for colour yarn production to enhance dosing accuracy, process automation & quality.
- Installation of New Draw Texturised Yarn (DTY) machine for development & production of various value added DTY products, enhancing product flexibility and market reach.
- Procurement of New Technology Handheld Acoustic Imaging camera for Air/N2 leakage & partial discharge detection.
- Installation of Auto level control system for clarifloculator tank with VFD.
- Development of logic system for SDW machine godet drive & heating off after field break.

Annexure to the Directors' Report

ANNEXURE - I (Contd.)

(II) Benefits derived as a result of the above efforts:

- Better monitoring and controls of process parameters.
- Monitor leakages of oils on the Biomass based heater.
- Monitoring of saw dust consumption.
- Saving on power consumption.
- Condenser approach temperature of chiller is maintained below 1 Deg. C resulting improvement in chiller efficiency. Frequent brushing of condenser tubes & chiller stoppages is reduced.
- Both compressed Air & Nitrogen leakages identification is easy with image, time saved. Identification & arresting leakages save energy.

(III) Information regarding imported technology (imported during the last three years (from the beginning of the financial year))

Nil

(IV) Expenditure on Research and Development (R&D)

₹/ lacs

Particulars	2025-26	2024-25
1. Capital	See Note Below	
2. Revenue	110	130

Note: The Company has spent amount of ₹156 lacs during the financial year 2025-26 (previous year ₹47 Lacs) as Normal Capital Expenditure although it is also used for R&D activities.

(C) FOREIGN EXCHANGE EARNING AND OUTGO

Total foreign exchange used ₹33,609 Lacs (previous year ₹79,982 Lacs) and earned ₹7,296 Lacs (previous year ₹8,281 Lacs).

Annexure to the Directors' Report

ANNEXURE -II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026

1. Brief outline on CSR Policy of the Company:

The Company's has a multifaceted CSR Policy to cover projects and programmes in the field of education, healthcare, rural infrastructure development, disaster management, sanitation and environment. The Company's CSR projects and programmes are carried out within the CSR policy framework.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Krupa R. Gandhi	Chairperson, Independent Director	2	2
2	Mr. Ashish Razdan	Member, Independent Director	2	1
3	Mr. Suresh Sodani	Member, Managing Director	2	2

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

Composition of CSR Committee: <https://www.centuryenka.com/about-us/overview.html>

CSR Policy: https://www.centuryenka.com/investor-relations/index.html#parentHorizontalTab6|ChildVerticalTab_211

CSR Projects: https://www.centuryenka.com/investor-relations/index.html#parentHorizontalTab6|ChildVerticalTab_215

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable

Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135: **₹8,969 Lacs**
- (b) Two percent of average net profit of the company as per sub-section (5) of Section 135: **₹179.40 Lacs**
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: **NIL**
- (d) Amount required to be set-off for the financial year, if any: **NIL**
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **₹179.40 Lacs**
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹ 179.42 Lacs**
- (b) Amount spent in Administrative Overheads: **NIL**
- (c) Amount spent on Impact Assessment, if applicable: **Not Applicable**
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **₹ 179.42Lacs**
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹179.42 Lacs	NIL	-	-	NIL	-

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	₹179.40Lacs
(ii)	Total amount spent for the Financial Year	₹179.42 Lacs
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	₹0.02 Lacs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

Annexure to the Directors' Report

ANNEXURE -II (Contd.)

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-1	-	-	-	-	-	-	-
2	FY-2	-	-	-	-	-	-	-
3	FY-3	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

(a) Yes (✓) (b) No

If Yes, enter the number of Capital assets created/ acquired: 2

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR spent (₹Lacs)	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
1	School Infrastructure support & Computer System (Rajashree Vidya Mandir-Cenka Samaj Kalyan Sanstha) Address: Village: Bamalla, Po: Umalla, Dist: Bharuch-393120, Gujarat	393120	31 st March 2026	28.65	CSR00005188 (Cenka Samaj Kalyan Sanstha)	Rajashree Vidya Mandir Owned by Cenka Samaj Kalyan Sanstha	Village: Bamalla, Po: Umalla, Dist: Bharuch-393120, Gujarat
2	Financial assistance for Dining hall and set up material for orphan students. (Snehwan, Village Koyali, Alandi, Pune, Maharashtra)	411039	28 th February 2026	10.00	CSR00013552	Snehwan	Snehwan, Village Koyali, Alandi, Pune, Maharashtra

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.

Not Applicable

For and on behalf of the Board of Directors

Place: Mumbai
Date: 21st May 2026

Krupa R. Gandhi
Chairperson CSR Committee
DIN: 00294629

Suresh Sodani
Managing Director & CEO
DIN: 08789604

Annexure to the Directors' Report

ANNEXURE -III

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2025-26, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26 are as under:

Sr. No	Name of Director / KMP	Designation	2025-26 (₹/ Lacs)			2024-25 (₹/ Lacs)		
			Remuneration* of Director / KMP for financial year	% increase in Remuneration in the Financial Year	Ratio of remuneration of each Director to median remuneration of employees	Remuneration* of Director / KMP for financial year	% increase in Remuneration in the Financial Year	Ratio of remuneration of each Director to median remuneration of employees
1	Mrs. Rajashree Birla	Chairperson	8.50	0.00	1.84	8.50	3.03	2.04
2	Mr. Krishna S. Thar	Independent Director	NA	NA	NA	6.73	NA	NA
3	Mrs. Krupa R. Gandhi	Independent Director	10.00	-3.61	2.17	10.38	-1.19	2.49
4	Mr. Ashish Razdan	Independent Director	8.60	-13.35	1.86	9.93	NA	0.00
5	Mr. Ravindra Kastia	Independent Director	9.93	132.02	2.15	4.28	NA	0.00
6	Mr. Jayant V. Dhobley	Non-Independent Director	8.65	0.00	1.87	8.65	NA	0.00
7	Mr. Suresh Sodani	Managing Director	302.29	20.70	65.52	250.45	-6.79	60.12
8	Mr. Yogesh R. Shah	Chief Financial Officer	102.68	NA	22.25	9.38	NA	NA
9	Mr. Rahul Dubey	Company Secretary	65.39	23.31	14.17	53.03	6.99	12.73
10	Mr. K. G. Ladsaria	Ex- Chief Financial Officer	NA	NA	NA	116.62	NA	NA

*Directors Remuneration includes sitting fees.

- Mr. Krishna Shantilal Thar (DIN:00390137) on completion of his tenure of two consecutive terms of five years as a Non-Executive, Independent Director ceased on 27th November 2024.
- Mr. Yogesh R. Shah was appointed as Chief Financial Officer w.e.f. 15th February 2025, hence, percentage increase/(decrease) in remuneration is not comparable.
- Mr. Krishna G. Ladsaria ceased from the position of Chief Financial Officer w.e.f. 1st January 2025.

- The median remuneration of employees of the Company for the financial year was ₹4.61 Lacs (Previous Year ₹4.17 Lacs).
- During the financial year, there was increase of 10.77% in the median remuneration of employees (Previous Year increase of 0.38%).
- Number of permanent employees on the rolls of the Company as on 31st March, 2026 was 1457 Nos. and as on 31st March, 2025 was 1490 Nos.
- Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2025-26 and 2024-25 was increased by 10.51% and decreased by 0.14% respectively and the managerial remuneration for the financial year 2025-26 and 2024-25 was increased by 20.70% and decreased by 6.79%, respectively.
- It is hereby affirmed that the remuneration paid is as per the Remuneration Philosophy / Policy of the Company.

Annexure to the Directors' Report

ANNEXURE -IV

STATEMENT CONTAINING INFORMATION AS PER SECTION 197(12) READ WITH THE RULES 5(2) AND 5(3) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED, 31ST MARCH 2026.

(a) Employed throughout the financial year and was in receipt of remuneration for the year in aggregate of not less than ₹1,02,00,000/- per annum

Name	Designation	Remuneration Received ₹ / lacs	Nature of Employment	Qualification	Experience (Years)	Date of Commencement of employment	Age (Years)	Last Employment held	Equity Share held in Company (Percentage)
Mr. Suresh Sodani	Managing Director	302.29	Contractual	FCA, ICWA	34	01-09-2020	59	Grasim Industries Limited	NIL
Mr. Yogesh R. Shah	Chief Financial Officer	102.68	Non-Contractual	A.C.A	29	15-02-2025	57	Grasim Industries Limited	NIL

(b) Employed for a part of the financial year and was in receipt of remuneration at a rate in aggregate not less than ₹8,50,000/- per month. Nil

(c) Employed throughout the financial year or part thereof, was in receipt of remuneration in the year which, in the aggregate or at a rate which in the aggregate was in excess of that drawn by the Whole time Director and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the company. Nil

NOTES:

- Remuneration includes salaries, house rent allowance, personal allowance, variable pay, long term incentive plan, leave travel assistance, encashment of leave, accident insurance premium, Company's Contribution to Provident & Superannuation Funds and the monetary value of perquisites calculated in accordance with the provisions of the Income-tax Act, 1961 and the Rules made there under and excludes provision for retiring gratuity for which separate figure is not available.
- The above employees are not relatives of any Director of the Company

For and on behalf of the Board of Directors

Jayant V. Dhobley
Non-Executive Director
DIN: 02402556

Suresh Sodani
Managing Director & CEO
DIN: 08789604

Place: Mumbai
Date: 21st May 2026



Annexure to the Directors' Report

ANNEXURE -V

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members of Century Enka Limited

Plot No. 72 & 72-A, MIDC,
Bhosari, Pune - 411026.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Century Enka Limited** having CIN L24304PN1965PLC139075 (hereinafter called '**the Company**') for the financial year ended 31st March, 2026. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 according to the provisions of:

- 1) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable during the Audit Period)**
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable during the Audit Period)**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable during the Audit Period)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable during the Audit Period)**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (upto 14/12/2025) / The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 (w.e.f. 15/12/2025) regarding the Companies Act and dealing with client; **(Not Applicable during the Audit Period)**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable during the Audit Period)**; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable during the Audit Period)**
- 6) The management of the Company has informed that there is no industry specific law which is applicable to the Company.

We have also examined compliance with the applicable clauses/regulations of the following:

- a) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

We report that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Directors. There were no changes in the composition of the Board of Directors during the period under review.

Annexure to the Directors' Report

ANNEXURE -V (Contd.)

Adequate notice for the meetings of the Board and Committees constituted by the Board were given to all the Directors and members of the Committee and where shorter notice of meetings were given and/or agenda and notes on agenda were circulated less than seven days before the meetings, the provisions of Section 173 (3) of the Act were complied with and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairperson, the decisions of the Board and Committees of the Board were unanimous and no dissenting views have been recorded.

We further report that based on review of compliance mechanism established by the Company and on the basis of Management Representation Letter received from the Company, we are of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, no major events/ actions having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. have taken place.

For **Sanjay Sangani & Co.**
Company Secretaries
Peer Review Certificate No.: 1689/2022

Sanjay H. Sangani
Proprietor
M. No.: FCS 4090
C.P. No.: 3847
UDIN: F004090H000424015
Mumbai, 21st May, 2026

This Report is to be read with Annexure 'A' to this Report which forms an integral part of this Report.

Annexure 'A'

To,
The Members of Century Enka Limited
Plot No. 72 & 72-A, MIDC,
Bhosari, Pune - 411026

Our Secretarial Audit Report of even date is to be read along with this Annexure.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Sanjay Sangani & Co.**
Company Secretaries
Peer Review Certificate No.: 1689/2022

Sanjay H. Sangani
Proprietor
M. No.: FCS 4090
C.P. No.: 3847
UDIN: F004090H000424015
Mumbai, 21st May, 2026

Management Discussion and Analysis Report

1. OVERALL REVIEW

During the financial year 2025-26, the Company experienced a persistently challenging business environment, primarily due to ongoing macroeconomic uncertainties at both global and domestic levels. These uncertainties affected market dynamics and created headwinds for the industry.

In addition, geopolitical tensions in West Asia had a significant impact on the availability and cost of crude-based raw materials. The disruption in supply chains and increased input costs posed further challenges for the Company.

To address these challenges, the Company has focused on broadening its customer base and expanding its geographic reach. Furthermore, initiatives have been implemented to increase the proportion of Value-Added Products (VAPs) within the product portfolio, thereby mitigating pricing pressures from imports. The Company has also undertaken cost optimisation measures and enhanced operational efficiencies to ensure sustained and profitable growth.

The Synthetic Yarn sector is anticipated to face ongoing difficulties as a result of persistent low-priced imports from China, surplus global capacity, and a lack of robust trade protection measures. These factors are expected to maintain downward pressure on prices and margins. However, the Company's focus on Value-Added Products, differentiation, and customer solutions should improve resilience and help mitigate these effects.

The Reinforcement Fabric sector is projected to experience steady demand, supported by the replacement market, two- and three-wheelers, agricultural tyres, and the expanding passenger vehicle segment, which are increasing the need for Polyester Tyre Cord Fabric. The rollout of additional production capacities is likely to diversify the sales portfolio and promote long-term growth.

2. INDUSTRY STRUCTURE, DEVELOPMENT, THREATS, OPPORTUNITIES & OUTLOOK

Industry Status

The Company operates in the synthetic yarn segment of the textile industry, primarily engaged in the manufacture of Synthetic Yarn and Reinforcement Fabric.

Reinforcement Fabric

The Company manufactures Reinforcement Fabrics for diverse segments of the tyre industry. Nylon Tyre Cord Fabric is primarily used in bias tyres for commercial vehicles, two- and three-wheelers, agricultural equipment, mining and construction vehicles, and other off-the-road (OTR) applications, while Polyester Tyre Cord Fabric is mainly used in radial tyres for

passenger and light commercial vehicles.

The domestic automotive industry continues to grow, driven by increasing demand for passenger vehicles, two-wheelers, agricultural equipment, and electric vehicles (EVs), prompting tyre manufacturers to expand capacities and strengthen their global presence.

Rising preference for radial tyres is expected to support demand for Polyester Tyre Cord Fabric, while sustained demand from commercial vehicles, agriculture, mining, and construction is likely to underpin growth in Nylon Tyre Cord Fabric. Although geopolitical uncertainties and weather-related risks may moderately impact industry growth, the Company's diversified product portfolio and focus on operational excellence position it well to capitalise on long-term opportunities.

Synthetic Yarn

The Indian Nylon Filament Yarn (NFY) market presents a promising growth opportunity, supported by an expected medium-term growth rate of 6-7%. The global shift towards the China+1 sourcing strategy continues to enhance India's position as a preferred manufacturing destination, creating significant opportunities for domestic textile producers. At the same time, rising consumer preference for functional apparel, athleisure, sportswear, workwear, and technical textiles is driving sustained demand for high-performance nylon yarns. These structural growth drivers are expected to strengthen the long-term growth prospects of the Indian NFY industry.

Government programs supporting Make in India and man-made fibers (MMF), together with issues like water shortages and limited natural fiber production, are causing a shift toward sustainable, scalable options. As a result, nylon is likely to benefit significantly from these changes.

NFY is witnessing growing adoption across athleisure, sportswear, workwear, lingerie, laces, defense, and technical textile applications. Demand is particularly strong for Micro and Fine Denier Nylon Filament Yarns, while DTY products are gaining increasing acceptance. These products offer superior comfort, moisture absorption, durability, elasticity, and performance retention, making them ideal for modern apparel and technical applications.

The growing focus on health, fitness, and active lifestyles is driving demand for lightweight, flexible, sweat-wicking, and durable fabrics, further strengthening NFY's position as a preferred fiber choice.

The industry continues to face challenges from rising imports and intense price competition from China and Vietnam. In the premium saree segment, Nylon Filament Yarn also competes with other synthetic fibres, particularly Viscose Filament Yarn,

Management Discussion and Analysis Report (Contd.)

supported by low-cost imports from China. To address these challenges, the Company remains focused on application-driven product development, customer-specific solutions, and expanding its portfolio of value-added products. This strategy reduces dependence on commoditised segments and supports sustainable margins.

Our investment strategy is aligned with India's MMF-led textile transformation. Ongoing investments in Mother Yarn and DTY capacities are aimed at reducing dependence on low-margin commodity products and increasing participation in higher-value apparel and technical textile segments. Supported by product innovation and a strong focus on specialty applications, we are well positioned to deliver sustainable long-term growth and value creation.

Company Performance

In FY26 the Company faced challenges from rising imports and intense price competition from China and Vietnam. Due to geopolitical uncertainties, exports as well as export linked yarns were adversely impacted. Global trade tensions lead to volatile raw material scenario.

The increase in automobile sales following the GST rate cut led to higher demand for NTCF in second half of the year.

The Company remained focused on cost optimization and improving operational efficiency at manufacturing facilities, better availability of renewable energy also benefited in maintaining the overall performance of the Company.

The Company delivered a strong financial performance, with Earnings Before Interest, Depreciation and Tax (EBIDTA) increasing by 25% to 190 crore in FY 2025-26 from 152 crore in the previous year.

Company Outlook

The Company remains cautiously optimistic about FY 2026-27, despite prevailing concerns regarding below-normal monsoon forecasts, ongoing geopolitical uncertainties, and volatile raw material prices.

Demand for reinforcement fabrics is projected to stay steady during the year. Nylon Tyre Cord Fabric will mainly cater to the replacement market, along with consistent demand from two-wheeler and three-wheeler segments. Meanwhile, Polyester Tyre Cord Fabric is set to benefit from the ongoing growth in passenger vehicles.

The launch of Polyester Tyre Cord Fabric (PTCF) production is expected to further strengthen the Company's competitive position in the reinforcement fabric sector. This development is anticipated to enhance the Company's ability to capture new growth opportunities in a dynamic market environment.

In Nylon Filament Yarn, focus is more on Value added Products (VAPs), New Product Development and targeting improved footprint with increased customer base to cater the textile market with sustained growth. The Company remains committed to operational efficiency, cost optimisation, increased renewable energy consumption, broadening its customer base, expanding its portfolio of premium products to sustain margins and performance.

3. SAFETY, HEALTH, ENVIRONMENT & SUSTAINABILITY

The Company firmly believes that "Life is precious, and we must safeguard it." Guided by this core principle, we are committed to preventing and minimizing safety risks arising from our operations. This commitment encompasses the protection of our employees, visitors, customers, vendors, contractors, neighboring communities, as well as our plants, assets, and equipment.

Safety is deeply embedded in the Company's culture and serves as a fundamental pillar of our business operations. Through a structured, proactive, and leadership-driven approach, we continuously strive to foster a safe and healthy working environment. Safety remains our highest priority at every level of the organization, supported by the active participation of employees, contractors, service providers, suppliers, and meaningful engagement with the communities surrounding our facilities.

Both the Pune and Bharuch facilities operate under a certified Occupational Health and Safety Management System compliant with ISO 45001:2018, demonstrating the Company's unwavering commitment to maintaining the highest standards of workplace health and safety.

The effectiveness of this commitment has been duly recognized through several prestigious external accolades. During FY'26, the Bharuch facility was honoured with the National Safety Award 2025 by the National Safety Council of India (NSCI), acknowledging its exemplary safety performance. Additionally, the Bharuch site secured Gold Trophies from the Quality Circle Forum of India (QCFI), Surat Chapter, for its case study projects titled "MCP Installation and Its Benefits" and "Installation of an Acrophobia Test Structure." These recognitions highlight the organization's focus on innovative safety practices, proactive risk management, and its unwavering commitment to continuous improvement.

Key Safety Initiatives Undertaken During the Year:

The Company actively fosters a culture of proactive safety by encouraging the systematic reporting of Near-miss incidents, Unsafe conditions, Unsafe acts (Behavioural Safety Observations) Potential SIF (Serious Injury & Fatality) observations and JCC



Management Discussion and Analysis Report (Contd.)

(Job Cycle Check). This approach strengthens early hazard identification, effective risk mitigation, and prevention of potential incidents. To further reinforce safety awareness, a wide range of initiatives were implemented throughout the year, including structured workshops, issuance of safety bulletins, dissemination of accident case studies, and comprehensive safety campaigns featuring contests and employee suggestion schemes. These efforts collectively contribute to enhancing safety consciousness and engagement across the organization.

During the year under review, the Company implemented its Life Saving Rules (LSR) and Process Safety Cardinal Rules (PSCR) across operations, supported by dedicated e-learning modules to enhance awareness and compliance. Employees were encouraged to incorporate adherence to these critical safety requirements into their individual Key Performance Indicators (KPIs), thereby reinforcing personal accountability for safety performance.

Workplace safety communication was further strengthened through the installation and enhancement of cautionary notices, safety instructions, and warning signage across facilities. In addition, physical safety controls were enhanced through improved machine guarding, perimeter fencing, regular safety inspections and rounds, and comprehensive safety surveys, contributing to a safer and more secure work environment.

The Company continued to strengthen its safety culture through the delivery of shop-floor safety training programs and leadership-focused safety workshops, reinforcing accountability, ownership, and safe behaviors across all levels of the organization. Fire prevention and protection measures were further enhanced through upgrades to firefighting systems and the conduct of regular third-party audits to assess fire safety preparedness and the adequacy of protection infrastructure.

Periodic emergency response mock drills and fire drills were conducted across facilities to evaluate emergency preparedness, response capabilities, and the effectiveness of emergency management systems. To commemorate National Safety Week 2026, the Company conducted a series of specialized training programs on key safety topics, including Electrical Safety, Mechanical Safety, Boiler Safety, LPG Safety, Process Safety Management (PSM), and Behaviour-Based Safety (BBS), aimed at enhancing employee awareness, competency, and commitment to safe work practices.

In addition, CPR and First Aid training programs were conducted for employees by FMO and certified medical professionals to enhance emergency response capabilities. As part of its commitment to community safety and stakeholder engagement, the Company also extended firefighting and accident prevention training to neighbouring small and medium enterprises (SMEs), School & ITI contributing to the promotion of safe work practices beyond its operational boundaries.

The Company successfully completed several independent third-party assessments and audits to strengthen its risk management and safety governance framework. These included a HAZOP Study by M/s KayPear, a Fire Adequacy Study, Fire Risk Assessment and Fire Audit by M/s Solomax LLP, a Safety Audit by the Gujarat Safety Council, Quantitative Loss Event Analysis (QLEA) by ABG-GSC, Quantitative Natural Event Analysis (QNEA) by SGS India Pvt. Ltd., and a Hazardous Area Classification Study conducted by specialized consultants M/s. EcoSafe Consultant. The findings and recommendations from these assessments were systematically reviewed and incorporated into the Company's continuous improvement initiatives.

During the year, the First Aid Standard Operating Procedure (SOP) was revised in accordance with updated Group Guidelines and applicable Occupational Health and Safety (OHS) requirements, further strengthening emergency medical preparedness across all facilities. The Company ensured the availability of adequately stocked first-aid boxes, trained first aiders, and supporting infrastructure at all operational locations.

Reinforcing its commitment to employee health and well-being, the Company conducted pre-employment medical examinations for 100% of new recruits and achieved 100% compliance with periodic medical examinations for all employees, including contract workforce personnel, enabling the timely identification and management of occupational health risks.

Health, Hygiene, and Well-being at the Workplace

The Company remains committed to providing a safe, healthy, and conducive work environment that supports the physical, mental, and overall well-being of its employees. A range of proactive measures and initiatives have been implemented across its operations to promote occupational health, workplace safety, and employee wellness.

Comprehensive medical facilities are available at both the Pune and Bharuch units to address employees' healthcare needs. Regular preventive health check-ups are conducted to facilitate early diagnosis and timely intervention, while employees engaged in hazardous processes undergo half-yearly medical examinations in accordance with applicable health and safety requirements. To ensure workplace safety, employees are provided with appropriate Personal Protective Equipment (PPE) and are encouraged to adhere to established safety protocols.

The Company places significant emphasis on maintaining high standards of workplace hygiene, cleanliness, and housekeeping. Advanced engineering controls, including dust extraction systems, fume exhaust units, and noise mitigation measures, have been deployed to enhance workplace conditions and minimize occupational health risks. To further strengthen sanitation and hygiene practices, a dedicated WASH (Water, Sanitation and

Management Discussion and Analysis Report (Contd.)

Hygiene) Committee regularly monitors workplace cleanliness, sanitation facilities, and the availability of safe drinking water.

In line with its commitment to creating an inclusive and employee-friendly workplace, the Company has introduced several initiatives to enhance accessibility and well-being. Sanitary pad dispensing machines with integrated incineration facilities have been installed in women's washrooms to support menstrual hygiene management. Additionally, the Bharuch unit has established a wheelchair-accessible washroom designed to meet the needs of elderly employees and persons with disabilities.

The Company's strong safety culture is reinforced through periodic external audits covering critical areas such as fire safety systems, electrical safety, Job Safety Analysis (JSA), Hazard Identification and Risk Assessment (HIRA), and Integrated Management Systems (IMS). Both the Pune and Bharuch facilities are certified under ISO 45001:2018 Occupational Health and Safety Management System, underscoring the Company's commitment to maintaining globally recognized standards in workplace health and safety.

Recognizing that employee well-being extends beyond physical health, the Company also focuses on mental and emotional wellness. Through its association with MPOWER, an initiative of the Aditya Birla Education Trust (ABET) founded by Mrs. Neerja Birla, various awareness programmes, workshops, webinars, and engagement activities are conducted to promote mental health literacy, emotional resilience, and access to professional support. These initiatives contribute to fostering a healthier, more engaged, and productive workforce.

Mental Health and Well-being - MPOWER Initiative

The Company remains committed to fostering a workplace that prioritizes the mental health and well-being of its employees. In support of this commitment, it actively participates in MPOWER, a pioneering initiative of the Aditya Birla Education Trust that seeks to enhance mental health awareness, encourage preventive care, and improve access to professional support through a holistic and multidisciplinary approach.

During the year under review, MPOWER hosted the "Mpowering Minds Summit" in Mumbai, centered around the themes of Acceptance, Action, and Advocacy. The summit brought together mental health professionals, policymakers, thought leaders, changemakers, and individuals with lived experiences to facilitate meaningful dialogue and drive collective action towards addressing mental health challenges, particularly among youth.

At the operational level, the Company continued to strengthen employee well-being through focused interventions. A three-day Emotional Well-being Workshop was conducted at the

Pune Unit, covering approximately 250 man-hours of learning and engagement. Employees and workmen participated enthusiastically in sessions on mindfulness, meditation, and holistic wellness practices, including insights into the seven chakras, aimed at enhancing emotional resilience and overall well-being.

Further reinforcing its commitment to a supportive and inclusive workplace, the Company introduced the Mental Health Champions Program (MHCP) under the MITR initiative across its Pune and Bharuch units. Designed for manager-level employees, the programme equips participants to recognize early signs of mental distress, provide initial support as Mental Health First Aiders, and encourage open conversations around mental health. By promoting awareness and reducing stigma, the initiative contributes to a healthier, more engaged, and productive workforce.

Environment and Sustainability

The Company remains committed to minimizing the environmental impact of its operations through responsible and sustainable business practices. Both the Pune and Bharuch manufacturing facilities operate under a certified ISO 14001:2015 Environmental Management System (EMS), which provides a structured framework for identifying and managing environmental risks, implementing mitigation measures, monitoring performance, and ensuring compliance with applicable environmental laws, regulations, and standards. This systematic approach supports the Company's objective of achieving continual improvement in environmental performance.

The Company continued to operate in compliance with applicable environmental norms during the reporting period, maintaining resource consumption and the generation, treatment, and disposal of wastewater, hazardous waste, and atmospheric emissions within the regulatory thresholds prescribed by Statutory and Regulatory authorities.

Guided by its sustainability objectives, the Company continues to strengthen initiatives aimed at conserving natural resources, improving energy and water efficiency, and reducing the environmental impact of its operations. These efforts support the Company's commitment to sustainable development, environmental responsibility, and the creation of long-term value for stakeholders.

Key Highlights of Environmental Initiatives

During the year, the Company continued to strengthen its environmental performance and sustainability initiatives through a range of resource conservation, pollution prevention, renewable energy, and circular economy measures. Key initiatives undertaken during the reporting period include:



Management Discussion and Analysis Report (Contd.)

- Conducted Life Cycle Assessments (LCA) for NTCF, NFY, and De-polymerized products through M/s Sphera to evaluate environmental impacts across the product life cycle and identify opportunities for improvement.
- Completed the Annual Water Audit in association with the PHD Chamber of Commerce & Industry and undertook a third-party Environmental Audit through M/s Arel Labs, Ankleshwar.
- Implemented organic waste management initiatives through the installation of a canteen waste composting system and conversion of horticultural waste into compost, which was utilized for landscaping and greenbelt development.
- Enhanced biodiversity and green cover through the plantation of approximately 500 native saplings across operational locations.
- Obtained regulatory approval for an improved hazardous waste disposal methodology involving pre-processing and co-processing, supporting responsible waste management and resource recovery.
- Strengthened water conservation efforts through the installation of rainwater harvesting recharge wells and implementation of groundwater recharge measures.
- Increased the use of renewable and cleaner energy sources through the adoption of biofuels in boilers and thermic fluid heaters. The Bharuch facility continued operations of its 1 MW captive solar power plant and further strengthened renewable energy sourcing through participation in a 10.5 MW Wind-Solar Hybrid Group Captive Power Project.
- Improved energy and resource efficiency through the installation of Waste Heat Recovery Systems (WHRS) and Vapour Absorption Machines (VAM), enabling recovery and utilization of waste energy streams.
- Utilized high-calorific-value hazardous waste as an alternative fuel through authorized co-processing facilities, promoting circular economy principles and reducing dependence on conventional fuels.
- Operated a Zero Liquid Discharge (ZLD) system for process wastewater treatment and reuse. Treated effluent from the Sewage Treatment Plant (STP) continued to be utilized for greenbelt irrigation and maintenance.
- Replaced ozone-depleting refrigerants with environmentally friendly non-ODS alternatives across applicable systems.
- Observed World Environment Day and World Ozone Day through awareness programs conducted in collaboration with officials from the Forest Department and the State Pollution Control Board.
- Conducted periodic third-party monitoring and audits of environmental control systems, including stack emissions, Effluent Treatment Plants (ETP), Sewage Treatment Plants (STP), and ambient air quality monitoring systems.
- Total of 58 Nos of conventional urinals have been replaced with waterless urinals resulting in fresh water saving of average 2025 m³/year.
- Completed third-party water audits and hydrogeological impact assessments to enhance water-use efficiency and strengthen long-term water stewardship.
- Ensured NTCF products remained compliant with Annex XIV and Annex XVII requirements under the European REACH Regulation and ECHA SVHC requirements. Nylon textile products continued to be certified under OEKO-TEX® Standard 100 and compliant with applicable REACH and ECHA SVHC requirements.
- At the Bharuch facility, 28 rainwater recharge wells were operational, providing significant groundwater recharge capacity and contributing to sustainable water resource management.
- Converted an LDO-fired boiler/heater system to a dual-fuel (RLNG and LDO) configuration, resulting in an annual reduction of approximately 984 MT of CO₂ emissions and fuel cost savings of approximately ₹300 lakhs.
- Replaced an existing 1,000 TR chiller with an energy-efficient and environmentally friendly alternative to improve cooling efficiency and reduce energy consumption.
- Upgraded PSA towers in the nitrogen plant, resulting in reduced compressed air consumption and improved energy efficiency.
- Replaced legacy cable corder machines with advanced energy-efficient technology, enhancing operational efficiency and reducing energy intensity.
- Achieved additional energy savings through process optimization measures, including speed reduction initiatives for cable corder machines.
- Reduced packaging material consumption through redesign of finished goods packaging, including replacement with three-ply cartons and elimination of plastic honeycomb inserts, resulting in annual paper savings of approximately 24.2 MT.
- Reduced paper consumption by optimizing the thickness of mother yarn spinning machine paper tubes, resulting in annual savings of approximately 21 MT of paper.

Management Discussion and Analysis Report (Contd.)

- Increased the use of in-house reusable pallets, resulting in annual wood savings of approximately 25 MT.
- Transitioned the AH3 pre-heater system from diesel to natural gas, further reducing greenhouse gas emissions and improving energy efficiency. This initiative contributed to an estimated annual reduction of approximately 984 MT of CO₂ emissions.

4. HUMAN RESOURCE AND INDUSTRIAL RELATIONS

The Human Resource Department (HRD) continues to be a key enabler of the Company's sustained growth and organizational excellence. Recognizing employees as its most valuable resource, the Company places strong emphasis on fostering an inclusive, and engaging work environment. HR remains closely integrated with the priorities of all business functions, ensuring that people practices effectively support organizational goals. Through a progressive and employee-focused approach, the department strives to strengthen talent development, employee engagement, and workplace well-being, thereby enhancing overall employee satisfaction and organizational effectiveness. The key HR initiatives and achievements during the year are highlighted below:

Learning Fest - "Embrace the Future"

Learning Fest, a flagship learning and development initiative of the Aditya Birla Group, successfully completed its second year with enthusiastic participation across the organization. Reinforcing its commitment to fostering a culture of continuous learning, Century Group was honoured with the "Classroom Learning Champions" award. Employee-centric initiatives such as *Suraksha Quest* and *Gyan Se Nirmaan* promoted innovation, creative thinking, and knowledge sharing across teams. The programme also drove a significant increase in digital learning adoption, with average e-learning hours per employee.

Diversity & Empowerment:

Women Engineers on the Shop Floor

As part of the Company's ongoing commitment to diversity, equity, and inclusion, women employees have been progressively deployed in shop-floor roles across both management and staff categories. This initiative is designed to foster a more inclusive and equitable workplace by creating greater opportunities for women to participate in core operational roles. By enhancing gender representation across the workforce, it contributes to a broader diversity of perspectives, strengthens organizational capability, and promotes a progressive work environment where growth and advancement are driven by talent, performance, and merit.

Behavioural and Leadership Development Programmes

To enhance managerial effectiveness and support continuous improvement, the Company conducts structured behavioural training programmes for managers and their reporting managers. These programmes are designed to strengthen leadership and people-management capabilities, improve communication and decision-making skills, and foster alignment with the Company's values and business objectives. By equipping leaders with the skills needed to effectively engage and develop their teams, the Company aims to nurture a positive, collaborative, and high-performance work environment that promotes employee well-being, individual growth, and sustained organizational success.

PRIDE (Performance Recognition in Delivering Excellence)

PRIDE, a prestigious Aditya Birla Group recognition platform, celebrates individuals and teams whose contributions create a significant and lasting impact on business performance and organizational excellence.

The spirit of excellence is demonstrated when individuals and teams go beyond conventional responsibilities, drive innovation, and create meaningful business impact. Recognizing such outstanding contributions, the Aditya Birla Group's PRIDE initiative honours employees who exemplify commitment, continuous improvement, and exceptional performance. Five employees at the Bharuch Unit were recognized under the PRIDE platform for their noteworthy contribution to the project "Waste Reduction in Old Spinning Machines." Their efforts led to significant operational improvements, enhanced process efficiency, and reinforced the culture of innovation and excellence within the organization.

At the Pune Unit, a cross-functional team comprising from Dipping & PTCF, Marketing, and Quality department were honoured under the PRIDE initiative for their successful implementation of the project "Dipping Breaking Strength Conversion Efficiency Improvement." The project demonstrated the power of collaboration across functions in driving operational excellence and business value.

Additionally, a member from IT was recognized in the individual category for his valuable contribution to the Traceability Project, reflecting his commitment to innovation and process enhancement.

These achievements exemplify the Company's commitment to fostering a culture of excellence, innovation, and continuous improvement. By recognizing and celebrating such accomplishments, the organization reinforces its focus on people development, collaboration, and value creation, while building a stronger foundation for sustainable growth and future success.



Management Discussion and Analysis Report (Contd.)

5. INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has established a robust internal financial control framework commensurate with the nature, size, and complexity of its business operations. The framework comprises comprehensive policies, procedures, and control mechanisms designed to:

- Ensure compliance with applicable laws, regulations, and the Company's internal policies;
- Safeguard the Company's assets from unauthorized use, loss, or misappropriation;
- Promote the efficient and effective utilization of resources;
- Prevent and detect fraud, errors, and other irregularities;
- Maintain accurate, complete, and reliable accounting records; and
- Facilitate the timely preparation of accurate financial information and financial statements.

The Audit Committee of the Board provides ongoing oversight of the Company's internal financial control system and periodically reviews its adequacy and effectiveness to ensure that appropriate controls remain in place.

During the year under review, the Company's internal financial controls were evaluated and tested and were found to be operating effectively. No material weaknesses or significant deficiencies were identified. The Internal Auditor continues to conduct independent assessments of the design and operating effectiveness of the control environment. Significant observations and recommendations arising from internal audit reviews are placed before the Audit Committee for its consideration, and corrective actions are implemented, wherever necessary, to further strengthen the Company's internal control framework.

6. INFORMATION TECHNOLOGY

Amid a rapidly evolving digital and interconnected business landscape, the Company continued to strengthen its technology capabilities, prioritizing operational excellence, digital resilience, and enterprise agility. Targeted investments in digital initiatives enhanced process efficiency, enabled informed decision-making, and supported robust business continuity across the organization.

During the year, the Company accelerated its digital transformation journey through the expanded adoption of cloud-based platforms, integrated enterprise applications, and modern digital workplace solutions. These initiatives enhanced collaboration, improved scalability and operational flexibility, and enabled seamless access to business applications across locations, supporting a more connected and agile work environment.

The Company further strengthened its data-driven decision-making capabilities by expanding business analytics and digital reporting platforms across key functions. Enhanced analytics and intelligent reporting tools provided greater operational visibility, accelerated access to actionable insights, and enabled more effective performance monitoring and business oversight.

In line with its commitment to manufacturing excellence, the Company continued to strengthen its Operational Technology (OT) and digital manufacturing capabilities through increased automation, enhanced system integration, and the deployment of intelligent monitoring solutions. These initiatives contributed to improved process efficiency, greater operational reliability, and enhanced manufacturing performance.

The Company also planning to initiate adoption of Artificial Intelligence (AI), Machine Learning (ML), and intelligent automation across selected business processes. These initiatives supported improved operational responsiveness, optimized process performance, and enhanced product quality and operational outcomes.

Recognizing the evolving digital risk landscape, the Company continued to strengthen its cybersecurity and digital governance framework through the enhancement of security controls, proactive risk management practices, and ongoing technology modernization initiatives. These efforts reinforced the resilience of the Company's digital infrastructure and supported the secure and reliable operation of business systems.

During the year under review, the organization focused on strengthening its enterprise cybersecurity capabilities and enhancing digital resilience across the business. Significant efforts were made to reinforce digital governance and technology risk management frameworks, ensuring a robust and secure technology environment. The Company also expanded its business analytics, data intelligence, and digital reporting capabilities to support data-driven decision-making and improve operational visibility. In addition, initiatives were undertaken to advance secure, seamless, and efficient access to digital platforms and business applications across the enterprise. Further emphasis was placed on enhancing business continuity, disaster recovery, and operational resilience capabilities to ensure uninterrupted business operations and preparedness for potential disruptions.

Through sustained investments in digital transformation, intelligent technologies, automation, and enterprise modernization, the Company continues to strengthen its digital capabilities and build a resilient, future-ready technology ecosystem. These initiatives are enhancing organizational agility, driving operational excellence, reinforcing governance frameworks, and supporting sustainable long-term value creation for all stakeholders.

Management Discussion and Analysis Report (Contd.)

7. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

I. Highlights

(₹ Lacs)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Net Revenue from Operations	1,70,541	2,00,169	1,70,541	2,00,169
Profit before Depreciation, Financial Cost, Exceptional Items and Tax	18,969	15,208	18,969	15,208
Depreciation	(5,542)	(5,497)	(5,542)	(5,497)
Finance Cost	(289)	(454)	(289)	(454)
Exceptional Items	(186)	-	(186)	-
Share of Loss in Associate (net of tax)	-	-	(85)	(63)
Taxation (Net)	(2,783)	(2,547)	(2,783)	(2,547)
Net Profit after Tax	10,169	6,710	10,084	6,647

a. Net Revenue from Operations

Net revenue for the year was lower by approx. 15% on account of lower volume and lower realization both for NTCF and NFY linked to lower raw material prices.

b. Profit before Depreciation, Financial Cost, Exceptional Items and Tax (PBITD)

Higher margin over raw material and cost saving initiatives resulted in approx. 25% higher PBITD.

c. Finance Cost

Lower finance cost is on account of loan repayment.

II. Key Financial Ratios

Ratio	2025-26	2024-25	Explanation for change
Debtors Turnover Ratio	9.15	10.70	Reduction in sales
Inventory Turnover Ratio	6.42	7.45	Lower sales and better inventory management
Interest Coverage Ratio	65.03	33.50	Higher PBITD and lower interest cost in current year
Operating Profit Margin (On PBIT excl. Other Income)	7.10%	4.29%	Higher margin
Net Profit Margin	6%	3.35%	Higher Profit after Tax
Debt Equity Ratio	0.01	0.02	Repayment of Debt

III. Return on Net Worth

Return on Net Worth	6.96%	4.72%	Higher Net Profit
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8. CORPORATE SOCIAL RESPONSIBILITY (CSR)

At the Aditya Birla Group, our Corporate Social Responsibility (CSR) initiatives are driven by a strong commitment to fostering sustainable and inclusive community development. Our efforts are focused on key priority areas, including Vocational Skill Development, Education, Infrastructure Development, Healthcare Services, and Women's Empowerment.

We implement our CSR programs through long-term strategic partnerships with grassroots NGOs that possess deep community understanding and strong execution capabilities. We also work closely with district-level government authorities to enhance the effectiveness, efficiency, and long-term impact of our initiatives, particularly in rural and tribal regions.

During the period under review, our CSR interventions have achieved significant outreach and impact:

- Collaborated with 53 Anganwadis, 47 schools, and more than 50 villages
- Positively impacted the lives of 48,669 beneficiaries
- Focused on the tribal communities of Bharuch district and Narmada, an aspirational district in Gujarat

Through these focused interventions, we continue to create meaningful and lasting social impact while contributing to the holistic development of underserved communities.

A) Empowering Communities through Vocational Skill Development

➤ Support for Teaching Staff (75%)

As part of our commitment to strengthening vocational education, our CSR initiative supports 75% of the teaching staff cost at Rajashree Industrial Training Institute (ITI), operated by Cenka Samaj Kalyan Sanstha in Kariyapura. This contribution enables the institute to engage and retain nine qualified and experienced faculty members, ensuring the delivery of high-quality training across a range of vocational disciplines, including:

- Attendant Operator (Chemical Plant)
- Electrician
- Fitter
- Sewing Technology
- Computer Operator & Programming Assistant (COPA)

By investing in skilled educators, we aim to enhance the quality of vocational training and create better livelihood opportunities for youth and women from rural and tribal



Management Discussion and Analysis Report (Contd.)

communities. This initiative empowers them with the knowledge, technical skills, and confidence required to thrive in today's competitive workforce. During the reporting period, 124 students benefited from this project.

B) For Promotion of School Education

➤ Engagement of Poshanvahini Volunteers for Anganwadi

Through this impactful CSR initiative, the Company created employment opportunities for 35 local women who were engaged as Poshanvahini volunteers. These women played a pivotal role in delivering nutritional support and awareness interventions to more than 1,800 children throughout the year. Beyond addressing immediate nutritional needs, the initiative contributes to the long-term physical and cognitive development of children, laying a strong foundation for their future learning, health, and well-being.

This initiative aligns with Sustainable Development Goal (SDG) 2: Zero Hunger, recognizing access to nutritious food as a fundamental human right. In partnership with the Integrated Child Development Services (ICDS) under the Ministry of Women and Child Development, the program was implemented in the aspirational district of Narmada, Gujarat. Through this collaboration, we ensured that children received essential nutrition, early childhood care, and learning support through Anganwadi centres.

The initiative has yielded encouraging outcomes in improving child nutrition. Out of 218 children identified as severely malnourished, 74 children were successfully restored to the normal nutritional category, demonstrating the positive impact of sustained nutritional interventions and community-based support systems.

➤ Engagement of Volunteers for Shiksha Sathi project

To address the shortage of teaching staff in government schools, our company partnered with the Education Department of Bharuch district to sponsor 30 volunteer teachers from local communities. These teachers were strategically deployed across identified schools in the Jhagadia, Valia, and Netrang talukas of Bharuch district to strengthen classroom learning and enhance educational outcomes.

Through this initiative, we positively impacted the educational journey of more than 2,200 students, ensuring continuity of learning and improving the overall quality of education. By bridging critical teacher gaps, the program has contributed to creating a more supportive and effective learning environment for students in underserved rural and tribal areas.

This initiative aligns with Sustainable Development Goal 4 (SDG 4): Quality Education, reinforcing our commitment to providing inclusive, equitable, and quality education opportunities for all.

➤ Kanya Kelvani and Shala Praveshtsav

The Company has been a committed partner in the State Government's flagship Shala Praveshtsav and Kanya Kelvani campaigns for many years. Organized annually at the commencement of the academic session in June, these initiatives are designed to promote universal school enrolment, strengthen retention rates, and encourage the education of girl children. Through active participation, the company supports the Government's efforts to ensure that every eligible child is enrolled in school and has access to quality education from the very beginning of the academic year.

During the year under review, we partnered with 17 primary schools and 18 Anganwadi centres to support these important initiatives. As part of our contribution, we sponsored and distributed essential educational materials, including school uniforms, shoes, school bags, and water bottles. Students also received a wide range of learning resources such as notebooks, long books, square notebooks, compass boxes, geometry kits, slates, patti pens, pencil boxes, drawing books, ball pens, and sketch pens.

Through this initiative, we helped create a supportive and encouraging learning environment for children, particularly those from underserved communities. The program positively impacted 1,239 children, contributing to improved school readiness, attendance, and access to quality education.

➤ Basic Education in rural & tribal area

A CSR contribution was extended to M/s. Ekal Vidyalaya, an initiative of the Friends of Tribals Society, a non-profit organization dedicated to providing non-formal primary education in rural and tribal communities through its One Teacher School (OTS) model. These schools serve children aged 4-10 years (Grades I-III), focusing on foundational literacy, numeracy, and holistic development in underserved areas where access to formal education is limited.

Through this contribution, 60 children of rural and tribal communities benefited during the reporting period, gaining access to foundational education and learning opportunities that support.

Management Discussion and Analysis Report (Contd.)

➤ **Financial assistance for pursuing professional courses**

A CSR contribution was extended to M/s. Mahesh Forum, a charitable trust committed to supporting deserving and economically disadvantaged students through financial assistance for professional courses and higher education at recognized educational institutions.

Through this initiative, 71 students benefited from financial assistance for higher education, enabling them to pursue their academic aspirations without financial barriers.

➤ **Benefit to children of Sharda Vihar Madhyamik Vidyalaya, Chorwane, Khed, Dist.- Ratnagiri.**

As part of the Company's Corporate Social Responsibility (CSR) initiatives, a contribution was made toward the distribution of school bags and umbrellas to students of Sharda Vihar Madhyamik Vidyalaya, Chorwane, located in Khed Taluka, Ratnagiri District.

The initiative benefited 22 students, enhancing their learning experience and supporting their educational journey.

C) **Upgradation of School Infrastructure**

➤ **Upgradation of School infrastructure**

As part of its commitment to community development and enhancing educational outcomes, the Company implemented initiatives to strengthen school infrastructure by providing knitted bird-protection nets, water coolers, furniture, and other essential amenities. These interventions were designed to create a safe, inclusive, and supportive learning environment for students.

Through this initiative, a total of 785 students benefited from the improved school infrastructure and facilities.

➤ **Financial assistance to Aditya Birla Education Trust**

The Company's contribution to M/s Aditya Birla Education Trust supported school-based mental health initiatives aimed at promoting students' emotional well-being and fostering a nurturing school environment. The Trust's curriculum, delivered during regular school hours for students in Grades 1-12, focused on holistic social, emotional, and psychological development.

Through this initiative, 125 students benefited and experienced positive improvements in their overall well-being and personal development.

➤ **Upgradation of ITI infrastructure**

The Company undertook a comprehensive modernization of the infrastructure at the Rajashree Industrial Training Institute (ITI) to create a technology-enabled learning

environment that aligns with evolving industry standards and enhances the quality of vocational education.

As part of this initiative, key infrastructure upgrades included the installation of smart boards to enable interactive and digital learning, provision of an inkjet colour printer to support academic and administrative requirements, deployment of computers in the IT laboratory to strengthen practical training and digital literacy, and installation of an air-conditioning unit to provide a comfortable and conducive learning environment.

Through these infrastructure enhancements, 124 students directly benefited from improved access to modern learning resources, advanced classroom technology, and a more effective training ecosystem.

D) **Health Care & Medical facility**

➤ **Blood Donation Camp - Community Welfare Initiative**

As part of its ongoing commitment to community welfare and public health, the Company organized a Blood Donation Camp in collaboration with the Red Cross Society, Bharuch District, on 21 February 2026 at its premises. The initiative was undertaken in line with the Company's CSR vision of promoting societal well-being and strengthening access to essential healthcare services within the region.

The primary objective of the camp was to support the healthcare system by contributing to the availability of blood for patients requiring emergency and critical medical care. The event witnessed enthusiastic participation from employees, demonstrating their strong commitment to social responsibility and community service.

The camp successfully collected 62 units of blood, making a valuable contribution to local hospitals and healthcare institutions. This effort will help meet critical blood requirements, support life-saving medical interventions, and strengthen the overall healthcare infrastructure in the district.

➤ **Free eye check-up & Cataract operation camps**

In alignment with Sustainable Development Goal (SDG) 3 - Good Health and Well-being, the Company partnered with Sewa Rural, Jhagadia, a reputed non-governmental organization, to enhance access to quality healthcare services and promote early diagnosis and timely treatment in rural communities. This collaboration reflects the Company's commitment to strengthening preventive healthcare, improving health outcomes, and creating a positive and sustainable impact on underserved populations.

Management Discussion and Analysis Report (Contd.)

Details of the Initiative

- Number of Camps Organized: 5
- Locations: Amletha, Rajpardi, Indore, Asha, and Umalla villages across Bharuch and Narmada districts
- Target Group: Residents of rural communities with limited access to healthcare facilities

Key Activities and Impact

- Individuals Screened for Eye-related Conditions: 1,331
- Cataract Surgeries Successfully Conducted: 135
- Patients Provided with Essential Medicines: 361
- Beneficiaries Provided with Corrective and Protective Eyewear: 1,042

Through these healthcare outreach camps, the initiative significantly improved access to eye care services in rural areas, enabling early detection and treatment of vision-related ailments. By facilitating screenings, surgeries, medication support, and the distribution of eyewear, the programme enhanced the quality of life and overall well-being of the beneficiaries.

➤ Women's hygiene (Distribution of sanitary Napkins)

Good menstrual hygiene is fundamental to the health, dignity, and well-being of girls and women. However, in many rural communities, the use of sanitary napkins remains limited due to factors such as lack of awareness, inadequate availability, affordability challenges, and social stigma associated with menstrual health.

To address these challenges and promote menstrual health and hygiene, the Company partnered with Dev Foundation, a reputed non-governmental organization, to implement a comprehensive menstrual hygiene awareness and support programme. The initiative aimed to improve awareness, encourage the adoption of safe menstrual hygiene practices, and contribute to the overall health and dignity of rural women and adolescent girls.

As part of the programme, 40,608 sanitary napkins—sufficient to meet the requirements of beneficiaries for six months—were distributed. In addition, awareness sessions were conducted to educate participants on menstrual hygiene management, dispel myths and misconceptions, and encourage the regular use of sanitary napkins during the menstrual cycle.

Through this intervention, 1,128 rural girls and women successfully adopted the use of sanitary napkins, leading to a significant improvement in menstrual hygiene practices

and health outcomes. The programme was implemented across six villages in Bharuch district, namely Bamalla, Kariyapura, Tavadi, Shir, Raisangpura, and Vali.

➤ Support in eradication of T.B.

The National Tuberculosis Elimination Programme (NTEP), implemented under the National Health Mission (NHM), is a flagship Government of India initiative aimed at achieving a TB-free India through its National Strategic Plan for TB Elimination. The programme provides free diagnostic services and quality-assured treatment to all tuberculosis patients across the country.

Despite ongoing efforts, several challenges continue to hinder TB elimination, including low testing rates, delayed health-seeking behaviour, inadequate awareness, and undernutrition among patients. These factors significantly impact treatment outcomes and contribute to increased morbidity and mortality among individuals affected by TB.

Recognizing the importance of comprehensive patient care, the Company collaborated with the District TB Centre authorities to support TB elimination efforts through its CSR programme. The initiative focused on strengthening differentiated TB care and providing nutritional support to patients undergoing Anti-Tuberculosis Treatment (ATT), thereby improving treatment adherence and recovery outcomes.

As part of the Government's Ni-kshay Mitra initiative, the Company enrolled as a Ni-kshay Mitra and extended nutritional support to TB patients receiving treatment in its adopted areas of Jhagadia and Netrang talukas in Bharuch district, Gujarat. Nutritional support plays a critical role in enhancing immunity, improving treatment effectiveness, and supporting the overall recovery of TB patients.

During the year, nutritional support was provided to 2,753 TB patients. The intervention contributed to encouraging treatment completion and improving health outcomes, resulting in a treatment success rate of 92% among TB patients in Jhagadia Taluka and 93% among TB patients in Netrang Taluka, who successfully completed their treatment and were declared cured.

This initiative reflects the Company's commitment to strengthening public health systems, supporting vulnerable communities, and contributing to the national goal of eliminating tuberculosis while advancing Sustainable Development Goal (SDG) 3 – Good Health and Well-being.

➤ School Sanitation Infrastructure Initiative

Access to adequate sanitation facilities is essential for ensuring the health, safety, and well-being of students.

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The absence of clean and functional toilets in schools can contribute to health-related issues, discomfort, and absenteeism, particularly among girl students, thereby affecting their educational experience and outcomes.

To address this need, the Company, under its CSR programme, provided financial support for the construction of a toilet and urinal block at Shri Kailash Ashram Shala, located in Vankhuta village, Jhagadia Taluka, Bharuch district. The infrastructure was developed with a focus on hygiene, safety, accessibility, and long-term sustainability.

The facilities include separate toilets for boys and girls, handwashing stations with access to clean water, an appropriate drainage and waste management system, and a maintenance framework to ensure the continued upkeep and functionality of the infrastructure.

Through this initiative, 55 students now have access to safe and hygienic sanitation facilities, fostering better hygiene practices and creating a more conducive learning environment. The intervention is also expected to support improved school attendance and retention, particularly among girl students.

This initiative contributes to improved health and educational outcomes while supporting the objectives of the Swachh Bharat Mission and advancing United Nations Sustainable Development Goal (SDG) 6 – Clean Water and Sanitation.

➤ **Medical Aid nearby area**

As part of its commitment to improving the health and well-being of disadvantaged communities (Baggers), the Company extended support to M/s. Soham Trust, Pune, through the distribution of assistive aids and essential healthcare materials. The initiative was aimed at addressing the health, mobility, safety, and hygiene needs of vulnerable individuals, thereby enhancing their quality of life and overall well-being.

M/s. Soham Trust, established by Dr. Abhijit Sonawane, has been actively working towards the welfare of disadvantaged communities in Pune through healthcare support, awareness programmes, rehabilitation services, and livelihood-focused interventions.

Under this initiative, a range of assistive devices and healthcare essentials, including walkers, walking sticks, kneecaps, lumbar support (LS) belts, and skin-care soaps, were distributed to approximately 700 beneficiaries. These interventions were designed to improve mobility, provide physical support, promote personal hygiene, and enhance the overall health and comfort of the beneficiaries.

E) Gender equality, empowering women, setting up homes and hostels for women and orphans

➤ **Financial Assistance for Residential Infrastructure for Orphan Students**

As part of its commitment to supporting vulnerable and underserved communities, the Company extended financial assistance to M/s. Snehwan, a charitable trust dedicated to the care and rehabilitation of orphaned children whose parents lost their lives due to the prolonged agrarian distress and drought conditions in the Vidarbha and Marathwada regions of Maharashtra.

The Trust provides free education, nutritious meals, accommodation, and holistic care to orphaned children, enabling them to pursue their education in a safe and supportive environment. The Company's contribution was utilized for the development of dining hall infrastructure and the procurement of related facilities and equipment, with the objective of enhancing nutritional services and improving the overall residential environment for the children.

This initiative directly benefited 100 orphan children residing at Snehwan, Village Koyali, Alandi, Pune, Maharashtra. By strengthening the institution's infrastructure, the project helped create a safe, hygienic, and dignified dining environment, contributing to the children's health, well-being, and overall development.

F) Rural Infrastructure Development

➤ **Rural Street Lighting and Community Safety Initiative**

The Bharuch site is situated in a predominantly tribal region where many nearby villages face challenges arising from inadequate street lighting infrastructure. Poor illumination in public areas not only limits mobility after sunset but also raises safety and security concerns for residents, affecting their daily activities and overall quality of life.

To address these challenges, the Company undertook a rural infrastructure development initiative by installing 12 high-mast light towers across six villages in the vicinity of its operations. The high-mast lighting system provides reliable and widespread illumination, significantly enhancing visibility and safety in public spaces during night-time hours.

Through this intervention, approximately 7,774 individuals benefited from improved access to well-lit roads and community spaces, enabling safer movement after dark and reducing risks associated with poor visibility.

➤ **Installation of RCC Benches**

Access to adequate public seating is an important aspect of rural infrastructure, contributing to the comfort, convenience, and well-being of community members. In many villages, the lack of proper seating facilities in public



Management Discussion and Analysis Report (Contd.)

spaces such as bus stops, school premises, marketplaces, and community gathering areas often compels residents to sit on the ground, leading to inconvenience and unhygienic conditions.

To address this need and enhance the quality of public infrastructure, the Company undertook an initiative to install Reinforced Cement Concrete (RCC) benches in villages surrounding its Bharuch unit. The project aimed to improve accessibility, promote hygiene, facilitate social interaction, and create comfortable resting spaces for community members.

Under this CSR initiative, a total of 136 RCC benches were installed across 23 villages in the vicinity of the Bharuch plant. The benches were strategically placed in commonly used public areas to maximize community benefit and accessibility.

This intervention has provided clean, durable, and weather-resistant seating facilities, creating more comfortable and inclusive public spaces for residents. The availability of proper seating has encouraged greater community engagement, improved convenience for villagers, and contributed to a healthier and more welcoming environment.

The initiative has positively impacted approximately 24,161 individuals, strengthened rural infrastructure and enhanced the overall quality of life across the beneficiary villages.

➤ **Beauty Therapist Training for Women empowerment**

The Beauty Therapist Training Programme was implemented as part of the Company's ongoing CSR commitment to promote women's empowerment, livelihood enhancement, and inclusive community development. The initiative aligns with national skill development priorities and contributes to the achievement of Sustainable Development Goal (SDG) 5 - Gender Equality, SDG 8 - Decent Work and Economic Growth, and SDG 10 - Reduced Inequalities.

The programme was designed to empower women from Umalla and Vaghpura Gram Panchayats and neighbouring underserved rural communities by equipping them with market-relevant skills and creating opportunities for sustainable income generation. Conducted over a period of four months, the training programme enrolled 55 women, providing them with comprehensive practical and theoretical knowledge in beauty and wellness services.

To further support entrepreneurship and self-reliance, the Company provided fully equipped beauty parlour kits to all participants, enabling them to establish and operate their own micro-enterprises. Upon successful completion of the training, all participants cleared the final assessment and received government-recognized certification, enhancing

their employability and opening avenues for both wage employment and self-employment.

➤ **Construction of P.C.C. Road**

As part of its commitment to strengthening rural infrastructure and supporting community development, the Company provided financial assistance to the Raisingpura Gram Panchayat for the construction of a 356-metre-long and 4-metre-wide Plain Cement Concrete (P.C.C.) road in Raisingpura village. The road serves as a vital access route for local farmers and residents, facilitating daily transportation and agricultural activities.

The newly constructed road has significantly improved connectivity within the village by providing a durable, all-weather transportation link that ensures safer and smoother movement throughout the year. Enhanced road infrastructure has also eased the transportation of agricultural inputs and produce, thereby supporting the livelihoods of farming communities and improving access to essential services.

This initiative has positively benefited approximately 3,000 villagers, contributing to improved mobility, better rural connectivity, and enhanced socio-economic development. By strengthening local infrastructure, the project has helped create more accessible and resilient community assets that support long-term rural growth and development.

G) **Environmental sustainability and ecological balance**

➤ **Plantation for Ecological Balance**

As part of its commitment to environmental sustainability and ecological conservation under its Corporate Social Responsibility (CSR) programme, the Company implemented a plantation development initiative in open spaces under the jurisdiction of the Pimpri Chinchwad Municipal Corporation (PCMC). The project was aimed at enhancing urban green cover, improving environmental quality, and contributing to a healthier and more sustainable ecosystem.

The plantation initiative sought to mitigate the effects of rising temperatures, improve air quality, enhance biodiversity, and create oxygen-rich green spaces that support the well-being of local communities. By increasing vegetation cover, the project also contributes to environmental resilience and promotes sustainable urban development in Pune city.

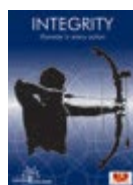
The initiative has positively benefited approximately 1,000 individuals, including local residents and members of the surrounding community, by fostering a cleaner, greener, and healthier environment. Through this intervention, the Company reaffirmed its commitment to environmental stewardship and the creation of sustainable communities for future generations.

Corporate Governance Report

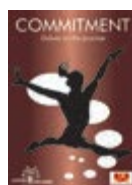
Corporate Governance forms the cornerstone of the Company's business philosophy and is firmly rooted in the principles of trusteeship. The Company remains unwavering in its dedication to maintaining the highest standards of governance, both in substance and in practice. During the financial year under review, the Company complied with all applicable corporate governance requirements in their entirety.

Being a part of the Aditya Birla Group, the Company aligns itself with the Group's core purpose: "To enrich lives by building dynamic and responsible businesses and institutions that inspire trust." This philosophy is deeply ingrained in the Company's culture through the distinctive 'Power of Five' values, which serve as the ethical bedrock of its operations. Guided by these values, the Company continues to pursue operational excellence while reinforcing its strong commitment to sound corporate governance. The 'Power of Five' values are:

INTEGRITY



COMMITMENT



PASSION



SEAMLESSNESS



SPEED



A. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's business practices are founded on the four key pillars of Trusteeship: transparency, adequate disclosure, fairness towards all stakeholders, and independent monitoring and supervision.

Fundamentally, corporate governance is focused on promoting and sustaining integrity, transparency, accountability, sustainability, and safety throughout the organization, while ensuring full compliance with applicable laws and adherence to the highest ethical standards.

The Company confirms that it has complied with the Corporate Governance requirements prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and the Companies Act, 2013 ("the Act"), as amended from time to time. The relevant details are provided below.

B. BOARD OF DIRECTORS

Composition of the Board

The Board plays a crucial role in strengthening and overseeing the Company's corporate governance framework. The Company is guided by a balanced and diverse Board comprising professionals possessing the necessary qualifications, experience, and expertise across a wide range of functional areas, enabling them to effectively fulfill their responsibilities. While determining the composition of the Board, various factors are taken into account, including educational background, professional experience, gender diversity, skills, and domain knowledge, among others.

As on 31st March 2026, the Board comprised six (6) Directors with significant experience in their respective fields. Of these, one (1) is an Executive Director and the remaining five (5) are Non-Executive Directors, including two (2) women Directors. Among the five Non-Executive Directors, three (3) are Independent Directors, one (1) of whom is a woman. The Independent Directors are distinguished professionals and collectively represent 50% of the total strength of the Board.

The composition of the Board is fully compliant with the limits prescribed under the applicable laws and regulations. None of the Directors of the Company serves on the Board of more than ten (10) public companies or holds directorships in more than seven (7) listed entities. Further, where a Director occupies the position of Whole-Time Director or Managing Director in a listed company, such Director does not serve as an Independent Director in more than three (3) listed companies.

Further, none of the Directors of the Company is a member of more than ten (10) Board Committees or acts as Chairperson of more than five (5) Committees. In accordance with Regulation 26(1)(b) of the Listing Regulations, only memberships and chairpersonships of the Audit Committee and the Stakeholders' Relationship Committee have been taken into consideration for this purpose.

The Managing Director is entrusted with significant powers for overseeing the day-to-day operations and management of the Company. The Chairperson of the Company is a Non-Executive, Non-Independent Director and is not related to the Managing Director within the meaning of the term "relative" as defined under the Companies Act, 2013. Brief profiles of the Directors are available on the Company's website at Century Enka - About Us Overview <https://www.centuryenka.com/about-us/overview.html>.

Corporate Governance Report (Contd.)

The composition of the Company's Board of Directors, together with details of their other directorships and committee memberships/ chairpersonships as on 31st March 2026, is provided below:

Category of Director	Name of Director	Tenure in the Company	No. of shares held in the Company	In other companies		
				Directorships*		
				Total**	In listed entity	
					Directorship	Committee***
Chairperson, Non-Executive Director & Promoter	Mrs. Rajashree Birla (DIN: 00022995)	11 years	26,080	5	As Non-Executive Director	-
					1. Grasim Industries Limited 2. Hindalco Industries Limited 3. UltraTech Cement Limited 4. Aditya Birla Real Estate Limited 5. Pilani Investment & Industries Corporation Limited	
Non-Executive Independent Director	Mrs. Krupa R. Gandhi**** (DIN: 00294629)	6 years	-	-	-	-
Non-Executive Independent Director	Mr. Ashish Razdan (DIN: 03584734)	2.4 years	-	7	As Independent Director - 1. TCPL Packaging Limited	Member of Stakeholders Relationship Committee of TCPL Packaging Limited
Non-Executive - Independent Director	Mr. Ravindra Kastia (DIN: 00528025)	1.5 years	-	4	-	-
Non-Executive Non-Independent Director	Mr. Jayant V Dhobley (DIN: 02402556)	2.6 years	2,500	1	-	-
Executive - Managing Director	Mr. Suresh Sodani***** (DIN: 08789604)	6 years	-	-	-	-

* The above details include directorships and committee positions held in companies other than Century Enka Limited.

** Directorships in private limited companies, foreign companies, and companies incorporated under Section 8 of the Companies Act, 2013, are excluded.

*** Only memberships and chairmanships of the Audit Committee and the Stakeholders' Relationship Committee have been considered.

**** Mrs. Krupa R. Gandhi (DIN: 00294629) reappointed for a second term of 5 years w.e.f. 14th August 2025.

***** Mr. Suresh Sodani (DIN: 08789604) reappointed for a second term of 1.7 years w.e.f. 1st September 2025.

Corporate Governance Report (Contd.)

Number of Board Meetings and Attendance

During the financial year 2025-26, the Board convened four (4) meetings. The details of the Directors' attendance at the Board Meetings and the Annual General Meeting (AGM) held during the year are provided below:

Name of Director	Attendance at Board Meetings held on				Attendance %	Attended AGM held on 12 th August 2025
	06 th May 2025	1 st August 2025	06 th November 2025	06 th February 2026		
Mrs. Rajashree Birla					100	
Mrs. Krupa R. Gandhi					100	
Mr. Ashish Razdan	LOA	LOA			50	
Mr. Ravindra Kastia					100	
Mr. Jayant V. Dhobley					100	
Mr. Suresh Sodani					100	

Inter se relationship between directors

None of the Directors of the Company are related to each other, as defined under Section 2(77) of the Act.

Core Expertise/Competencies of the Board of Directors

Skills/expertise/attributes/competencies	Mrs. Rajashree Birla	Mrs. Krupa R. Gandhi	Mr. Ravindra Kastia	Mr. Ashish Razdan	Mr. Jayant V. Dhobley	Mr. Suresh Sodani
 Corporate Governance	✓	✓	✓	✓	✓	✓
 Industry Experience/ Knowledge	✓	✓	-	-	✓	✓
 Financial literacy	-	✓	✓	✓	✓	✓
 Strategic Leadership	✓	✓	✓	✓	✓	✓
 Legal and Compliance	-	✓	✓	✓	✓	✓

Corporate Governance Report (Contd.)

Skills/expertise/ attributes/ competencies	Mrs. Rajashree Birla	Mrs. Krupa R. Gandhi	Mr. Ravindra Kastia	Mr. Ashish Razdan	Mr. Jayant V. Dhobley	Mr. Suresh Sodani
 Risk Management	-	✓	✓	✓	✓	✓
 Sustainability	✓	-	-	-	✓	✓
 Philanthropy	✓	-	-	-	-	-

Appointment and Tenure of Directors

The appointment or re-appointment of Directors of the Company is carried out by the Board based on the recommendations of the Nomination and Remuneration Committee (NRC), subject to the approval of the members. While making its recommendations, the NRC evaluates various factor such as qualifications, positive attributes, expertise, number of directorships held in other companies, and positions held as chairperson or member in various committees. Pursuant to the provisions of the Company's Articles of Association, the Companies Act, and the Listing Regulations, all Directors other than the Executive Director and Independent Directors are liable to retire by rotation and, being eligible, may seek re-appointment. The appointment, re-appointment, and tenure of Directors are regulated by the applicable provisions of the Companies Act and the Listing Regulations. The Executive Director is appointed for a specified term, whereas Independent Directors can hold office for maximum two consecutive terms of five years each.

Directors' interest in another Company

Every Director is obligated to disclose their interest or concern in any company, firm, body corporate, or association of individuals, including details of shareholding, at the first Board Meeting attended by them as a Director. Such disclosures are thereafter required to be made at the first Board Meeting of every financial year and also at the first Board Meeting held after any change in the previously disclosed interests.

In cases where the Company enters into contracts or arrangements with entities in which a Director is interested, whether as a Director or member, the management ensures that such transactions are undertaken in the ordinary course of business and on an arm's length basis.

Details of all contracts and arrangements in which the Directors are interested or concerned are duly recorded in the Register of Contracts maintained in accordance with Section 189 of the Companies Act, 2013, and the said register is placed before the Board at the ensuing meeting for noting.

Directors and Officers Insurance

Pursuant to the requirements of Regulation 25(10) of the Listing Regulations, the Company has obtained a Directors and Officers Insurance Policy ("D&O Policy") for all its Directors, including Independent Directors, and members of the Senior Management, with coverage maintained at an appropriate level based on the assessed risks and exposures.

Succession Planning

Succession planning plays a crucial role in ensuring the continued smooth functioning and sustained performance of the Company through effective leadership continuity. Being an artificial juridical person with perpetual succession, the Company recognizes the need for a structured succession framework. Accordingly, to avoid any potential gaps in leadership at the Board and Senior Management levels, the Company has implemented a formal succession plan to facilitate orderly transitions and appointments. Based on the recommendations of the Nomination and Remuneration Committee (NRC), the Board has adopted the Nomination, Remuneration and Succession Policy, which is available on the Company's website at <https://www.centuryenka.com/pdf/policies/nomination-remuneration-and-succession-policy.pdf>

Corporate Governance Report (Contd.)

Legal Compliance Reporting

The Company has implemented a mechanism for generating quarterly legal compliance reports in respect of all applicable laws. The system also tracks and notifies the concerned personnel regarding any delays or lapses in compliance updates. These compliance reports are periodically submitted to Compliance officer to ensure regulatory adherence.

Training, Induction and Familiarization Program

All Directors are provided unrestricted access to interact with the Company's Senior Management personnel on matters pertaining to the Company's operations and affairs. Information regarding the familiarization programme conducted for the Independent Directors is available on the Company's website at <https://www.centuryenka.com/pdf/policies/familiarisation-programme-independent-director.pdf>

COMMITTEES OF THE BOARD OF DIRECTORS

The Board has constituted various Committees of Directors, each entrusted with specific terms of reference in compliance with the provisions of the Companies Act and the Listing Regulations. These Committees play a significant role in improving operational effectiveness in areas that require attention and detailed deliberations.

The composition of the Board Committees as on 31st March 2026 is as follows:

Committee Position	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee	Share Transfer Committee
Chairperson	Mrs. Krupa R. Gandhi	Mrs. Krupa R. Gandhi	Mr. Ashish Razdan	Mrs. Krupa R. Gandhi	Mr. Jayant V. Dhobley	Mrs. Krupa R. Gandhi
Member	Mr. Ashish Razdan	Mr. Ashish Razdan	Mr. Ravindra Kastia	Mr. Ashish Razdan	Mr. Ashish Razdan	Mr. Ravindra Kastia
Member	Mr. Ravindra Kastia	Mr. Ravindra Kastia	Mr. Suresh Sodani	Mr. Suresh Sodani	Mr. Suresh Sodani	-
Member	-	-	-	-	Mr. Yogesh R. Shah - CFO	-

C. AUDIT COMMITTEE

The Company has constituted a qualified and independent Audit Committee, which acts as an important link between the statutory auditors, internal auditors, management, and the Board. All members of the Committee are financially literate and capable of understanding and analyzing financial statements. The Chairperson of the Committee possesses professional expertise in Finance and Accounting. The Audit Committee consists of three Independent Directors, and its composition is in full compliance with the requirements of the Companies Act and the Listing Regulations.

During the financial year 2025-26, the Audit Committee convened Four (4) meetings. The composition of the Audit Committee as on 31st March 2026, along with the attendance details of its members at these meetings, is provided below.

Name of the members	Categories	Date of the Meetings 6 th May 2025, 1 st August 2025, 6 th November 2025 and 6 th February 2026.	
		Held during the FY26	Attended during the FY 26
Mrs. Krupa R. Gandhi	Non-Executive Independent Director (Chairperson)	4	4
Mr. Ashish Razdan	Non-Executive Independent Director (Member)	4	2
Mr. Ravindra Kastia	Non-Executive Independent Director (Member)	4	4

Corporate Governance Report (Contd.)

The Managing Director and Chief Financial Officer attend the Audit Committee meetings as permanent invitees. In addition, the Statutory Auditors, Internal Auditors, and Senior Executives, whenever considered necessary, are invited to participate in the meetings. The Cost Auditors are also invited to attend meetings where matters relating to the Cost Audit are considered.

Mr. Rahul Dubey, Vice President – Legal and Company Secretary, acts as the Secretary to the Committee. Mrs. Krupa R. Gandhi (DIN: 00294629), Chairperson of the Audit Committee, attended the last Annual General Meeting held on 12th August 2025.

The brief terms of reference of the Audit Committee include reviewing the quarterly (audited/unaudited) financial results, annual financial statements, and auditors' reports; ensuring compliance with the listing requirements and other legal provisions relating to financial statements; reviewing the cost audit report before its submission to the Board; evaluating the adequacy of internal financial controls and procedures; monitoring the effectiveness of the internal control systems; reviewing capital expenditure and budgets; overseeing risk management and related party transactions; examining the nature and scope of the audit program; and recommending the appointment, remuneration, and terms of appointment of auditors, including approval of payments made to the Statutory Auditors for rendering other services.

Vigil Mechanism/Whistle-Blower Policy:

The Company has adopted a Whistle-Blower Policy establishing a formal Vigil Mechanism, through which Directors and Employees may report genuine concerns regarding unethical conduct, actual or suspected fraud, or any breach of the Company's Code of Conduct or Ethics Policy. The mechanism also provides for direct access to the Chairperson of the Audit Committee in suitable and exceptional circumstances. The Policy incorporates adequate safeguards against victimization of whistle blowers and ensures unrestricted access to the Audit Committee for all employees and Directors. The Whistle-Blower Policy is hosted on the Company's website at <https://www.centuryenka.com/pdf/policies/vigil-mechanism-whistle-blower-policy.pdf>

D. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) comprises three Independent Directors and is fully compliant with the requirements of the Companies Act and the Listing Regulations. During the financial year 2025–26, the Committee convened two (2) meetings. Details of the NRC's composition as on 31st March 2026, along with the attendance of members at these meetings, are set out below:

Name of the members	Categories	Date of the Meetings	
		6 th May 2025 and 1 st August 2025	
		Held during the FY26	Attended during the FY26
Mrs. Krupa R. Gandhi	Non-Executive Independent Director (Chairperson)	2	2
Mr. Ashish Razdan	Non-Executive Independent Director, (Member)	2	0
Mr. Ravindra Kastia	Non-Executive Independent Director (Member)	2	2

Mr. Rahul Dubey, Vice President–Legal and Company Secretary, acts as the Secretary to the Committee. Mrs. Krupa R. Gandhi (DIN: 00294629), Chairperson of the Nomination and Remuneration Committee (NRC), attended the last Annual General Meeting of the Company held on 12th August 2025.

The brief terms of reference of the NRC, inter alia, include recommending to the Board the Remuneration Policy for Directors, Key Managerial Personnel, and employees; formulating criteria for evaluating the performance of individual Directors, the Board as a whole, and its committees; designing performance evaluation templates; and recommending the appointment, re-appointment, and remuneration of Directors, Key Managerial Personnel, and Senior Management.

Performance Evaluation

The Company has adopted a policy for the evaluation of the Board, its committees, and individual Directors in accordance with the provisions of the Companies Act, 2013 and the applicable Listing Regulations. The evaluation framework is based on predefined criteria, including attendance at meetings, active participation in discussions, understanding of the Company's business and industry environment, and contribution towards strategic decision-making. These parameters are aligned with the duties and responsibilities prescribed under the Act and the Listing Regulations.

To facilitate the evaluation process, structured questionnaires are circulated among the Directors to obtain feedback on the effectiveness of the Board, its committees, and the Chairperson. The Board appoints an Independent Director as the Lead Director to collect the evaluation forms from all Directors. Pursuant to Section 149 read with Schedule IV of the Companies Act, 2013, the Independent Directors evaluate the performance of the Non-Independent Directors and the Board as a whole. Further, the performance of the Chairperson is reviewed based on feedback received from the Executive and Non-Executive Directors.

Corporate Governance Report (Contd.)

Pursuant to Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee (NRC) carries out the evaluation of the performance of the Board, its committees, and individual Directors. The Board also undertakes the performance evaluation of the Independent Directors. Based on the feedback received, appropriate action plans are formulated in consultation with the Directors to improve engagement, encourage more effective deliberations, and effectively leverage their expertise to further strengthen the Company's performance.

Pursuant to the recommendations of the Nomination and Remuneration Committee (NRC), the Board has also adopted a comprehensive Nomination, Remuneration and Succession Policy, which is available on the Company's website.

https://www.centuryenka.com/investor-relations/index.html#parentHorizontalTab6|ChildVerticalTab_211

E. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee (SRC) consists of three Directors, comprising two Independent Directors and one Executive Director. The composition of the Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In accordance with the applicable regulations, the Committee met once during the financial year 2025-26.

The composition of the SRC as on March 31, 2026, along with the attendance details of the members at the SRC meeting held during the year under review, is provided below:

Name of the members	Categories	Date of the Meeting 6 th February 2026	
		Held during the FY26	Attended during the FY26
Mr. Ashish Razdan	Non-Executive Independent Director (Chairperson)	1	1
Mr. Ravindra Kastia	Non-Executive Independent Director (Member)	1	1
Mr. Suresh Sodani	Executive-Managing Director (Member)	1	1

Mr. Rahul Dubey, VP – Legal & Company Secretary, acts as the Secretary to the Committee.

Mr. Ashish Razdan (DIN: 03584734), Chairperson of the SRC was present at the last Annual General Meeting of the Company held on 12th August 2025.

The brief terms of reference of the SRC, inter alia, include examining various matters relating to the interests of shareholders, debenture holders, and other security holders. These include resolving grievances pertaining to transfer or transmission of shares, non-receipt of annual reports or declared dividends, issuance of new or duplicate share certificates, and matters related to general meetings. The SRC also reviews the effectiveness of measures adopted for facilitating voting rights to shareholders, monitors compliance with the service standards established by the Company in respect of services rendered by the Registrar and Share Transfer Agent, and evaluates initiatives undertaken to reduce unclaimed dividends and ensure timely dispatch of dividend warrants, annual reports, and statutory notices to shareholders.

The Company continuously endeavors to ensure prompt and satisfactory resolution of investor grievances. A status report on shareholder complaints received and the actions taken for their resolution is placed before the SRC for its review.

The Company has designated a dedicated email ID - cel.investor@adityabirla.com, exclusively for addressing shareholder and investor grievances or correspondence.

Status of Shareholder/Investor Complaints for the period from 1st April 2025 to 31st March 2026.

Nature of complaint	No. of complaints received	No. of complaints resolved	No. of pending complaints
Exchange of Share Certificates	1	1	-
Transmission of Shares	1	1	-
Dividend	2	2	-
Others	8	8	-
Total	12	12	-

All complaints were resolved satisfactorily, addressing the concerns of the shareholders and investor.

Corporate Governance Report (Contd.)

F. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee consists of three Directors, comprising two Independent Directors and one Executive Director. The Committee's key responsibilities include recommending the CSR Policy to the Board, identifying activities to be undertaken by the Company in accordance with the areas specified under Schedule VII of the Companies Act, determining the allocation of funds for such activities, and monitoring the implementation and progress of approved CSR projects and programmes.

In accordance with Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Chief Financial Officer has certified that the funds disbursed for CSR activities during the financial year 2025-26 have been utilized for the intended purposes and in the manner approved by the Board.

During the financial year 2025-26, the CSR Committee convened two meetings. The composition of the CSR Committee as of 31st March 2026, along with the attendance of its members at these meetings, is detailed below:

Name of the members	Categories	Date of the Meetings 6 th May 2025 and 6 th February 2026	
		Held during the FY26	Attended during the FY26
Mrs. Krupa R. Gandhi	Non-Executive - Independent Director (Chairperson)	2	2
Mr. Ashish Razdan	Non-Executive - Independent Director	2	1
Mr. Suresh Sodani	Executive-Managing Director (Member)	2	2

Mr. Rahul Dubey, VP - Legal & Company Secretary acts as the Secretary to the Committee. Mrs. Krupa R. Gandhi, Chairperson of the CSR Committee, was present at the Company's last Annual General Meeting held on 12th August 2025.

G. RISK MANAGEMENT COMMITTEE

The Risk Management Committee (RMC) comprises four members, including an Independent Director, a Non-Executive Director, the Managing Director, and the Chief Financial Officer of the Company.

The brief terms of reference of the Risk Management Committee (RMC) include formulating and periodically reviewing a comprehensive Risk Management Policy covering financial, operational, sectoral, sustainability (including ESG), information security, cybersecurity, and other relevant risks. The Committee is also responsible for establishing effective systems and processes for risk identification, assessment, mitigation, and monitoring, including internal controls and business continuity planning. Further, the RMC oversees the implementation and effectiveness of the risk management framework, keeps the Board informed of its key discussions and recommendations, and reviews matters relating to the appointment, removal, and remuneration of the Chief Risk Officer, wherever applicable.

During the financial year 2025-26, two meetings of the RMC were held. The composition of the Committee as of 31st March 2026, along with the attendance of its members at the meetings held during the review period, is provided below:

Name of the members	Categories	Date of the Meetings 23 rd July 2025 and 22 nd January 2026	
		Held during the FY26	Attended during the FY26
Mr. Jayant V. Dhobley	Non-Executive Director (Chairperson)	2	2
Mr. Ashish Razdan	Non-Executive - Independent Director (Member)	2	2
Mr. Suresh Sodani	Executive-Managing Director (Member)	2	2
Mr. Yogesh R. Shah	Chief Financial Officer (Member)	2	2

Corporate Governance Report (Contd.)

H. SHARE TRANSFER COMMITTEE

The Share Transfer Committee (STC) consists of two Independent Directors of the Company. During the financial year 2025-26, 8 meetings of the STC were conducted. The composition of the STC as of 31st March 2026, along with the attendance of its members at the meetings held during the review period, is detailed below:

Name of the members	Categories	Date of the Meetings 21 st April 2025, 2 nd June 2025, 30 th June 2025, 28 th July 2025, 13 th October 2025, 3 rd December 2025, 14 th January 2026 and 17 th March 2026	
		Held during the FY26	Attended during the FY26
Mrs. Krupa R. Gandhi	Non-Executive Independent Director (Chairperson)	8	8
Mr. Ravindra Kastia	Non-Executive Independent Director (Member)	8	8

Mr. Rahul Dubey, VP – Legal & Company Secretary & Compliance Officer, acts as the Secretary to the Committee.

Additionally, certain powers have been delegated to Senior Executives to process share-related matters such as transmission, transposition, deletion of names, minor corrections in names etc. and similar requests, subject to the submission of complete and valid documentation within the prescribed timelines. Details of transactions approved under these delegated powers are periodically placed before the STC/Board for their review and noting.

I. THOSE CHARGED WITH GOVERNANCE (TCWG) COMMITTEE

The details of the Audit Committee members attended the meeting held for two-way communication with Those Charged With Governance (TCWG) are provided below:

Name of the members	Categories	Date of Meeting 6 th November 2025	
		Held during the FY26	Attended during the FY26
Mrs. Krupa R. Gandhi	Non-Executive Independent Director (Chairperson)	1	1
Mr. Ashish Razdan	Non-Executive Independent Director (Member)	1	1
Mr. Ravindra Kastia	Non-Executive Independent Director (Member)	1	1

The meeting was attended by Mr. Suresh Sodani, Managing Director, and Mr. Yogesh R. Shah as invitees, along with the Statutory Auditors.

Pursuant to the requirements of the National Financial Reporting Authority (NFRA) Circular dated 7th January 2026 on establishing an effective two-way communication mechanism between Those Charged With Governance (TCWG) and Statutory Auditors, the TCWG Committee was constituted, comprising all members of the Audit Committee, together with Mr. Jayant V. Dhobley, Non-Executive Director, and Mr. Suresh Sodani, Executive Director. Mr. Rahul Dubey, Vice President – Legal & Company Secretary and Compliance Officer, serves as the Secretary to the Committee. In compliance with the requirements of the said Circular, a meeting of the TCWG Committee was held on 19th May 2026.

J. INDEPENDENT DIRECTOR

The Board comprises three Non-Executive Independent Directors, all of whom satisfy the criteria of independence and are not related to any Director, Key Managerial Personnel, or members of the Company's management. In compliance with the Listing Regulations, none of the Independent Directors holds directorships in more than seven listed companies. Further, all Independent Directors have confirmed that their names are included in the databank maintained by the Indian Institute of Corporate Affairs pursuant to Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Corporate Governance Report (Contd.)

During the financial year 2025-26, one meeting of the Independent Directors was held on 17th March 2026. The meeting was attended by all Independent Directors and was conducted without the presence of Non-Independent Directors or Company executives, in accordance with the requirements of Regulation 25 of the Listing Regulations and Schedule IV of the Companies Act.

The Independent Directors expressed satisfaction with the overall functioning and performance of the Board and its members, the transparent and open discussions on agenda matters, and the responsiveness of the management in addressing issues deliberated during the meetings.

Declaration/Confirmation and Status of Independent Directors

The Company has received the necessary declarations from all Independent Directors confirming that they satisfy the criteria of independence prescribed under Section 149(6) of the Companies Act and Regulation 16 read with Regulation 25 of the Listing Regulations.

The Independent Directors have also confirmed, pursuant to Regulation 25(8) of the Listing Regulations, that they are not aware of any existing or anticipated circumstances that may impair their ability to discharge their duties with independent judgment and without any external influence.

The Board has taken these declarations on record and is satisfied that the Independent Directors continue to fulfil the conditions of independence specified under the Companies Act and the Listing Regulations and remain independent of the management.

Terms and Conditions of appointment

The terms and conditions governing the appointment of Independent Directors, including their mode of appointment, roles and responsibilities, duties, applicable provisions of Sections 149, 150, and 152 of the Act, and the 'Guidelines for Professional Conduct' prescribed under Schedule IV of the Act, form part of their appointment letters. These terms and conditions are also available on the Company's website, at https://www.centuryenka.com/pdf/Independent_directors_terms_conditions.pdf

Familiarisation Programme

Familiarisation programmes for Independent Directors form an integral part of the Board's governance framework. The Board and its Committees are regularly apprised of the Company's business performance, operational results, risk management and mitigation measures, sustainability and environmental initiatives, management's business outlook, and significant economic and industry developments. Independent Directors are also provided opportunities to interact with the senior management team, including the Statutory and Internal Auditors. Further, they are periodically updated on regulatory developments and their implications for the Company. Details of the familiarisation programmes are available on the Company's website <https://www.centuryenka.com/pdf/policies/familiarisation-programme-independent-director.pdf>

Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his/her tenure along with a confirmation by such director that there are no other material reasons other than those provided:

During the financial year 2025-26, no Independent Director resigned before the completion of their respective tenure.

K. SENIOR MANAGEMENT

The Company has covered the following persons under the definition of Senior Management Personnel:

Sr. No.	Name of Senior Management Personnel	Designation
1.	Mr. Yogesh R. Shah	Chief Financial Officer
2.	Mr. Rahul Dubey	Vice President - Legal and Company Secretary
3.	Mr. Rajeev Rathi	Jt. President (Unit Head-Bharuch Plant)
4.	Mr. Alok Upadhyaya	Sr. Vice President (Unit Head-Pune Plant)
5.	Mr. Milind Ashtaputre	Jt. President (NTCF Marketing)
6.	Mr. Sanjay Mehrotra	Jt. President (NFY Marketing)
7.	Mr. Sandeep Kumar	Vice President (Commercial)
8.	Dr. Partheban Manoharan (ceased w.e.f. 7 th July 2026)	Head - CTS and Quality Assurance

Corporate Governance Report (Contd.)

L. REMUNERATION OF DIRECTORS

Non-Executive Directors:

Non-Executive Directors are remunerated through sitting fees and commission.

(i) Sitting Fees

The sitting fees paid to each Director, excluding the Managing Director, for attending meetings of the Board of Directors and its Committees are detailed below:

Type of Meeting	Sitting Fees per meeting
Board	₹ 25,000/-
Audit Committee	₹ 15,000/-
Nomination & Remuneration Committee / Corporate Social Responsibility Committee/ Stakeholders' Relationship Committee / Share Transfer Committee/Risk Management Committee	₹ 7,500/-

(ii) Commission

Pursuant to the special resolution approved by the shareholders at the 58th Annual General Meeting held on 30th August 2024, Non-Executive Directors are entitled to receive commission not exceeding 1% of the Company's net profits computed in accordance with Sections 197 and 198 of the Act, subject to the limit determined by the Board of Directors from time to time. The Board has also laid down the criteria for payment of commission, taking into consideration the tenure of service and overall contribution of the Directors.

Details of remuneration paid or payable to Non-Executive Directors for the financial year 2025-26 are as follows:

Name of Non-Executive Director	Sitting Fees paid for Board/ Committee Meetings attended	Commission payable
Mrs. Rajashree Birla	₹ 1,00,000/-	₹ 7,50,000/-
Mrs. Krupa R. Gandhi	₹ 2,50,000 /-	₹ 7,50,000/-
Mr. Ashish Razdan	₹ 1,10,000/-	₹ 7,50,000/-
Mr. Jayant V. Dhobley	₹ 1,15,000/-	₹ 7,50,000/-
Mr. Ravindra Kastia	₹ 2,42,500/-	₹ 7,50,000/-

There were no other pecuniary relationships or transactions between the Company and the Non-Executive Directors during the financial year 2025-26.

Executive Director:

During the financial year 2025-26, the Company paid remuneration to its Managing Director in accordance with the limits prescribed under the applicable provisions of the Companies Act and Listing Regulations.

The remuneration paid/payable to Mr. Suresh Sodani, Managing Director, for the financial year 2025-26 is detailed below:

	₹/ Lacs
All elements of remuneration package i.e., salary, benefits, pension etc.	240.01
Variable Pay	62.28
Total Remuneration	302.29
Appointment Period	Five years w.e.f. 01.09.2020 and Re-appointed w.e.f. 01.09.2025 till 31 st March 2027.
Notice Period	Three months' notice in writing on either side.
Severance Fees	No severance fees payable to the Managing Director.
Stock options	Nil

The above remuneration excludes contributions to the approved gratuity fund, which is determined based on an actuarial valuation conducted on a company-wide basis.

Corporate Governance Report (Contd.)

M. GENERAL BODY MEETINGS

Details of the General Meetings of the Company held during the last 3 years are as under:

Financial Year	Date & Time	Location	Particulars of Special Resolution(s) passed
2022-23 57 th AGM	24 th August 2023 at 2:30 p.m. (IST)	Through Video Conferencing/ Other Audio-Visual Means: Recorded at Century Enka Limited Plot No. 72 & 72-A, MIDC, Bhosari, Pune-411026	a) Reappointment of Mrs. Rajashree Birla (DIN: 00022995) as a Director of the Company, liable to retire by rotation.
2023-24 58 th AGM	30 th August 2024 at 2:30 p.m. (IST)	Through Video Conferencing/ Other Audio-Visual Means: Recorded at Century Enka Limited Plot No. 72 & 72-A, MIDC, Bhosari, Pune-411026	a) Reappointment of Mrs. Rajashree Birla (DIN: 00022995) as a Director of the Company, liable to retire by rotation. b) Appointment of Mr. Ravindra Kastia (DIN:00528025) as an Independent Director of the Company w.e.f. 1 st November, 2024. c) Payment of remuneration by way of commission to the Directors, other than the Directors in the whole-time employment of the Company, at a rate not exceeding 1% (one percent) of the net profits of the Company in each year.
2024-25 59 th AGM	12 th August 2025 at 2:30 p.m. (IST)	Through Video Conferencing/ Other Audio-Visual Means: Recorded at Century Enka Limited Plot No. 72 & 72-A, MIDC, Bhosari, Pune-411026	a) Re- Appointment of Mrs. Krupa R. Gandhi (DIN: 00294629) as an Independent Director of the Company w.e.f. 14 th August, 2025.

POSTAL BALLOT

i. Details of special resolution passed by Postal Ballot:

No resolutions were passed through postal ballot during the financial year 2025-26.

ii. Whether any special resolution is proposed to be conducted through postal ballot.

As on the date of this Report, there is no proposal to pass any special resolution through postal ballot. However, if the need arises, such resolution shall be conducted in compliance with the provisions of the Companies Act, the Listing Regulations, and other applicable laws.

iii. The details of Extra-Ordinary General Meetings held in the last three years are as under:

No Extra- Ordinary General Meetings were held in the last three years.

N. MEANS OF COMMUNICATION

- The unaudited/audited financial results for each quarter, and the annual financial statements, are presented to the Board of Directors within the prescribed timelines. These results are published in Business Standard (all editions) and Loksatta (Pune edition).
- The Company's financial results and other relevant information are accessible on its website at www.centuryenka.com
- Investor presentations and official press releases, if any, submitted to the Stock Exchanges are also promptly made available on the Company's website.

Corporate Governance Report (Contd.)

GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting:

Day, Date and Time: Thursday, 20th August 2026, 2:30 PM (IST)
 Venue: Plot No. 72 & 72-A, MIDC, Bhosari, Pune-411026
 Mode: Through Video Conference

(b) Financial Year: 1st April - 31st March

(c) Financial Calendar:

Board Meetings for approval of financial reporting for the	Tentative Dates
Quarter ending 30 th June 2026	On or before 14 th August 2026
Quarter ending 30 th September 2026	On or before 14 th November 2026
Quarter ending 31 st December 2026	On or before 14 th February 2027
Quarter ending 31 st March 2027	On or before 30 th May 2027

(d) Book Closure: The Register of Members will remain closed from Wednesday, 12th August 2026 to Thursday, 13th August 2026 (both days inclusive) for the purpose of payment of dividend.

(e) Dividend Payment Date: On or after Monday, 24th August 2026

(f) Registered Office & Contact details:
 Plot No. 72 & 72-A, MIDC, Bhosari,
 Pune- 411026, Maharashtra
 Tel. No. (020) 66127 304
 Fax No. (020) 27120 113
 E-mail: cel.investor@adityabirla.com
 Website: www.centuryenka.com

(g) Listing at Stock Exchanges:

- BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001
- National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex, Bandra (East),
Mumbai - 400051

(h) Payment of Annual Listing Fees: The Annual Listing Fees for the financial year 2026-27 to BSE and NSE has been paid.

(i) Stock Code:
 BSE Limited: 500280
 National Stock Exchange of India Limited: CENTENKA

(j) ISIN of the Equity Shares: INE485A01015

Corporate Governance Report (Contd.)

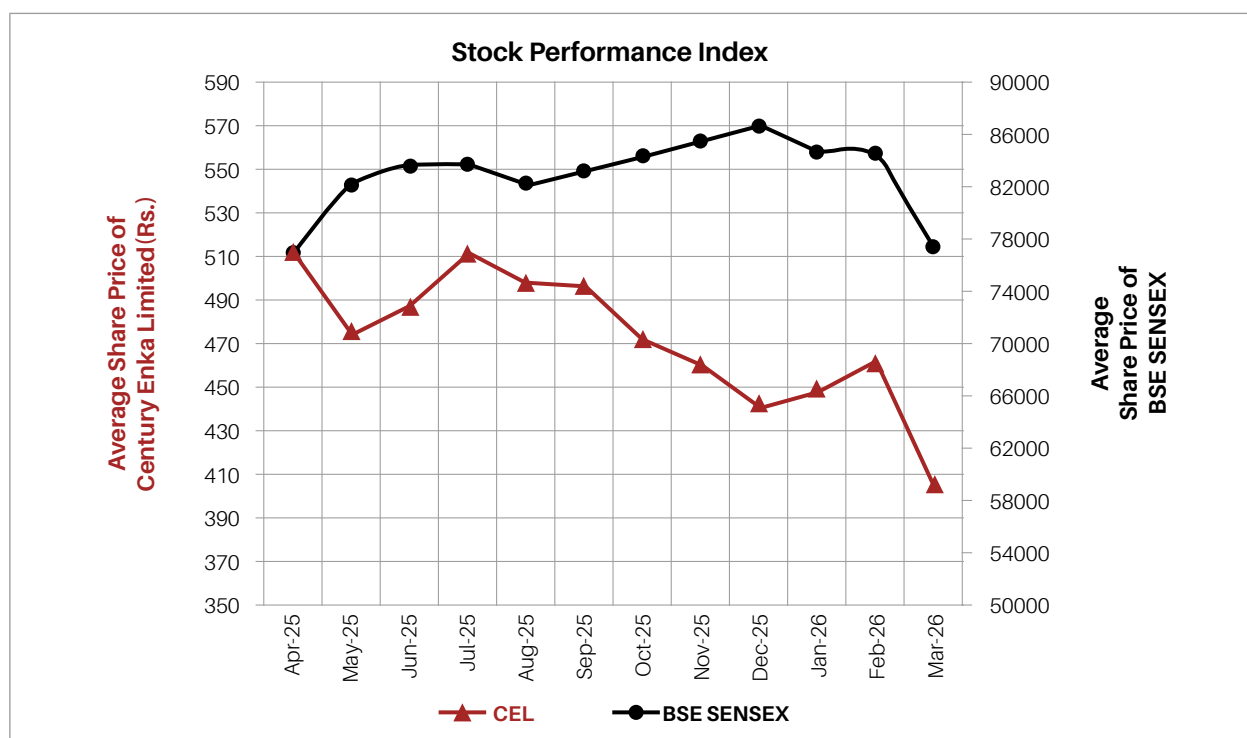
(k) Market price Data:

Monthly high and low prices of equity shares of the Company quoted at BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) during the financial year 2025-26 are given below:

(Amount/₹)

Month	BSE		NSE	
	High	Low	High	Low
Apr-25	554.00	475.00	555.00	495.95
May-25	528.35	419.00	528.00	419.30
Jun-25	516.10	458.20	516.45	458.00
Jul-25	538.00	485.55	537.90	489.80
Aug-25	514.15	482.00	519.00	480.00
Sep-25	519.75	474.55	520.60	437.20
Oct-25	491.20	452.65	489.96	452.10
Nov-25	473.95	444.40	471.60	444.10
Dec-25	471.80	408.10	473.90	409.50
Jan-26	474.70	420.35	473.75	418.00
Feb-26	500.00	424.50	505.00	423.30
Mar-26	436.75	371.30	436.55	371.20

(l) Stock Performance Index:



Corporate Governance Report (Contd.)

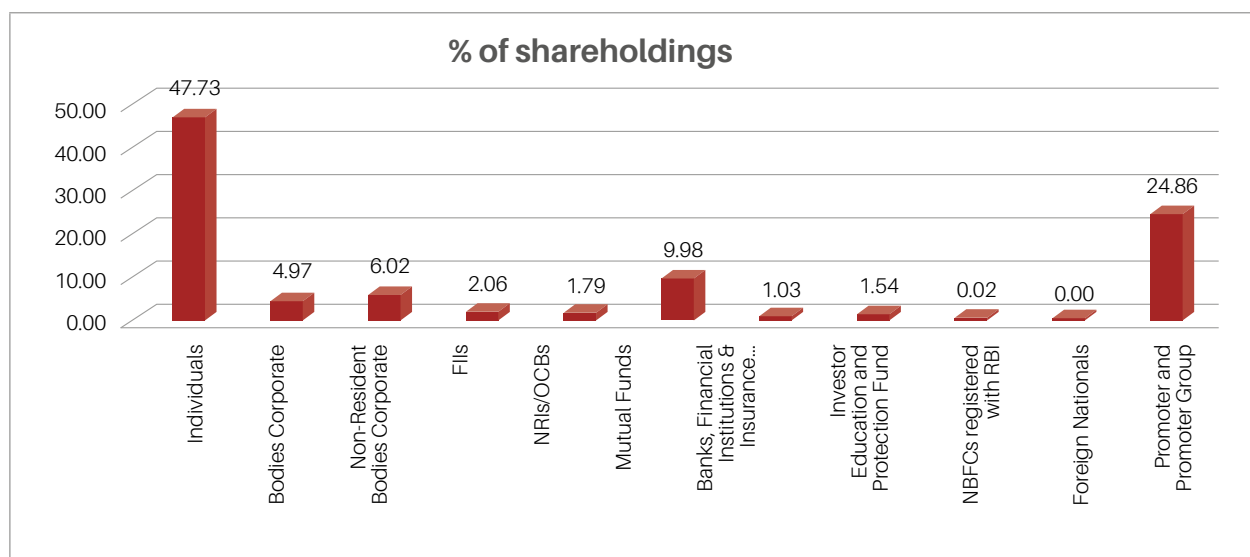
(m) Distribution of Shareholding of the equity shares of the Company as on 31st March 2026:

No. of equity shares held	No. of shareholders	% of shareholders	No. of equity shares held	% of shareholding
1 to 10	11,266	29.58	60,984	0.28
11 to 50	12,899	33.87	38,43,41	1.76
51 to 100	5,060	13.29	4,39,738	2.01
101 to 500	6,254	16.42	15,36,262	7.03
501 to 1000	1,213	3.19	9,36,677	4.29
1001 to 5000	1,135	2.98	24,67,452	11.29
5001 and above	254	0.67	1,60,25,135	73.34
Total	38,081	100	2,18,50,589	100

(n) Categories of Shareholding as on 31st March 2026:

Categories of Shareholding as on 31st March, 2026 for Corporate Governance

Category	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
Individuals	36,989	97.13	1,04,28,263	47.73
Bodies Corporate	363	0.95	10,85,317	4.97
Non-Resident Bodies Corporate	4	0.01	13,14,470	6.02
FIs	42	0.11	4,51,052	2.06
NRIs/OCBs	628	1.65	3,91,112	1.79
Mutual Funds	7	0.02	21,80,218	9.98
Banks, Financial Institutions & Insurance Companies	33	0.09	2,25,913	1.03
Investor Education and Protection Fund	1	0.00	3,37,111	1.54
NBFC's registered with RBI	2	0.01	3,885	0.02
Foreign Nationals	1	0.00	200	0.00
Total	38,070	99.97	1,64,17,541	75.14
Promoters	11	0.03	54,33,048	24.86
Non-Promoters	38,070	99.97	1,64,17,541	75.14
Total	38,081	100.00	2,18,50,589	100.00





Corporate Governance Report (Contd.)

- (o) **Dematerialisation of Shares and Liquidity:** 98.78% of equity shares have been dematerialized as on 31st March 2026. Trading in the shares of Century Enka Limited is available in dematerialised form only.
- (p) **Outstanding GDRs, ADRs, Warrants or any Convertible Instruments:** The Company does not have any outstanding GDRs/ ADRs/ Warrants/ Convertible Instruments.
- (q) **Commodity Price Risk or Foreign Exchange Risk & Hedging activities:** It is the policy of the Company to cover its foreign currency exposure for imports to avoid currency exchange fluctuation. There is no hedging available in caprolactam, the raw material of the Company.
- (r) **Plant Locations:**
a) MIDC Bhosari, Pune, Maharashtra
b) Rajashree Nagar, Bharuch, Gujarat
c) Mahad, Raigad, Maharashtra
- (s) **Registrar to an issue and share transfer agent:** MUFG Intime India Private Limited (formerly Link Intime India Private Limited)
C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400083.
Tel.: 022-8108116767,
Fax: 022-49186060,
E-mail: investor.helpdesk@in.mpms.mufg.com
- (t) **Share Transfer System:** Share Transfer System is explained in the para of Share Transfer Committee to this Report.

Further, SEBI vide its circular no. HO/38/13/(3)2026-MIRSD-POD//3763/2026 dated 30th January, 2026 has discontinued the process of issuing of LOC w.e.f. 1st April, 2026 and mandated the listed companies to directly credit the shares into the demat account of the shareholders/claimants after the necessary due diligence and completion of formalities.
- (u) **Address for Correspondence:** Century Enka Limited
Plot No. 72 & 72-A,
MIDC, Bhosari,
Pune-411026, Maharashtra
Tel. No.: (020) 66127304
E-mail: cel.investor@adityabirla.com
- (v) **In case the securities are suspended from trading, the directors report shall explain thereof:**
The shares are actively traded on NSE and BSE and have not been suspended from trading during the year under review.
- (w) **List of credit ratings along with any revisions thereto during the financial year 2025-26**
There has been no change in the credit ratings during the financial year 2025-26. The credit ratings have been enhanced and re-affirmed for the bank facilities are as under:

Particulars	Facilities ₹ (crores)	Credit Ratings
Bank Facilities (for debt instruments/facilities)		
Long Term Ratings	180	CRISIL A+/Stable (Reaffirmed)
Short Term Ratings	365	CRISIL A1+ (Reaffirmed)
Total Bank Facilities	557	

Corporate Governance Report (Contd.)

O. OTHER DISCLOSURES

(a) Material significant related party transactions that may have a potential conflict with the interest of the listed entity at large.

During the financial year 2025-26, there were no materially significant related party transactions that could have posed a potential conflict with the interests of the Company at large.

(b) Details of non-compliance by the listed entity, penalties and strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets, during the last three years.

The Company has complied with all the provisions of Listing Regulations as well as other regulations and guidelines of the SEBI. There have been no instances of non-compliance by the Company on any matters related to capital markets during the last 3 years and, hence, no penalty or strictures are imposed by SEBI or the Stock Exchanges or any Statutory Authority.

(c) Details of Vigil Mechanism/Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee.

The Company has established a Vigil Mechanism/Whistle Blower Policy to foster an open, transparent, and accountable work environment. The policy encourages responsible reporting and ensures a secure whistle-blowing system. It affirms that no personnel have been denied access to the Audit Committee. Adequate safeguards are in place to protect individuals who raise concerns, and the policy also provides for direct access to the Chairperson of the Audit Committee, who is responsible for overseeing the Vigil Mechanism.

The policy encompasses a wide range of concerns, including unethical behavior, actual or suspected fraud, violations of the Company's Code of Conduct, document tampering, fraudulent financial reporting, misappropriation or misuse of Company assets, data manipulation, theft of proprietary information, abuse of authority, and similar misconduct. <https://www.centuryenka.com/pdf/policies/vigil-mechanism-whistle-blower-policy.pdf>

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.

The Company has complied with all applicable mandatory requirements of the Listing Regulations during the financial year 2025-26 and has also adopted certain discretionary requirements, as detailed in the section titled "Discretionary Requirements" of this Report, in accordance with Part E of Schedule II of the Listing Regulations.

(e) Web link, where policy on dealing with related party transactions is disclosed.

The Related Party Transactions Policy, as approved by the Board of Directors, the said policy is also accessible on the Company's website at <https://www.centuryenka.com/pdf/policies/policy-on-related-party-transactions.pdf>

(f) Disclosure of commodity price risks and commodity hedging activities.

The Company's policy is to hedge its foreign currency exposure related to imports to mitigate currency exchange fluctuations. However, no hedging facility is available for caprolactam, the Company's main raw material.

(g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

During the financial year 2025-26, the Company did not raise any funds through preferential allotment or qualified institutional placements, as specified under Regulation 32(7A) of the Listing Regulations.

(h) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority.

M/s Sanjay Sangani & Co., Company Secretaries, have certified that none of the Directors on the Company's Board are debarred or disqualified from appointment or continuation as Directors by SEBI, the Ministry of Corporate Affairs, or any other statutory authority. This certificate is attached as an Annexure and forms part of this Report.

Corporate Governance Report (Contd.)

- (i) **Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year.**

During the financial year 2025-26, the Board of Directors of the Company has accepted all the recommendation of the committees.

- (j) **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

Total Fees paid/payable to Statutory Auditors for the financial year 2025-26 is ₹ 61.80 lakhs. (There is no subsidiary company/ network firm/ network entity)

- (k) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**
The Company has received POSH complaint during the financial year 2025-26.

Number of Complaints filed during the financial year	Number of Complaints disposed during the financial year	Number of Complaints pending as on end of the financial year
0	0	0

The Company has implemented a Board-approved Policy for the Prevention of Sexual Harassment at the Workplace, aimed at fostering a healthy and safe work environment. This policy ensures that all employees can work free from prejudice, gender bias, and harassment, regardless of race, caste, religion, color, ancestry, marital status, gender, age, nationality, ethnic origin, or disability. The said policy is available on the website of Company at <https://www.centuryenka.com/pdf/policies/policy-prevention-sexual-harassment-workplace.pdf>

- (l) **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount**

No loans or advances have been granted to firms or companies in which the Directors of the Company have any interest.

- (m) **Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.**

The Company did not have any subsidiary or material subsidiary during the period under review.

- (n) **Code of Conduct**

The Company consistently promotes and upholds ethical business practices in both personal and corporate conduct among its directors and employees. The Board has established a Code of Conduct applicable to all Board members and Senior Management Personnel. This Code is accessible on the Company's website at <https://www.centuryenka.com/pdf/policies/code-conduct-members-board-senior-management.pdf>

All Board Members and Senior Management Personnel have confirmed their adherence to the Code of Conduct. A declaration to this effect, signed by the Managing Director, is attached and forms part of this Report.

- (o) **Prevention of Insider Trading**

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Company has adopted a 'Code of Conduct for Dealing in Equity Shares and Other Listed Securities' ("Insider Trading Code") and a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' (UPSI). These Codes are available on the Company's website at Insider Trading Code and Fair Disclosure Policy at <https://www.centuryenka.com/pdf/policies/insider-trading-code.pdf> and <https://www.centuryenka.com/pdf/policies/fair-disclosure-unpublished-price-sensitive-information.pdf> respectively.

The Insider Trading Code is designed to preserve the confidentiality of UPSI and prevent its misuse. It covers all Designated Persons of the Company and includes provisions for periodic disclosures and obtaining pre-clearance prior to trading in the Company's securities. Additionally, a PAN-based online tracking mechanism monitors transactions by Designated Persons and their immediate relatives, enabling real-time detection and prompt action in case of any non-compliance with the Code.

Corporate Governance Report (Contd.)

(p) Policies and Information available on the website of the Company.

The Company has adopted various policies and codes, as approved and periodically reviewed by the Board.

Particulars	Website Link
Dividend Distribution Policy	https://www.centuryenka.com/pdf/policies/dividend-distribution-policy.pdf
Policy on Board Diversity	https://www.centuryenka.com/pdf/policies/policy-on-board-diversity.pdf
Archival Policy	https://www.centuryenka.com/pdf/policies/policy-for-archival-of-documents.pdf
CSR Policy	https://www.centuryenka.com/pdf/policies/csr-policy.pdf
Policy on Determination of Materiality of events or Information for Disclosure	https://www.centuryenka.com/pdf/policies/Policy_01122015.pdf
Secretarial Compliance Report for the financial year ended 31 st March 2026	https://www.centuryenka.com/investor-relations/index.html#parentHorizontalT-ab6%7CChildVerticalTab_217 parentHorizontalTab6
Annual Return as on 31 st March 2026	https://www.centuryenka.com/investor-relations/index.html#parentHorizontalT-ab6 ChildVerticalTab_212

P. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED.

The Company has fully complied with all the requirements of the Corporate Governance Report as specified in sub-paragraphs (2) to (10) of Part C of Schedule V of the Listing Regulations.

Q. THE CORPORATE GOVERNANCE REPORT SHALL ALSO DISCLOSE THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED.

The discretionary requirements adopted by the Company are as follows:

- The Board: Currently, the Company does not maintain a separate office for the Chairperson, nor are any expenses reimbursed for the performance of her duties.
- Shareholders' Rights: Half-yearly financial results, including summaries of significant events, are not separately circulated to shareholders at present.
- Modified Opinion(s) in Audit Report: The Statutory Auditors have issued an unmodified opinion on the Company's financial statements. The Company continues to maintain financial statements with unmodified audit opinions.
- Separate Posts of Chairperson and Chief Executive Officer: The Chairperson is a Non-Executive Director, and the roles of Chairperson and Managing Director are held by different individuals.
- Reporting of Internal Auditors: Internal Auditor reports are submitted to the Audit Committee for review.

R. THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) AND (T) OF SUB-REGULATION (2) OF REGULATION 46 SHALL BE MADE IN THE SECTION ON CORPORATE GOVERNANCE OF THE ANNUAL REPORT.

The Company has adhered to all mandatory requirements outlined in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

S. DECLARATION SIGNED BY THE CHIEF EXECUTIVE OFFICER STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT.

The declaration, duly signed by the Managing Director & CEO, is attached and forms an integral part of this Report

**Corporate Governance Report (Contd.)****T. DISCLOSURES WITH RESPECT TO SUSPENSE ESCROW DEMAT ACCOUNT AND UNCLAIMED SUSPENSE ACCOUNT.**

In accordance with SEBI circulars and guidelines, upon thorough verification of investor service requests from shareholders or claimants, Companies/RTAs issue a 'Letter of Confirmation (LOC)' as a replacement for physical share certificates. These LOCs remain valid for one hundred twenty (120) days from the date of issue, during which the shareholder or claimant must submit a request to their Depository Participant (DP) to dematerialize the shares covered by the LOC. If the dematerialization request is not made within this 120-day period, the shares must be transferred by the Company to a Suspense Escrow Demat Account specifically opened for this purpose. Shareholders or claimants can reclaim their shares from this account by submitting the necessary documents to the RTA, as outlined in the SEBI advisory dated 30th December 2022. The details of shares transferred to the Suspense Escrow Demat Account during the financial year 2025-26 are as follows:

Particulars	No of Shareholders	No of Equity shares
Outstanding shares on 1 st April 2025	7	395
Shares transferred during the FY 2025-26	4	360
Shares claimed back during the FY 2025-26	2	75
Outstanding shares on 31 st March 2026	9	680

U. COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE SHALL BE ANNEXED WITH THE DIRECTORS' REPORT.

The Compliance Certificate issued by M/s Sanjay Sangani & Co., Company Secretaries, is enclosed and forms an integral part of this Report.

V. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES.

There are no agreements requiring disclosure under Clause 5A of Paragraph A of Part A of Schedule III of these regulations.

W. TRANSFER OF EQUITY SHARES TO INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY.

In accordance with Section 124 of the Act and Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all shares for which dividends remained unpaid or unclaimed for seven consecutive years were required to be transferred to the Investor Education and Protection Fund Authority (IEPF Authority). Accordingly, on 29th August 2025, 19656 equity shares of ₹ 10/- each, representing 589 folios, for which dividends had not been claimed since the financial year 2017-18, were transmitted to the IEPF Authority. 26,385 equity shares of ₹ 10/- each, belonging to 758 shareholders, were transmitted to the IEPF Authority on 8th October 2024.

Corporate Governance Report (Contd.)

BRIEF RESUME OF PERSON SEEKING APPOINTMENT/ RE-APPOINTED AS DIRECTOR OF THE COMPANY AT THE ANNUAL GENERAL MEETING.

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India]

Name of the Director	Mrs. Rajashree Birla	Mr. Suresh Sodani
Directors Identification Number (DIN)	00022995	08789604
Age	80 years	59 years
Date of Appointment on the Board	5 th May, 2015	1 st September 2020
Qualification	B.A.	FCA & ICWA
Nature of expertise	As per the resolution at Item no. 4 of the AGM Notice, read with the explanatory statement thereto.	Finance, Accounts, IT, Logistic, Strategic Planning & Policy Formulation and Corporate Governance. For details refer item no-5 of the AGM Notice, read with the explanatory statement thereto
Other Directorships held excluding Foreign Companies, Companies under Section 8 of the Companies Act, 2013 and Private Companies	- Grasim Industries Ltd - Hindalco Industries Limited - UltraTech Cement Limited - Aditya Birla Real Estate Limited - Pilani Investment and Industries Corporation Limited	None
Name of the companies in which holds membership/ chairpersonship	Chairperson/ Member of Corporate Social Responsibility Committee of following companies: - Grasim Industries Ltd - Hindalco Industries Limited - UltraTech Cement Limited - Aditya Birla Real Estate Limited - Pilani Investment and Industries Corporation Limited	None
Names of listed companies from which resigned in the past three years	None	None
Terms and conditions for appointment and re-appointment	Non-Executive Director liable to retire by rotation.	Re-appointment as Managing Director and Chief Executive Officer not liable to retire by rotation
Remuneration last drawn	As mentioned in the Corporate Governance Report (forming part of Annual Report for the financial year ended 31st March 2026)	As mentioned in the Corporate Governance Report (forming part of Annual Report for the financial year ended 31st March 2026)
Remuneration proposed to be paid	Entitled to sitting fees for the Board and Committee meetings attended and Commission as per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	Remuneration proposed to be paid is the part of resolution for approval of the shareholders
No. of shares held in the Company	26,080	Nil
Relationship with other directors, Manager, Key Managerial Personnel of the Company	None	None
No. of Board meetings attended during the year	4 (four)	4 (four)

**Corporate Governance Report (Contd.)****DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the Code of Conduct, framed pursuant to Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in so far as it is applicable to them and there is no non-compliance thereof during the financial year ended on 31st March 2026.

Suresh Sodani

Managing Director and CEO

DIN: 08789604

Place: Mumbai

Date: 21st May 2026**CEO/CFO CERTIFICATION**

Regulation 17(8) of the Listing Regulations

The Board of Directors
Century Enka Limited

We certify that:

- A. We have reviewed the financial statements and the cash flow statement of 'the Company for the financial year ended on 31st March 2026 ('year') and that to the best of our knowledge and belief:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the Company's Auditors and the Audit Committee of the Company's Board of Directors, deficiencies in the design or operation of internal controls, if any, of which we are aware, and the steps taken or proposed to be taken to rectify the deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- 1) significant changes in the internal control, if any, over financial reporting during the year;
 - 2) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
 - 3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 21st May 2026
Place: Mumbai

Suresh Sodani

Managing Director & CEO

DIN: 08789604

Yogesh R. Shah

Chief Financial Officer

Corporate Governance Report (Contd.)

CERTIFICATE

To,
The Members of Century Enka Limited
Plot No. 72 & 72-A, MIDC,
Bhosari, Pune – 411026.

We have examined the compliance of the conditions of Corporate Governance by **Century Enka Limited** ('the Company') for the year ended 31st March, 2026, as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46 (2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance for the year ended 31st March, 2026, as stipulated in the above mentioned Listing Regulations and as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Sanjay Sangani & Co.**
Company Secretaries
Peer Review Certificate No.: 1689/2022

Sanjay H. Sangani
Proprietor
M. No. : FCS 4090
C.P. No. : 3847
UDIN : F004090H000424070

Mumbai, 21st May, 2026

**Corporate Governance Report (Contd.)****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members of Century Enka Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Century Enka Limited**, having CIN L24304PN1965PLC139075 and having registered office at Plot No. 72 & 72-A, MIDC, Bhosari, Pune - 411026 (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below for the financial year ending on 31st March, 2026, has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mrs. Rajashree Birla	00022995	05/05/2015
2.	Mrs. Krupa Rajen Gandhi	00294629	14/08/2020
3.	Mr. Suresh Sodani	08789604	01/09/2020
4.	Mr. Jayant V Dhobley	02402556	29/09/2023
5.	Mr. Ashish Razdan	03584734	23/11/2023
6.	Mr. Ravindra Kastia	00528025	01/11/2024

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on this based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Sanjay Sangani & Co.**

Company Secretaries

Peer Review Certificate No. : 1689/2022

Sanjay H. Sangani

Proprietor

M. No. : FCS 4090

C.P. No. : 3847

UDIN : F004090H000424070

Mumbai, 21st May, 2026

Business Responsibility & Sustainability Report

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

Section A	General Disclosures
Section B	Management and Process Disclosures
Section C	Principle-wise Performance Disclosures
Principle 1	Businesses should conduct and govern themselves with integrity, and in an ethical, transparent and accountable way.
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe.
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains.
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders.
Principle 5	Businesses should respect and promote human rights.
Principle 6	Businesses should respect and make efforts to protect and restore the environment.
Principle 7	Businesses, when influencing public and regulatory policy, should do so in a responsible and transparent way.
Principle 8	Businesses should promote inclusive growth and equitable development.
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING (BRSR) - CENTURY ENKA LIMITED (CEL)

At Century Enka Limited (CEL), our Business Responsibility and Sustainability Report (BRSR) reflects our commitment to responsible business practices and sustainability. The Company's business practices should go beyond regulatory compliance to create a positive impact on the environment and society. The Company committed to adopting sustainable practices that benefit our stakeholders, communities, and the planet.

BRSR outlines our performance on key Environmental, Social, and Governance (ESG) principles in accordance with Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. M/s BDO India Services Private Limited has provided limited assurance on the BRSR Core Indicators. The Company remains committed to minimize environmental impact, by reducing our carbon footprint, improving resource efficiency, and enhancing waste and water management. The Company believe sustainability is essential for creating long-term shareholder value, supporting societal well-being, and delivering lasting value to all our stakeholders.

SECTION A: GENERAL DISCLOSURES

Details of the listed entity

1.	Corporate Identity Number (CIN) of Company	L24304PN1965PLC139075
2.	Name of the Company	Century Enka Limited
3.	Year of incorporation	1965
4.	Registered office address	Plot No. 72 & 72-A MIDC, Bhosari, Pune-411026, Maharashtra
5.	Corporate Address	Plot No. 72 & 72-A MIDC, Bhosari, Pune-411026, Maharashtra
6.	E-mail	cel.investor@adityabirla.com
7.	Telephone	020-66127304
8.	Website	www.centuryenka.com
9.	Financial year for which reporting is being done	1 st April 2025-31 st March 2026
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited and BSE Limited
11.	Paid-up capital	₹2,185 Lacs

Business Responsibility & Sustainability Report (Contd.)

12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Mr. Rahul Dubey Company Secretary & Compliance Officer Tel. No.: 020-66127304 E-mail Id: cel.investor@adityabirla.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures in this report are made on a standalone basis for Century Enka Limited.
14.	Name of assurance provider	M/s BDO India Services Private Limited
15.	Type of assurance obtained	Limited Assurance on BRSR Core & non-Core indicators

Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of the Main Activity	Description of the Business Activity	% of turnover the entity
1	Manufacturing	Manufacturing of nylon and other man-made fibres and fabrics	96.35%

17. Products/services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC Code	% of total turnover Contributed
1	Nylon Tyre Cord Fabric	13999	47.74%
2	Nylon Filament Yarn	20203	46.83%
3	Nylon Chips	20297	1.75%
4	Polyester Yarn	20303	1.71%

Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of offices	Total
National	3	4	7
International	-	-	-

19. Markets served:

a. Number of locations

Locations	Number
National (No. of states)	19
International (No. of countries)	6

b. What is the contribution of exports as a percentage of the total turnover of the entity?

4.26%

c. A brief on types of customers

CEL follows a Business-to-Business (B2B) business model, supplying its manufactured products to a broad base of institutional customers. Its customer base is primarily classified into four major segments: Original Equipment Manufacturers (OEMs), traders, distributors, and export customers. The Company caters to Original Equipment Manufacturers (OEMs), works closely with traders and distributors across the textile value chain, and has established a strong presence in international markets, including Europe, Middle East, East Asia, South Asia, South America and North Africa.

Business Responsibility & Sustainability Report (Contd.)

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	488	467	96%	21	4%
2.	Other than permanent (E)	8	7	88%	1	12%
3.	Total employees (D + E)	496	474	96%	22	4%
Workers						
4.	Permanent (F)	969	969	100%	0	0
5.	Other than permanent (G)	1733	1696	98%	37	2%
6.	Total workers (F + G)	2702	2665	99%	37	1%

b. Differently abled employees and workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently abled employees						
1.	Permanent (D)	0	0	0%	0	0%
2.	Other than permanent (E)	0	0	0%	0	0%
3.	Total employees (D + E)	0	0	0%	0	0%
Differently abled workers						
4.	Permanent (F)	3	3	100%	0	0%
5.	Other than permanent (G)	3	3	100%	0	0%
6.	Total workers (F + G)	6	6	100%	0	0%

21. Participation/inclusion/representation of women

	Total (A)	No. and % of females	
		No. (B)	% (B / A)
Board of Directors *	6	2	33%
Key Management Personnel	2	0	0%

*Managing Director is also considered in Board of Director's list.

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male (A)	Female (B)	Total (C)	Male (A)	Female (B)	Total (C)	Male (A)	Female (B)	Total (C)
Permanent employees	10.87%	19.51%	11.24%	15.55%	20.51%	15.76%	13.26%	29.41%	13.84%
Permanent workers	6.84%	0%	6.84%	8.88%	0%	8.88%	6.99%	0%	6.99%

Business Responsibility & Sustainability Report (Contd.)

Holding, subsidiary and associate companies (including joint ventures)

23.(a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether Holdings/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	ABREL Century Energy Limited	Associate	26	No

CSR details

24. Whether CSR is applicable as per section 135 of Companies Act, 2013 - Yes

(i) Turnover (in Rs. Lacs) – 1,70,541

(ii) Net worth (in Rs. Lacs) – 1,50,059

Transparency and disclosures compliances

25. Complaints/grievances on any of the principles (principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGBRC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If Yes, then provide web-link for grievance redress policy	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, We have established a centralized grievance redressal mechanism to address concerns across all key stakeholder groups, including communities, shareholders/investors, employees and workers, customers, and value chain partners.	0	0	-	0	0	-
Investors (other than shareholders)		0	0	-	0	0	-
Shareholders	To ensure timely and effective resolution, a dedicated email channel has been implemented, supported by a well-defined escalation matrix that facilitates structured and transparent grievance management.	11	0	-	21	0	-
Employees and Workers		0	0	-	0	0	-
Customers	Link - https://www.centuryenka.com/investor-relations/index.html#parentHorizontalTab6 Child-VerticalTab_211	17	4	All pending complaints are resolved as on date of report	16	14	All pending complaints are resolved as on date of report
Value chain partners		0	0	-	0	0	-

Business Responsibility & Sustainability Report (Contd.)

26. Overview of the entity's material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Positive/negative implications
1	Occupational Health and Safety	Risk	Risk: Even with proper training and well-established safety protocols, human errors can still occur, potentially impacting health and safety, leading to accidents or injuries, and causing process failures that pose significant risks.	Implemented comprehensive plans and training programs to address occupational health and safety risks, including initiatives such as MITR (Making Individuals & Team Resilient) and MPOWER for mental health awareness. Supported by our ISO 45001:2018 certified management system, proactively managing risks through Hazard Identification and Risk Assessment (HIRA), which help us achieve zero injuries and no loss of manhours.	Positive Implications: Investing in occupational health and safety initiatives yields long-term advantages, including reduced medical costs, lower workers' compensation claims, and decreased insurance expenses. Emphasizing mental health supports employee retention & reduces recruitment costs, property damage, and production interruptions. Organizations that prioritize these aspects also gain a competitive advantage, as strong ethical practices attract customers, partners, top talent, contracts, and stakeholder collaboration. Negative Implications: On the other hand, serious injuries can still disrupt total man-hours and lead to increased operational costs.
2	Waste Management	Risk	Poor waste management practices can lead to environmental pollution, legal violations, and harm to the company's reputation. To mitigate these risks, CEL's focus on enhancing its waste management strategies to reduce its environmental impact, comply with regulations, and potentially recover resources through circular economy practices.	Waste reduction, recycling, and responsible disposal across its operations through source-level segregation, circular economy practices, and disposal via authorized agencies in compliance with Central and State Pollution Control Board regulations. Key initiatives include: - Reduced hazardous waste discharge by installing a paddle dryer at the Pune facility. - Adopted coprocessing of hazardous waste as an alternative to landfill disposal. - Produced "Green Polymer" using process waste.	Positive implications: - Implementation of effective waste management practices can ensure cost savings through reduced waste generation and disposal costs. - It can enhance resource efficiency and reduce the need for new raw materials, leading to potential cost savings.



Business Responsibility & Sustainability Report (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Positive/negative implications
3	Water Management	Risk, Opportunity	Opportunity: The Company recognizes water management as a significant opportunity to improve resource efficiency and strengthen environmental sustainability. Risk: Dependence on water for manufacturing operations exposes the Company to risks arising from water scarcity, supply disruptions, and regulatory changes.	The Company has achieved zero wastewater discharge from its manufacturing operations. Plants, situated outside water-stressed zones, have adopted water conservation measures aimed at reducing overall consumption. Additionally, the installation of 28 rainwater recharge wells at the Bharuch site facilitates groundwater recharge, enhances local water availability, and supports improvements in groundwater quality.	Positive implications: • Cost savings through water efficiency. • Adherence to all the applicable compliances to avoid fines and penalties. • Water availability for alternate usage in areas we operate.
4	Energy Management	Risk, Opportunity	Opportunity: Reducing reliance on non-renewable energy sources enables the development of sustainable long-term energy consumption goals and mitigates the uncertainties associated with the availability and use of non-renewable resources Risk: Ineffective energy management poses significant regulatory, operational, financial, and reputational risks. Failure to comply with applicable energy and environmental regulations may result in penalties, legal liabilities, increased operating costs, and reputational damage, potentially undermining stakeholder confidence and long-term business resilience.	Our continued commitment to renewable energy, captive hybrid power (solar+wind) under captive consumption has led to a substantial reduction in our carbon footprint while enhancing overall energy efficiency. We expanded our use of biomass as a renewable fuel source and commissioned solar power installations with a capacity of 1 MW. These all initiatives enabled us to meet approximately 57% of our total energy requirements through renewable sources during the reporting period.	Positive implications: • The transition to renewable energy sources, coupled with the implementation of energy efficiency measures, delivers significant financial and operational benefits. These initiatives help reduce energy costs, optimize resource utilization, and strengthen stakeholder confidence by demonstrating the organization's commitment to sustainable business practices.

Business Responsibility & Sustainability Report (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Positive/negative implications
5	Employee & Labour Management	Risk, Opportunity	Opportunities: Effective human capital management enhances employee well-being, fosters workforce development, and cultivates an inclusive and engaged workplace. This drives innovation, improves decision-making, strengthens stakeholder relationships, and supports sustainable business performance. Risks: Inadequate human capital management poses significant operational, reputational, and business continuity risks. It can lead to reduced employee engagement and morale, increased attrition, challenges in attracting and retaining talent, lower productivity, and reputational damage, ultimately affecting organizational performance and long-term growth.	We implement strategies to ensure compliance with applicable labor laws while investing in employee engagement through training, wellness, and work-life balance initiatives. These efforts help attract, retain, and motivate a skilled workforce, enhancing productivity, employee satisfaction, and overall organizational performance.	Positive Implications: Investing in human capital yields positive financial effects, which reduces costs, ensures long-term sustainability, and strengthens industry reputation. Negative Implications: - High absenteeism and reduced productivity can increase operating costs and adversely impact revenue. - Frequent recruitment, onboarding, and training of new employees result in higher workforce-related expenses. - Declining operational efficiency and excessive overtime may contribute to employee burnout and reduced productivity. - Non-compliance with applicable employment laws and regulations can lead to legal disputes, financial penalties, and reputational risks.
6	Customer Centricity	Opportunity	Strong customer relationships boost revenue and profitability. By offering customized products, we strengthen customer engagement, foster loyalty, encourage repeat business, and generate positive referrals that help attract new customers.	Since customer centricity is an opportunity, no mitigation measures required.	Positive Implications: Building strong customer relationships and fostering customer loyalty contribute to increased market share, higher customer retention, sustained revenue growth, and improved profitability. Satisfied customers are more likely to recommend our products and services, helping attract new customers and reinforcing long-term business success.



Business Responsibility & Sustainability Report (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Positive/negative implications
7	Supply Chain Management	Risk, Opportunity	Opportunity: Adopting ethical supply chain practices enhances our reputation, strengthens stakeholder trust, and provides a competitive advantage. By fostering strong supplier relationships, we improve operational performance, communication, and innovation while creating shared value across the supply chain. As demand for responsibly sourced products grows, our commitment to ethical sourcing helps expand our customer base, unlock new market opportunities, and drive sustainable business growth. Risk: Ineffective supply chain management poses operational, legal, and reputational risks. It can result in supply disruptions, delivery delays, customer dissatisfaction, regulatory non-compliance, and legal liabilities, underscoring the importance of ethical supply chain practices.	We collaborate with suppliers to strengthen their capabilities and build strategic partnerships while investing in technology to improve supply chain efficiency. Our supplier selection prioritizes ISO-certified vendors, promoting ethical and sustainable practices. We support supplier development and leverage analytics to proactively manage supply chain risks and opportunities.	Positive Implications: Effective supply chain management leads to cost savings, stronger supplier relationships, better customer service, increased brand value, and ultimately higher revenue and profitability. Negative Implications: Inefficient supply chain management results in higher costs and revenue loss from increased transportation and storage expenses, delayed deliveries, and dissatisfied customers.
8	Community Development	Opportunity	Community development enables the Company to better understand and support the communities it serves. Partnerships with local organizations and businesses strengthen shared resources and networks, fostering mutually beneficial relationships and creating a greater positive community impact.	Through local employment opportunities, CSR initiatives, and community partnerships, Company supports inclusive growth, strengthens local communities, and creates lasting socio-economic value.	Positive Implications: By promoting community development, Company strengthens community relations, builds social capital, enhances its corporate reputation, and supports sustainable long-term value creation.

Business Responsibility & Sustainability Report (Contd.)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and core elements.

Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web-link of the policies, if available.									
Principle 1	Anti-Harassment and Anti-Discrimination Policy Code of Conduct for BoD and Senior Management Nomination-Remuneration and Succession Policy Policy on Board Diversity Suppliers Code of Conduct Policy on Related Party Transactions Familiarization Program for Independent Director								
Principle 2	Product Responsibility Policy Responsible Supply Chain Policy								
Principle 3	Employee Wellbeing Policy Nomination-Remuneration and Succession Policy Risk Management Policy Suppliers Code of Conduct Vigil Mechanism Policy Policy on Sexual Harassment of Women at Workplace								
Principle 4	Stakeholder Relationship Policy Suppliers Code of Conduct								
Principle 5	Human Rights Policy Nomination-Remuneration and Succession Policy Policy on Board Diversity Policy on Sexual Harassment of Women at Workplace Vigil Mechanism Policy								
Principle 6	Environmental Policy Suppliers Code of Conduct Risk Management Policy Energy & Carbon Policy Water Stewardship Policy								
Principle 7	Public Policy Risk Management Policy								



Business Responsibility & Sustainability Report (Contd.)

Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Principle 8	CSR Policy Environmental Policy Suppliers Code of Conduct Responsible Supply Chain Policy								
Principle 9	Product Responsibility Policy IT Security Policy								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	No	Yes	Yes	No	Yes	No	Yes	No
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest stewardship council, Fairtrade, Rainforest alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.									
Principle 1	Provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Quality Management System (ISO 9001:2015)								
Principle 2	NABL-ISO/IEC 17025:2017 STANDARD 100-OEKO TEX								
Principle 3	ISO 45001:2018: Occupational Health and Safety Management System								
Principle 4	CSR disclosures pursuant to Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended								
Principle 5	The International Integrated Reporting Council (IIRC)- <IR> Framework United Nations Sustainable Development Goals (SDGs) Global Reporting Initiative (GRI)								
Principle 6	ISO 50001: 2018: Energy Management System ISO 9001:2015: Quality Management System ISO 14001: 2015: Environment Management System Global Recycled Standard								
Principle 7	The International Integrated Reporting Council (IIRC)- <IR> Framework United Nations Sustainable Development Goals (SDGs)								
Principle 8	CSR disclosures pursuant to Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.								
Principle 9	Quality Management System (ISO 9001:2015)								

Business Responsibility & Sustainability Report (Contd.)

Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5. Specific commitments, goals, and targets set by the entity	Environmental - P6 - Achieving net zero emissions by 2050. - Achieve 60% of total energy consumption from renewable sources by FY 2030. - Reduce CO₂ emissions intensity by 50% by FY 2030, against baseline of FY 2019. 50% reduction in total water consumption by FY 2030 against the baseline of FY 2019 - Achieve single use plastic certification by 2027. Social - P1, P3 - To achieve 10% year-on-year increase in women staff of the total fresh hire until FY 2026. - Zero harm to be achieved by FY 2026 - Achieve year-on-year increase in training hours per person per year by 10%. Governance - P1, P5, P6 - Screen all newly onboarded suppliers on ESG criteria. - Conducting periodic reviews of existing policies and improvement of policies as applicable.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	We acknowledge the critical importance of our sustainability objectives and have established specific ESG targets for FY 2025-26. A comprehensive action plan has been put in place, and the implementation of these targets and initiatives began in the previous year. The performance achieved against selected targets during the reporting period is presented below, and we remain on track to achieve our stated objectives: Environment a) Achieved a 57% share of renewable Energy. b) Achieved a 48% reduction in CO₂ emissions intensity during the reporting period. c) Achieved a 42% reduction in total water consumption during the reporting period. Social a) the company has undertaken strategic restructuring of its hiring process to strengthen future performance. b) the company remains on track to achieve the same in the upcoming reporting period. c) Achieved year-on-year increase in training hours per person per year by 10%. Governance a) Established a framework for screening the new suppliers onboarded and we are on track to achieve the same. b) This is an ongoing task and we periodically update our policies and implement new ones wherever it is required.								
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Refer to Managing Director & CEO's Message in Integrated Report under Leadership Section of our Integrated Report.								
8. Details of the highest authority responsible for implementation and oversight of the business responsibility policy/policies	The highest authority responsible for overseeing the implementation of business responsibility practices and policies at CEL is Mr. Suresh Sodani, Managing Director and Chief Executive Officer (DIN: 08789604), Century Enka Limited.								
9. Does the entity have a specified committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.	Yes, Mr. Suresh Sodani, Managing Director and Chief Executive Officer (DIN: 08789604) is responsible for oversight and decision making on sustainability related matters in the Company.								



Business Responsibility & Sustainability Report (Contd.)

10. Details of review of NGRBCs by the Company:

Subject for review	Indicate whether the review was undertaken by Director/committee of the board/ any other committee									Frequency (Annually/ half-yearly/ quarterly/ any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	- Yes, performance against policies is periodically reviewed by the Managing Director. - Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify) : Annually																	
Compliance with statutory requirements of relevance to the principles, and, the rectification of any non-compliances	- Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee - Yes, performance against policies is periodically reviewed by the Managing Director. - Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify) : Quarterly																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No independent assessment has been carried out by any external agency during this financial year.								

12. If answer to question (1) above is "No" i.e., not all principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/ No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

Business Responsibility & Sustainability Report (Contd.)

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.

At Century Enka Limited (CEL), we remain committed to upholding robust corporate governance practices across all aspects of our operations. Robust governance is the foundation of responsible business conduct, guided by principles of transparency, fairness, accountability, and comprehensive disclosure. These values underpin our efforts to build a resilient and ethical governance framework.

To uphold the highest standards of integrity, we have implemented well-defined policies and governance mechanisms across the organization. All employees and members of senior management are required to comply with the Company's Code of Conduct and applicable laws and regulations, ensuring consistent adherence to ethical and compliant business practices.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of directors	4	- Environment, Health and Safety matters - Impact of government policies on the business of the Company - Key regulatory developments & statutory Compliances - Capital Budgeting - Product offerings, quality, price trend in raw material and finished products - Statutory Auditors presentation on Change in laws relating to Company Accounts - Updates on business model, strategy and performance - Updates on Risk Management framework and Internal financial Control	100%
Key managerial personnel	4	- BRSR (Business Responsibility & Sustainability Reporting) - Changes in business environment and the Industry - Discussion on Environment, Health and Safety matters - Impact of government policies on the business of the Company - Key regulatory developments & statutory Compliances - Assurance of Core BRSR and Scope -3 calculation - Product offerings, quality, price trend in raw material and finished products - Capital Budgeting - Statutory Auditors presentation on Change in laws relating to Company Accounts - Updates on business model, strategy and performance - Updates on Risk Management framework and Internal financial Control	100%



Business Responsibility & Sustainability Report (Contd.)

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Employees other than BoD and KMPs	137	Leadership • Leadership Course • Coaching for upward influencing • Ignite Leadership • International Coaching Federation Certification • Lead the Change • Leadership & Emotional Intelligence • Leadership Agility Program • Leadership Capability Advancement Workshop – Industry 4.0 • Leadership Catalyst Program • Leadership Communication • Leh Leadership Journey • Mindful Inner Advantage • Personal Effectiveness in Practice • Step Up • UPSCALED Leadership Lab Safety • Ammonia Leakage • Arc Flash Safety • Behavioural Based Safety • Business Responsibility and Sustainability Reporting Awareness • Chemical & Petrochemical Industrial Safety • Chemical Safety Handling & Storage • Compliance, Data Preparation Awareness • Conducted Wet drill & Defining Strategy for Fire Prevention, Protection & Firefighting • Contractor Safety • Cyber Security • Defining Strategy for Fire Prevention, Protection & Firefighting • Electrical Safety • Energy Conservation & Climate Action Goals	100%

Business Responsibility & Sustainability Report (Contd.)

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
		• Fire Ladder Drill • Fire Prevention and Protection • Fire Squad Member Commando Training • First Aid • General Safety & Emergency Management Training • HAZOP (Hazard and Operability) • Health Safety Risk & Good Practices in Habits • Human Rights • Human Rights Due Diligence • Job Cycle Check • Leadership Role in Fire Prevention • Leading Indicator • Life Saving Rules & Safety Observation Process • Lift Safety Awareness • Lockout/Tagout • Mechanical Safety • Occupational Health and Safety Code-2020 • Onsite Emergency Plan • Operating Water Sprinkle • Permit to Work • Permit to Work & Job Safety Analysis • Personal Protective Equipment Awareness • PESTEL based threats & opportunities • Pre-readiness Ambulance Stretcher Handling • Prevention of corruptions & Bribery • Prevention of Sexual Harassment • Process Safety Management • Repetitive Strain Injury • Respiratory Protective with Demonstration • Road Safety Awareness	



Business Responsibility & Sustainability Report (Contd.)

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
		• Safe Chemical Handling • Safe Handle & Management of Hazardous • "Safety and Environment for MSME in the Chemical Sector" • Safety Awareness • Safety in Moving Machine • Safety Observation & Job Cycle Check • Scaffold Management • Self Contained Breathing Apparatus • Self Life Expired Items • Social Security Awareness • Supplier Ethical Data Exchange(SEDEX) Gap Analysis • Sustainability Awareness • Sustainable Industrial Practice • TapRoot Investigation Training • Training on "Chemical & Petrochemical Industrial Safety" • Transporter Safety Training • Value Change Champion • Waste Material safe Handling training • Waste reduction & sorting • Waste Water Management • Work Permit System for Hot Work	

Business Responsibility & Sustainability Report (Contd.)

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Workers	41	Behavioural • ABG Values • ABG Vibes Action Plan • Adapt & Respond Proactively • Adapt & Respond Proactively (Theater Based) • Adaptability & Agility • Be the Change • Behavioural Competency Framework • Building Resilience • Conflict Management • Creating Tomorrow's Leaders • Effective Communication Skills • Emotional Intelligence • Finance for Non-Financial Professional • Goal Setting • Growth Mindset • Growth Mindset Flipped Workshop • Health Talk • Influence Through Meta Program • Kintsugi • Management Lesson from Ramayan • Managerial Effectiveness • Master your Thoughts & Master your Action • Mental Health Awareness • Mental Health Championship Program • Mindfulness for Productivity & Excellence • Minds full communication to Resolve Conflict • National Pension System • SMARTER Goal Setting • SWOT Analysis • Transform Aggressive to Assertive Communication • Unleashed Your Potential • Vision Board Proactive Plan Ahead Competency • 5-S Standard • 7 Quality Circle Tool • Advanced Product Quality Planning • Alt Recruit Poornata Operation • Annual Incentive Plan • Art of Business Storytelling	100%



Business Responsibility & Sustainability Report (Contd.)

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
		- Artificial intelligence for Design and Optimization - Artificial intelligence Tools - Changing the ER Dynamics - Characterization of Polymers, Elastomers, and Composites - Competency Assessment Secret - Cornerstone On Demand - Digital Transformation - DISHA - A New era of Commercial & Supply Chain Management - Driving Smart Manufacturing through AI-Powered Automation - Effective Negotiation Skills - Energy Efficient Technologies in Textile Industry - Energy Management System - ISO 50001 - Energy Management System - ISO 50001- Internal Auditor - Enterprise Builder - Expenses Management - Failure Mode and Effects Analysis - Global Recycled Standard - Group Medical Coverage Portal Awareness - GST 2.0 - GST implementation in SAP - Immersion- Digital Transformation - Industry 4.0- Hindalco Factory - Chakan - Industry Internet of Things(IOT) Smart Control by Zeppelin - Information Security Management Systems ISO 27001:2022 - Integrated Management System - Integrated Management Systems Internal Auditor - International Automotive Task Force 16949:2018 - International Automotive Task Force Internal Auditor - Jidoka-(Stop The Line) - Kaizen Idea to Impact - Kaizen National Technology - Lab functions Data Management - Leadership Capability Advancement Workshop - Industry 4.0	

Business Responsibility & Sustainability Report (Contd.)

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
		• Long-Term Settlement • Low Cost Automation • Macroeconomics Awareness Session • Managing Internal Customer Experience (MICE) • Material Identification • Minitab Workspace and Minitab Engage • Monitoring, Reporting and Verification (MRV) for the Carbon Credit Trading Scheme (CCTS) • MSA (Measurement System Analysis) and SPC (Statistical Process Control) • My Development Plan Process Integration • National Accreditation Board for Testing and Calibration Laboratories (ISO/IEC 17025) • National Accreditation Board for Testing and Calibration Laboratories (ISO/IEC 17025) & Internal Auditor • National Digital Robotic Automation Competition • National Program – Pharma Connect 2025, • Navigating through India's Trade Framework Understanding Bureau of Indian Standards, Free Trade Agreement and Foreign Exchange Management updates • New Labour Code Law • Operational Excellence • Poornata Portal Alignment Training • Process Gap Analysis • Process Improvement & 5S • Productivity Increase Case Study • Programmable Logic Controller • ProZone Portal Awareness • Quality Circle -Kaizen • Quality Control Tools • Quest2Travel Expense Management Portal • SAP • SAP - Plant Maintenance • Six Sigma Green Belt • Six Sigma Yellow Belt • Sustainable Supply Chain – A Pathway to Net Zero Carbon Footprint • Total Quality Management • Visitor Application Gate Pass • Yarn to Chips Traceability	



Business Responsibility & Sustainability Report (Contd.)

2. Details of fines/penalties/punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

MONETARY					
	NGRBC Principles	Name of the regulatory/ enforcement agencies/ judicial institution	Amount (INR)	Brief of the Case	Has an appeal been preferred? (Y/N)
Penalty/fine	There were no such instances during the financial year.				
Settlement					
Compounding Fee					

NON-MONETARY				
	NGRBC Principles	Name of the regulatory/ enforcement agencies/ judicial institution	Brief of the Case	Has an appeal been preferred? (Y/N)
Imprisonment	There were no such instances during the financial year.			
Punishment				
Others				

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision are preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory/ enforcement agencies/ judicial institutions
There were no such instances during the financial year.	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.
- The Company has an Anti-Corruption and Anti-Bribery Policy and a Code of Conduct for employees to reinforce ethical and professional behaviour across the organization. This framework promotes responsible business practices founded on integrity, honesty, and transparency. It clearly defines expected standards of conduct and outlines the non-negotiable principles that all employees must consistently uphold. In addition, the Code of Conduct applicable to <https://www.centuryenka.com/pdf/policies/code-conduct-members-board-senior-management.pdf>.

Board of Directors and Senior Management further strengthens governance by encouraging ethical leadership and accountability. It guides members to uphold fairness, professionalism, and transparency in all interactions with stakeholders, including customers, suppliers, employees, and the wider community, while ensuring that decisions are made in the best interests of the organization.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

	FY 2025-26	FY 2024-25
Directors	No disciplinary action has been taken against any of the directors, KMPs, employees and workers pertaining to anti-corruption and anti-bribery during the current and previous financial year.	
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the directors	No such complaints received during the financial year.		No such complaints received during the financial year.	
Number of complaints received in relation to issues of conflict of interest of the KMP's				

Business Responsibility & Sustainability Report (Contd.)

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

There were no cases of corruption and conflicts of interests, hence no corrective action was taken on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest at CEL during this financial year

8. Number of days of accounts payable ((Accounts payable *365)/Cost of goods/services procured) In the following format.

	FY 2025-26	FY 2024-25
Number of Days of account Payable	61.12	41.58

9. Open-ness of Business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances and investment, with related parties, in the following format:

Parameters	Metrics	FY 2025-26	FY 2024-25
Concentration of purchase	a. Purchase from trading houses as % of total purchase	18.68	17.55
	b. Number of trading houses where purchases are made from	413	592
	c. Purchases from top 10 trading houses as % of total purchase from trading houses	81.71	76.23
Concentrations of sales	a. Sales to dealers/ distributors as % of total sales	43.15	42.54
	b. Number of dealers/distributors to whom sales are made	39	40
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	74.83	77.71
Share of RPTs in	a. Purchases (purchases with related parties/total purchase) ₹ Lacs	1.50	1.17
	b. Sales (Sales to related parties/total sales)	0	0
	c. Loans and advances (Loans and advances with related parties/total Loans and advances)	0	0
	d. Investments (Investments to related parties/total Investments made)	0	0

Note: The previous year's figures for sales concentration have been updated to reflect improved accuracy following a refinement in the calculation methodology.

LEADERSHIP INDICATOR

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
No awareness programs were held for value chain partners during this financial year.		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, we have Robust procedures to effectively prevent and mitigate conflict of interest across the organization. A Code of Conduct for the Board of Directors and Senior Management provide clear guidance, encouraging members identify and avoid situations that may result in direct or indirect conflicts impacting business integrity.

Any potential or actual conflict, must be promptly disclosed to the Company to enable timely and appropriate resolution. To promote transparency, the [Code of Conduct for the Board of Directors and Senior Management](#) is available on the Company's website for stakeholder reference.

Business Responsibility & Sustainability Report (Contd.)

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE.

We remain committed to promoting sustainable practices across our entire value chain, ensuring that all vendors adhere to applicable environmental regulations and standards. This commitment is supported through the adoption of innovative operational practices, stringent evaluation mechanisms, and continuous monitoring systems to assess supplier performance.

A strong emphasis is placed on local sourcing of raw materials, enabling us to support domestic production while simultaneously reducing its environmental footprint. Furthermore, compliance with the Central Pollution Control Board (CPCB) guidelines is ensured through effective waste management, including responsible disposal and recycling practices. These initiatives contribute to minimizing environmental impact and strengthening the Company's commitment to resource conservation and sustainability.

ESSENTIAL INDICATORS

- Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve product and processes' environmental and social impacts to total R&D and capex investments made by the entity, respectively.

	FY 2025-26 (Rs in lacs)	FY 2024-25 (Rs in lacs)	Details of improvements in environmental and social impacts
R&D	4	4	Yarn production from recycled raw material, green polymer fabric
Capex	0	0	

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)
No. But, at present standardized practices for sustainable sourcing are in the process of being developed. As part of this ongoing effort, additional checkpoints have been incorporated into the vendor registration framework to strengthen evaluation mechanisms and enhance supplier selection criteria. These measures are expected to support the integration of sustainability considerations into sourcing decisions going forward.

- If yes, what percentage of inputs were sourced sustainably?
NA

- Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Century Enka complies with Extended Producer Responsibility (EPR) requirements and adheres to applicable plastic waste management regulations. In alignment with the Plastic Waste Management Rules, 2016 (as amended), it has partnered with an authorized third-party recycler to ensure the systematic handling of plastic waste, including its collection, storage, transportation, recycling, and final disposal in an environmentally responsible manner.

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards? If not, take steps to address the same.

Yes, EPR applies to CEL specifically for plastic packaging waste. The Company is registered with the Central Pollution Control Board (CPCB) as Importers, and Brand Owners (IBO) and we acknowledge our responsibility to mitigate the environmental impact of packaging materials.

LEADERSHIP INDICATORS

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

CEL undertook cradle-to-gate Life Cycle Assessment studies for three key products, namely Nylon Tire Cord Fabric (NTCF), Nylon Filament Yarn (NFY), and Recycled Nylon Chips, manufactured at the Bharuch & Pune plants. The studies were conducted in accordance with ISO 14040 and ISO 14044 standards and assessed the environmental impacts associated with the production of 1 kg of each product for FY 2023-24.

The assessments covered relevant life cycle stages, including raw material sourcing, transportation, manufacturing processes, utilities, packaging and supporting processes up to the factory gate. The studies evaluated key environmental indicators such as Global Warming Potential (GWP), Primary Energy Demand, Blue Water Consumption, Acidification Potential, Eutrophication Potential and Photochemical Ozone Creation Potential.

The LCA studies identified upstream raw materials, particularly nylon chips, caprolactam and greige fabric, along with energy consumption, LNG, steam and electricity, as key environmental impact contributors across the product portfolio.

Business Responsibility & Sustainability Report (Contd.)

The findings have enabled the Company to identify product-level environmental hotspots and improvement opportunities across renewable energy adoption, responsible raw material sourcing, supplier engagement, process efficiency, circularity, resource optimisation and refrigerant management. These studies strengthen CEL's life cycle thinking approach and support the Company's efforts to improve the environmental performance of its products over time.

NIC Code	Name of product / service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No) If yes, provide the web-link.
13999	Nylon Tyre Cord Fabric	47.74%	Cradle to Gate	Yes	No
20203	Nylon Filament Yarn	46.83%	Cradle to Gate	Yes	No
20297	Nylon Chips	1.75%	Cradle to Gate	Yes	No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of product / service	Description of the risk/concern	Action taken
Nylon Tire Cord Fabric (NTCF)	LCA identified upstream raw materials (nylon chips, caprolactam, purchased greige TCF) and energy consumption as the key contributors to environmental impacts; refrigerant use was linked to ozone depletion.	Focus on renewable energy adoption, energy efficiency and process optimisation; supplier engagement for low-impact/recycled raw materials; and strengthened refrigerant monitoring.
Nylon Filament Yarn (NFY)	LCA identified purchased nylon chips and the melting, extrusion and spinning process as the major contributors to impacts, along with electricity consumption; refrigerant use was linked to ozone depletion	Improving energy efficiency in spinning/extrusion, increasing renewable energy use, optimising yield and reducing waste; supplier engagement for low-carbon chips; and reinforced refrigerant management.
Recycled Nylon Chips	LCA identified energy consumption, particularly LNG, steam and electricity, as the key contributor to impacts in the depolymerisation and polymerisation processes.	Optimising steam and thermal energy, reducing LNG consumption, increasing renewable electricity and improving process yield. The product itself supports circularity by converting in-house nylon waste into raw material.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or reused input material to total material	
	FY 2025-26	FY 2024-25
Nylon waste / Nylon polymer waste (used for producing Recycled Nylon Chips)	The LCA reports establish that in-house nylon waste is recovered and converted into recycled nylon chips (supporting circularity). Recycled Nylon Chips converted into GRS Yarn.	
Recycled Nylon Chips (reused as input in production)		

Business Responsibility & Sustainability Report (Contd.)

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed of.

	FY 2025-26			FY 2024-25		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastics (including packaging)	The LCA studies for all three products (NTCF, NFY and Recycled Nylon Chips) are conducted on a cradle-to-gate basis, which ends at the factory gate and does not cover the end-of-life / post-consumer stage of the products or packaging. End-of-life reclamation data is a downstream / post-sale metric that depends on the customer and waste management systems, which fall outside the cradle-to-gate boundary.					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as a percentage of products sold) for each product category.

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category
The LCA studies for all three products (NTCF, NFY and Recycled Nylon Chips) are conducted on a cradle-to-gate basis, which ends at the factory gate and does not cover the end-of-life / reclamation stage.	

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS.

Employee well-being remains a key priority, supported by a comprehensive policy framework that promotes equal opportunity, inclusivity, and a safe working environment. We are committed to fostering a culture rooted in respect, fairness, and dignity, ensuring that all employees feel valued and supported in their professional journey.

A range of initiatives has been implemented to enhance employee welfare and development, including access to health and accident insurance, maternity benefits, occupational health and safety measures, as well as mental health awareness programs and stress management workshops. These efforts are designed to support overall well-being while enabling employees to realize their full potential.

Adherence to the Code of Conduct is strongly encouraged across the workforce to reinforce ethical business practices and maintain a safe and secure workplace. In parallel, suppliers and value chain partners are also required to comply with the Supplier Code of Conduct, ensuring alignment with responsible and sustainable business practices across the value chain.

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees.

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	467	467	100%	467	100%	0	0%	467	100%	0	0
Female	21	21	100%	21	100%	21	100%	0	0	0	0
Total	488	488	100%	488	100%	21	100%	467	100%	0	0
Other than Permanent employees											
Male	7	0	0	0	0	0	0	0	0	0	0
Female	1	0	0	0	0	0	0	0	0	0	0
Total	8	0	0	0	0	0	0	0	0	0	0

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b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	969	969	100%	969	100%	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	969	969	100%	969	100%	0	0	0	0	0	0
Other than Permanent workers											
Male	1696	488	29%	488	29%	0	0	0	0	0	0
Female	37	22	59%	22	59%	22	59%	0	0	0	0
Total	1733	510	29%	510	29%	22	59%	0	0	0	0

C. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2025-26	FY 2024-25
*Cost incurred on well-being measures as a % of total revenue of the Company	0.69	0.51

*% represents as on 31st March 2026.

2. Details of retirement benefits.

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	1.43	4.02	Yes	2.33	2.46	Yes
Others - NPS	11.89	0	Yes	6.13	0	Yes
Other-Superannuation	4.92	0	Yes	1.48	0	Yes

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

We are committed to fostering an inclusive and diverse workplace, ensuring equal opportunity for all employees. In compliance with the Rights of Persons with Disabilities Act, 2016, it upholds the principles of non-discrimination across key employment practices, including recruitment, promotion, training, and career development.

Efforts are continuously undertaken to create an accessible and supportive work environment, enabling individuals, including persons with disabilities, to participate fully and contribute effectively within the organization.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

Yes, At CEL, we promote and ensure the creation of an inclusive workplace environment free of all forms of discrimination and compliance to all relevant human rights regulations. We have a comprehensive anti-harassment and anti-discrimination policy in place which explicitly extends to individuals with disabilities.

This policy can be accessed at: <https://www.centuryenka.com/pdf/policies/anti-discrimination-and-anti-harassment-policy.pdf>.



Business Responsibility & Sustainability Report (Contd.)

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	95.06%	0	0
Female	0	0	0	0
Total	100%	95.06%	0	0

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	(If Yes, then give details of the mechanism in brief)
Permanent workers	Yes, we are committed to fostering an inclusive and diverse workplace, ensuring equal opportunities for all employees. In line with the Rights of Persons with Disabilities Act 2016, we uphold principles of equality and non-discrimination across all aspects of employment, including recruitment, promotion, training, and career progression. Additionally, we also strive to create an accessible and inclusive work environment that enables individuals, including people with disabilities, to participate fully and contribute effectively.
Other than permanent workers	
Permanent employees	
Other than permanent employees	

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in the respective category (A)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (B)	% (B / A)	Total employees/ workers in the respective category (C)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (D)	% (D / C)
Total permanent employees	488	NA	NA	473	NA	NA
Male	467	NA	NA	453	NA	NA
Female	21	NA	NA	20	NA	NA
Total permanent workers	969	347	36%	1,016	372	37%
Male	969	347	36%	1,016	372	37%
Female	0	0	0	0	NA	NA

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No.(F)	% (F / D)
Employees										
Male	467	467	100%	467	100%	463	446	96%	454	98%
Female	21	20	95%	21	100%	21	17	81%	21	100%
Total	488	487	99%	488	100%	484	463	97%	475	98%
Workers										
Male	2665	969	36%	489	18%	2,635	1,016	39%	1,016	39%
Female	37	0	0	0	0	28	0	0	0	0
Total	2702	969	36%	489	18%	2,663	1,016	38%	1,016	38%

Business Responsibility & Sustainability Report (Contd.)

9. Details of performance and career development reviews of employees and workers:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	467	449	96%	463	411	89%
Female	21	19	91%	21	10	48%
Total	488	468	96%	484	421	87%
Workers						
Male	969	968	99%	1,016	1,015	99%
Female	0	0	0	0	0	0
Total	969	968	99%	1,016	1,015	99%

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, what is the coverage of such a system?

Yes, at CEL, Safety remains a paramount priority for all stakeholders, including visitors, customers, service providers, vendors, suppliers, and surrounding communities. To uphold this commitment, a robust Occupational Health and Safety Management System (OHSMS) has been implemented to systematically identify, assess, and manage health and safety risks. This framework is applicable across the workforce, including employees, contract labor, and temporary personnel. Regular internal and external audits are conducted to evaluate and strengthen the effectiveness of the system, ensuring continuous improvement and adherence to established safety standards.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We have a structured and comprehensive approach to identify and manage work-related hazards across operations. This includes regular workplace inspections, safety audits, and job safety analyses to systematically evaluate potential risks. Hazard Identification and Risk Assessment (HIRA) processes are undertaken to identify key risk areas such as chemical handling, noise exposure, mechanical hazards, ergonomic concerns, and electrical risks.

The HIRA framework is applied across all work activities, enabling risk evaluation based on defined parameters and facilitating the implementation of appropriate control measures aligned with risk severity. In addition, the risk assessment process is strengthened through routine safety sampling rounds, which involves the identification of potential hazards, assessment of associated risks, and execution of mitigation actions in accordance with the established hierarchy of controls, ensuring a proactive and preventive safety culture.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes, we have comprehensive procedures that have been established to enable effective reporting of work-related hazards by employees and workers. This is supported by structured training and awareness initiatives aimed at strengthening hazard identification capabilities and familiarizing the workforce with reporting protocols. Multiple reporting channels are made available, including designated reporting formats, direct communication with supervisors, and access to the Health and Safety function. In addition, a safety observation tool has been implemented, enabling employees to promptly report unsafe conditions, near-miss incidents, and other safety concerns. Employees are encouraged to take immediate precautionary action upon identifying any hazard, including removing themselves from potential risk and notifying concerned personnel or following established emergency and evacuation procedures, thereby reinforcing a proactive and responsive safety culture.

- d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

Yes, at CEL we prioritize the health and well-being of all employees by offering accessible medical services, including annual health check-ups for all employees at both plants. Our medical benefits include:

- **Health Insurance Coverage:** Employees and their immediate family members are covered under a comprehensive health insurance policy, providing financial support for medical expenses arising from illnesses or injuries, including those beyond workplace incidents.
- **Accident Insurance Coverage:** Accident insurance is provided to employees, offering financial protection in the event of disability or loss of life due to unforeseen incidents, thereby supporting employees and their families during contingencies.



Business Responsibility & Sustainability Report (Contd.)

- On-site Medical Facilities and Mental Health Support: Medical dispensaries at both Bharuch and Pune plants function as primary care clinics and first-aid centers, offering consultations, preventive care, and treatment for common ailments, along with referral support for advanced care. Additionally, mental well-being is supported through a partnership with Mpower, providing confidential counselling sessions and resources.

Furthermore, we have partnered with Mpower, a renowned organization, to combat mental health stigma by offering online sessions and resources. These sessions provide a safe, confidential space for employees to discuss and seek expert guidance.

11. Details of safety related incidents, in the following format:

Safety incident/number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one-million-person hour worked)	Employees	0	0
	Workers	0.31	0.15
Total recordable work-related injuries	Employees	0	0
	Workers	25	8
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

In support of its commitment to maintaining a safe and healthy work environment, a comprehensive set of safety initiatives has been implemented across operations. A dedicated Safety Committee oversees the effective deployment of the Occupational Health and Safety (OHS) management system, including the rollout of structured safety training and awareness programs for employees and workers. To enhance accessibility and understanding, safety manuals, health guides, fire safety documents, and operational "do's and don'ts" are disseminated across the workforce, including regionally translated materials such as the Occupational Health Prevention Guide.

Safety awareness is further strengthened through theme-based campaigns and active participation in annual safety week programs, encouraging employee engagement and continuous learning. Open communication channels are maintained to address concerns and incorporate employee feedback on safety-related matters. Risk identification and mitigation are systematically managed through structured processes such as Hazard Identification and Risk Assessment (HIRA), Job Safety Analysis (JSA), and Hazard and Operability Studies (HAZOP), with participation across all workforce categories. Efforts are undertaken to eliminate hazards at source through the adoption of safer equipment and materials, complemented by engineering controls, interlocks, and the integration of advanced technologies.

Workplace hygiene and sanitation are maintained through the oversight of the Water, Sanitation and Hygiene (WASH) Committee, ensuring access to safe drinking water and hygienic conditions across facilities and residential areas. Personal Protective Equipment (PPE) is provided to all employees and workers, supported by regular training programs, prominent safety signage, and periodic medical examinations, thereby reinforcing a proactive and preventive safety culture.

Provide your feedback on BizChat13. Number of complaints on the following made by employees and workers

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	0	0	0	0	0	0
Health & safety	0	0	0	0	0	0

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%. Internally assessed by the respective location's administration team.
Working conditions	100%. Internally assessed by the respective location's administration team.

Business Responsibility & Sustainability Report (Contd.)

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

We remain committed to ensuring a safe workplace environment, continuously mitigating safety risks and implementing effective corrective actions. Our approach includes safety surveys, workplace monitoring, and exposure assessments for noise, dust, fumes, and gases. In the current reporting period, we have reported 1 Lost Time Injuries. However, we have proactively addressed other safety incidents and risks through the following measures:

- **Commitment to Workplace Safety:** Continuous focus on maintaining a safe working environment through proactive risk mitigation, corrective actions, safety surveys, workplace monitoring, and exposure assessments for noise, dust, fumes, and gases.
- **Incident Reporting and Risk Identification:** Implementation of structured reporting mechanisms encouraging employees to report near-miss incidents, recordable accidents, and work-related illnesses to enable timely identification and mitigation of risks.
- **Fall Protection Measures:** Installation of fall protection systems to minimize risks associated with working at height and reduce fall-related incidents.
- **Audits and Continuous Improvement:** Regular internal and external safety audits conducted as part of the Occupational Health and Safety (OHS) framework to evaluate practices and identify improvement areas.
- **Fire and Electrical Safety Systems:** Deployment of CO₂ flooding systems in critical electrical panels and nitrogen flooding systems in transformers to prevent and control fire hazards.
- **Machine Safety Enhancements:** Installation of machine guards to protect personnel from moving parts, sharp edges, and other equipment-related risks.
- **Hoist Safety Improvements:** Mitigation of hoist-related risks through the installation of safety cages with door interlocks integrated with the hoist system.
- **Slip Prevention Measures:** Installation of anti-skid plates on staircases to reduce the risk of slips and falls due to slippery surfaces.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, CEL provides life insurance coverage for its employees and accident insurance coverage to both its employees and workers.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Compliance is reinforced through active engagement with value chain partners, supported by a well-defined Supplier Code of Conduct that requires vendors to adhere to all applicable laws and remain updated on relevant regulatory developments. In addition, the Company undertakes periodic verification processes, including online validation of Goods and Services Tax (GST) returns, as well as confirmation of Provident Fund (PF) and Employee State Insurance (ESI) contributions submitted by contractors and third-party service providers, thereby ensuring adherence to statutory requirements.

3. Provide the number of employees/workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

Business Responsibility & Sustainability Report (Contd.)

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	Currently, we do not assess our value chain partners for health & safety and working conditions.
Working conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not applicable, as assessment is not carried out for the value chain partners.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS.

Stakeholders form a critical foundation of our operations and are regarded as key partners in its long-term success. We remain committed to creating sustained value for its stakeholders through a focus on innovation, operational efficiency, cost optimization, and the adoption of sustainable practices.

Regular and structured engagement with stakeholders enables us to better understand their expectations and address concerns in a timely and effective manner. This continuous dialogue not only supports business growth but also strengthens relationships built on trust and mutual respect. Stakeholder engagement, therefore, plays a vital role in enhancing transparency, fostering reliability, and ensuring the overall resilience of business operations.

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholder engagement remains a critical element of our operations and value chain, underscoring the importance of maintaining strong and collaborative relationships with all stakeholders. Continuous engagement enables a deeper understanding of stakeholder expectations and requirements, thereby supporting the effective prioritization of business initiatives and strategic decisions.

A structured and comprehensive approach is adopted to identify and engage stakeholders, taking into account the Company's impact across environmental, economic, and social dimensions. The engagement framework involves systematic identification and prioritization of key stakeholders, selection of appropriate channels of interaction, and collection of inputs from stakeholders and internal leadership teams.

The insights gathered are analyzed to identify material sustainability themes relevant to the business. These topics are subsequently evaluated and prioritized to develop a materiality matrix, which serves as a foundation for driving business growth, enhancing transparency, and creating long-term stakeholder value.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as vulnerable & marginalized group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/ half-yearly/ quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and Regulators	No	Official Correspondence, Meetings and Consultations, Correspondence Regulatory Reporting, Regulatory Submissions, Regulatory Portals and Platforms, Website	As and when required	Pre-project approval, ongoing compliances, issue resolutions, transparency and reporting, collaboration, and consultation, building trust and credibility.
Employees	No	Emails and Meetings, Training Programs, Intranet Portals, Performance Appraisal Reviews and Grievance Redressal Mechanism	Continuous (as and when required)	HR and internal policy-related matters and matters related to the well-being of the employees, performance of the Company, important announcements, procedures, and other relevant information.

Business Responsibility & Sustainability Report (Contd.)

Stakeholder group	Whether identified as vulnerable & marginalized group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/ half-yearly/ quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	Annual General Meeting, Annual Reports, Notices, Newspapers, E-mail, Telecalls, Website and Interactions while visiting office	Quarterly or annually	Cultivate trust, improve transparency, obtain access to capital, influence shareholders, and fulfil mandatory regulatory requirements.
Customers	No	Direct Contact, Online Platforms, Emails, Phone, Survey and Feedback forms, Social Media Platforms, Website	Continuous (as and when required)	Pre-sales inquiries, project updates, post-sales support, understanding the demand and needs, feedback and surveys, building relationships and trust, resolving complaints and issues.
Contract Labour	Yes	Direct Contact, Helpline Number, Suggestion Box, and Meetings	Continuous (as and when required)	Safe working environment, timely and fair payment of compensation.
Rating Agencies	No	Emails, Website	Annually	Timely disclosure of corporate and business performance information.
Communities	Yes	Community Meetings, Outreach Programs, Website	As and when required	Establish positive relationships, address community concerns, community development, promote social responsibility.
Supply chain Partners	No	Emails, Phone, Direct in person Meetings, Website and Stakeholder Engagement Surveys	Continuous (as and when required)	Supplier selection and evaluation, business operations-related matters, to enhance collaboration and innovation, explore opportunities for process improvements, contract negotiations, and cost optimization.
Future Generation	No	Social Media, Job Interview Interactions	Continuous (as and when required)	Protect environment, transparency in communication showcasing accountability.

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the board.

At CEL, Stakeholder engagement is recognized as a key driver of value creation and effective stakeholder management. Consultation with stakeholders across various matters is undertaken under the guidance of the Board and is aligned with the Company's established policies and governance frameworks. The insights and feedback obtained through these engagements are systematically reviewed and are regularly presented to the Board and its Committees for deliberation and informed decision-making.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

Business Responsibility & Sustainability Report (Contd.)

Yes, stakeholder consultation is used to support the identification and management of environmental and social topics. We actively seek input from stakeholders on these issues and incorporate their suggestions into our policies and activities. Through these consultations, we reaffirm our ongoing priorities related to the identified material topics. The input received from stakeholders plays a crucial role in shaping our approach to environmental and social matters, ensuring alignment with stakeholder expectations, and enhancing the overall sustainability of our operations.

3. Provide details of instances of engagement with, and actions are taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

At Century Enka, we actively engage with local communities as part of its Corporate Social Responsibility (CSR) initiatives, ensuring inclusion of vulnerable and marginalized groups. Engagement mechanisms include Panchayat interactions, discussions with village leadership, public consultations, and direct community meetings. Insights gathered through these interactions are utilized to guide resource allocation and design targeted programs that address community-specific needs.

During the reporting period, significant efforts were undertaken to strengthen educational infrastructure, including upgrades to school facilities such as classrooms, sanitation amenities, drinking water access, seating arrangements, playgrounds, and boundary walls, thereby supporting the delivery of quality education. In addition, initiatives have been implemented to empower underprivileged women and girls through financial support, leadership development, and the provision of hygiene-related infrastructure, with a focus on reducing school dropout rates.

We also continue to contribute to the overall development of surrounding communities by improving access to essential services and enhancing rural infrastructure. Focused interventions in water management have further supported the availability of water for both drinking and agricultural purposes, thereby contributing to improved livelihoods and community well-being.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS.

Century Enka remains committed to upholding the highest standards of trust, dignity, and respect, while enhancing the overall quality of life for its stakeholders and ensuring compliance with applicable human rights regulations. Its Human Rights Policy reinforces the commitment to safeguard the rights of individuals, promote an inclusive and respectful workplace, and prevent discrimination, harassment, and unethical practices.

In addition, a robust Prevention of Sexual Harassment (POSH) framework has been implemented to address concerns related to workplace conduct and to ensure access to an effective grievance redressal mechanism for all employees. The Code of Conduct further establishes clear guidelines on anti-corruption and anti-bribery practices, mandating strict adherence by employees and senior management, thereby reinforcing an ethical and compliant organizational culture.

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	488	488	100%	473	383	81%
Other than permanent	8	0	0	11	0	0
Total employees	496	488	98%	484	383	79%
Workers						
Permanent	969	969	100%	1,016	0	0
Other than permanent	1733	0	0	1,647	64	4%
Total workers	2702	969	36%	2,663	64	2%

Business Responsibility & Sustainability Report (Contd.)

2. Details of minimum wages paid to employees and workers

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Permanent Employees										
Male	467	0	0	467	100%	453	0	0	453	100%
Female	21	0	0	21	100%	20	0	0	20	100%
Other than permanent										
Male	7	0	0	7	100%	10	0	0	10	100%
Female	1	0	0	1	100%	1	0	0	1	100%
Permanent Workers										
Male	969	0	0	969	100%	1,016	0	0	1,016	100%
Female	0	0	0	0	0	0	0	0	0	0
Other than permanent										
Male	1696	807	48%	889	52%	1,619	802	50%	817	50%
Female	37	10	27%	27	73%	28	11	39%	17	61%

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	4	9,28,825	2	9,25,000
Key managerial personnel	2	84,03,697	0	0
Employees other than BoD and KMP	467	7,30,642	21	4,84,932
Workers	969	3,58,794	0	0

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26	FY 2024-25
*Gross wages paid to females as % of total wages	1.97%	1.71%

*% represents as on 31st March 2026.

4. Do you have a focal point (individual/ committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Human Resource department addresses issues pertaining to human rights.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

We remain committed to the timely and effective redressal of stakeholder grievances, with the objective of minimizing conflicts and strengthening stakeholder relationships. A well-defined grievance redressal framework has been established, guided by principles of integrity, accountability, fairness, transparency, equity, impartiality, and procedural rigor. This mechanism is designed to be easily accessible and facilitates resolution through constructive dialogue and engagement.

In addition, a structured whistleblower mechanism has been implemented to provide employees with a secure and confidential platform to report concerns, including potential human rights violations or misconduct. This system enables transparent communication with management while reinforcing accountability and ethical standards across operations.



Business Responsibility & Sustainability Report (Contd.)

6. Number of complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed During the year	Pending resolution at the end of year	Remarks
Sexual harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced labour/Involuntary labour	0	0	-	0	0	-
Wages*	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We are committed to fostering a workplace environment that is free from discrimination and harassment, ensuring inclusivity and equal opportunity for all employees and workers, irrespective of caste, gender, religion, disability, or any other form of bias. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, a comprehensive Prevention of Sexual Harassment (POSH) Policy has been established to effectively address and manage related grievances. Employees are empowered to report concerns to the Internal Committee (IC), which is responsible for undertaking appropriate actions to ensure timely and fair redressal.

The framework further incorporates safeguards to protect complainants from any adverse consequences during the resolution process. These include provisions for interim relief measures such as role reassignment, additional leave, and restrictions on performance evaluation by the respondent. In cases where the complainant is not satisfied with the outcome or actions taken by the Unit or Business-level Internal Committee, an option is available to pursue an appeal before the appropriate legal authority or tribunal, thereby ensuring a robust and transparent grievance redressal mechanism.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, Human rights considerations are embedded as a fundamental component of our business agreements and contractual frameworks, in alignment with its Human Rights Policy. The policy reinforces the commitment to uphold and respect human rights across the workforce, local communities, and all stakeholders impacted by its operations and products.

It further outlines key principles relating to regulatory compliance, awareness creation, stakeholder engagement, and the promotion of diversity and inclusion. The framework explicitly prohibits child labour and forced labour practices, while also ensuring that appropriate mechanisms are in place to address and remediate grievances related to human rights, thereby strengthening accountability and responsible business conduct.

10. Assessments of the year

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child labour	100% by entity itself.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others - please specify	

Business Responsibility & Sustainability Report (Contd.)

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

There were no risks or concerns arising from the assessments stated in Question 10 above. We follow all applicable regulations regarding human rights and have also formulated a Human Rights Policy outlining our commitment towards human rights. The policy is applicable to all employees and highlights our stance on zero-tolerance of any violations of human rights related aspects.

LEADERSHIP INDICATORS

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

We have a comprehensive Human Rights Policy that has been established in alignment with applicable regulatory requirements, reinforcing the Company's commitment to upholding human rights standards across its operations. The policy is supported by structured grievance redressal mechanisms, including the Whistleblower framework and the Prevention of Sexual Harassment (POSH) Policy, to address concerns effectively and transparently. It is further aligned with key human rights principles such as freedom of association, equal remuneration, responsible land-related practices, and ethical supply chain management.

In addition, a dedicated and robust grievance redressal mechanism has been implemented to address issues related to human rights impacts and violations. This framework ensures that any complaints or concerns are identified, assessed, and resolved in a timely and effective manner, thereby strengthening accountability and promoting a culture of respect and responsibility across the organization.

2. Details of the scope and coverage of any human rights due diligence conducted

Human rights due diligence has not been conducted by CEL.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, we are committed to ensuring accessibility for all individuals, including differently abled visitors. Our premises are designed to be accessible in accordance with the requirements of the Rights of Persons with Disabilities Act, 2016

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	During the onboarding of suppliers, we ensure thorough checks on the basic human rights issues. However, currently we lack a system to derive ratios related to these issues.
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others - please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

Not Applicable, as we currently do not assess any of our value chain partners for human rights issues.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT.

At CEL, we are committed to reducing the environmental impact of its operations by integrating sustainable practices across all business activities. This includes the implementation of robust monitoring frameworks and standardized processes, supported by the adoption of advanced technologies aimed at enhancing resource efficiency, optimizing energy usage, and ensuring responsible management of waste and water.

With a strong focus on environmental stewardship, we continuously work towards minimizing our carbon footprint and addressing risks associated with climate change and environmental degradation. This commitment extends across the value chain, with efforts to encourage suppliers and partners to align with similar sustainability principles, thereby fostering responsible operations and promoting a more resilient and sustainable business ecosystem.

Business Responsibility & Sustainability Report (Contd.)

ESSENTIAL INDICATORS

- Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	FY 2025-26	FY 2024-25
From Renewable Sources (Giga joules)		
Total electricity consumption (A)	2,61,062.09	2,08,587.28
Total fuel consumption (B)	1,80,404.41	1,94,442.56
Energy consumption through other sources (C)	4,30,190.98	4,40,865.95
Total energy consumed from renewable sources (A+B+C)	8,71,657.48	8,43,895.79
From non-renewable sources		
Total electricity consumption (D)	4,36,491.59	5,67,396.22
Total fuel consumption (E)	2,12,435.27	2,22,024.40
Energy consumption through other sources (F)	0.00	0.00
Total energy consumed from non-renewable sources (D+E+F)	6,48,926.87	7,89,420.62
Total energy consumed (A+B+C+D+E+F)	15,20,584.34	16,33,316.41
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	8.92	8.16
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	181.36	168.58
Energy intensity in terms of physical output	20.97	20.35
Energy intensity (optional) - the relevant metric may be selected by the entity.	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Limited Assurance on BRSR Core is carried out by M/s BDO India Services Private Limited

The Purchasing Power Parity (PPP) factor considered is 20.34 (PY 20.66) as per IMF as provided in the Industry Standards on reporting of BRSR Core released by SEBI.

Note: The previous year's figures for energy consumption from renewable sources have been updated to reflect improved accuracy following a refinement in the classification methodology, as all the steam purchased is reclassified under energy consumption from other sources.

- Does the entity have any sites/facilities identified as Designated Consumers (DCs) under the Performance, Achieve, and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any.

In accordance with the Bureau of Energy Efficiency (BEE) guidelines, the Pune facility identified as a Designated Consumer (DC) under the Perform, Achieve and Trade (PAT) Scheme. The Company successfully met the targets under PAT Cycle I and was awarded 1,395 Energy Saving Certificates (ESCCerts).

For PAT Cycle II, the ESCerts position reflected a negative outcome due to an identified discrepancy in the applicable formula methodology. The matter has been escalated to the BEE through a consultant for appropriate resolution. Further, with PAT Cycle III currently under assessment, preliminary internal evaluations indicate a favorable performance, and the Company expects to achieve a positive ESCerts position upon completion of the cycle.

Business Responsibility & Sustainability Report (Contd.)

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	3,19,500	3,36,972
(iii) Third-party water (municipal water supplies)	3,27,101	3,27,106
(iv) Seawater / desalinated water	0	0
(v) Others (Rain Water Harvesting)	0	0
(v) Others (Tertiary Treated Reverse Osmosis)	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	6,46,601	6,64,078
Total volume of water consumption (in kilolitres)	6,46,601	6,64,078
Water intensity per rupee of turnover (water consumed / turnover)	3.79	3.32
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	77.12	68.54
Water intensity in terms of physical output (KL/MT)	8.92	8.28
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Limited Assurance on BRSR Core is carried out by M/s BDO India Services Private Limited

The Purchasing Power Parity (PPP) factor considered is 20.34 (PY 20.66) as per IMF as provided in the Industry Standards on reporting of BRSR Core released by SEBI.

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kiloliters).		
(i) To Surface water	NA	NA
- No Treatment	NA	NA
- With treatment-please specify level of treatment	NA	NA
(ii) To Groundwater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater	NA	NA
- No treatment	NA	NA
- With treatment-please specify level of treatment	NA	NA
(iv) Sent to third parties	NA	NA
- No treatment	NA	NA
- With treatment-please specify level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
-With treatment-please specify level of treatment	NA	NA
Total water discharged (in kiloliters)	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Limited Assurance on BRSR Core is carried out by M/s BDO India Services Private Limited



Business Responsibility & Sustainability Report (Contd.)

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, Effluent Treatment Plants (ETPs) have been established at our manufacturing facilities, with a combined treatment capacity of 4,042 m³ per day. Treated wastewater is fully recycled and utilized for process and gardening purposes within the plants, enabling the achievement of Zero Liquid Discharge (ZLD).

In addition, the Bharuch facility is equipped with advanced purification systems, including a Reverse Osmosis (RO) unit and Multi-Effect Evaporator (MEE) / Agitated Thin Film Dryer (ATFD), to further enhance water recovery and reuse in operations. These systems have been operational since the previous reporting period, strengthening the Company's commitment to efficient water management and resource conservation.

6. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Unit	FY 2025-26	FY 2024-25
NOx	MT	37.94	38.97
SOx	MT	33.59	36.12
Particulate matter (PM)	MT	34.19	23.05
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – Please specify.		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Limited Assurance is carried out by M/s BDO India Services Private Limited

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	15,481.32	16,324.69
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	90,040.16	1,18,634.95
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	(tCO ₂ e/₹lacs)	0.62	0.67
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	(tCO ₂ e/PPP in Lacs)	12.59	13.93
Total Scope 1 and Scope 2 emission intensity in terms of physical output	(tCO ₂ e/MT)	1.46	1.87
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Limited Assurance on BRSR Core is carried out by M/s BDO India Services Private Limited

The Purchasing Power Parity (PPP) factor considered is 20.34 (PY 20.66) as per IMF as provided in the Industry Standards on reporting of BRSR Core released by SEBI.

Note: The previous year's figures for scope 1 & 2 emissions have been updated to reflect improved accuracy following a refinement in the energy classification methodology.

Business Responsibility & Sustainability Report (Contd.)

8. Does the entity have any project related to reducing greenhouse gas emission? If yes, then provide details.

Yes, we have taken several initiatives to reduce our carbon emissions and ensure minimal environmental impact through the adoption of renewable energy sources like solar energy and biofuel for steam and heat production.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total waste generated (in metric tonnes)		
Plastic waste (A)	90.90	51.37
E-waste (B)	3.78	5.25
Bio-medical waste (C)	0.03	0.05
Construction and demolition waste (D)	882.96	633.1
Battery waste (E)	1.84	0.00
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Please specify, if any. (G)	3,098.66	3,610.7
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	7,554.45	6,395.94
Total (A+B + C + D + E + F + G + H)	11,632.81	10,696.41
Waste intensity per rupee of Turnover (Total waste generated /Revenue from operations)	0.07	0.05
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	1.39	1.10
Waste intensity in terms of physical output	0.16	0.13
Waste intensity (optional) - the relevant metric may be selected by the entity.	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2025-26	FY 2024-25
(i) Recycled	2,654.02	2,735.47
(ii) Re-used	7.97	0.00
(iii) Other recovery operations	0.00	0.00
Total	2,661.99	2,735.47

For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)

Category of waste	FY 2025-26	FY 2024-25
(i) Incineration	0.03	0.05
(ii) Landfilling	1,696.91	1,403.30
(iii) Other disposal operations	7,273.88	6,555.60
Total	8,970.82	7,958.95

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Limited Assurance on BRSR Core is carried out by M/s BDO India Services Private Limited

The Purchasing Power Parity (PPP) factor considered is 20.34 (PY 20.66) as per IMF as provided in the Industry Standards on reporting of BRSR Core released by SEBI.

Business Responsibility & Sustainability Report (Contd.)

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

At CEL, we are committed to achieving sustainable operations by minimizing waste generation and maximizing reuse and recycling in line with the 3R (Reduce, Reuse, Recycle) approach. A range of structured initiatives has been implemented to ensure efficient waste management across operations.

These practices include the sale of used lubricants and waste oil to authorized recyclers, and the safe transfer of contaminated materials such as containers and liners to registered recycling agencies. Waste generated from Effluent Treatment Plants (ETP/WTP) and insulation processes is disposed of at approved landfill sites, while biomedical waste is managed through authorized common incineration facilities.

Additionally, electronic waste is routed to government-authorized recyclers, and scrap batteries are managed through buy-back arrangements. Process waste such as chips, polymer lumps, and yarn waste is recovered through depolymerization and reintegrated into production. Residual waste streams are also directed at co-processing units, ensuring responsible disposal and optimized resource utilization across the value chain.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/clearances are required, please specify details in the following format:

S.No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
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No, CEL does not have any offices and plants located in/around ecologically sensitive areas

12. Details of Environmental Impact Assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA notification no.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web link
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No environmental impact assessments of the projects were done during the current reporting period.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act, and rules there under (Y/N). If not, provide details of all such non-compliances, In the following format:

S.No.	Specify the law/ regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines /penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
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Yes, we affirm towards compliance with applicable environmental laws mandated by the government authorities and have not been subjected to any penalties or corrective actions from regulatory authorities.

LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area
- Nature of operations
- Water withdrawal, consumption and discharge

Business Responsibility & Sustainability Report (Contd.)

Refer below table for details:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others (TTRO)	NA	NA
vi) Rain Water	NA	NA
Total volume of water withdrawal (in kilolitres)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity per rupee of turnover (Water consumed / turnover)	NA	NA
Water intensity (optional) - the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into surface water	NA	NA
- No treatment	NA	NA
- With treatment - please specify the level of treatment	NA	NA
(ii) Into groundwater	NA	NA
- No treatment	NA	NA
- With treatment - please specify the level of treatment	NA	NA
(iii) Into seawater	NA	NA
- No treatment	NA	NA
- With treatment - please specify the level of treatment	NA	NA
(iv) Sent to third parties	NA	NA
- No treatment	NA	NA
- With treatment - please specify the level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
- With treatment - please specify the level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Limited Assurance on BRSR Core is carried out by M/s BDO India Services Private Limited

2. Please provide details of total Scope 3 emissions & their intensity:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ if available)*	Metric tonnes of CO ₂ equivalent	7,18,163	9,84,531
Total Scope 3 emissions per rupee of turnover (Rs. in lacs)		4.21	4.91
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Limited Assurance has been carried out by M/s BDO India Services Private Limited

Note: The previous year's figures for scope 3 emissions have been updated for category 1 - purchased goods & services, to reflect improved accuracy following a refinement in the calculation methodology.

Business Responsibility & Sustainability Report (Contd.)

3. With respect to the ecologically sensitive areas reported at Question 11 of essential indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable, we do not have any plants or offices in ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives:

S.No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Energy Reduction Initiatives	- Established an Energy Conservation Cell to set internal targets and monitor the performance of various projects. - Adoption of renewable energy sources for heating, steaming and cooling processes. - Steam consumption optimization. - Fuel saving projects at Bharuch and Pune plants.	- Energy consumption from renewable sources increased by 3.29% compared to the last reporting period. - Investing in energy reduction initiatives, we were able to save 1,209.20 kWh/day of energy in the current reporting period. This translates to an annual energy saving of ₹499.56 lacs.
2	Emission Reduction Initiatives	- Maximum reduction in usage of Light Diesel Oil (LDO) and increased the usage of Biomass (Briquette). - Discontinued labour and energy intensive two step mono yarn production at Pune plant and started with one step mono yarn process resulting in significant energy reduction and increased manhour efficiency. - Increase in energy consumption from renewable energy as compared to last reporting period.	We were able to reduce carbon intensity (tCO ₂ e/MT) by 13.37% as compared to last year along with the increase in production numbers.
3	Waste Management Practices	- Reuse of packaging material. - Recycling of the generated nylon waste and converting it to Caprolactam. - Conversion of food and Horticulture waste to manure for gardening purposes.	We were able to recycle 83% of the total hazardous waste generated and only 17% was sent to preprocessing, landfilling, incineration. etc.
4	Water Conservation practices	- Adoption of 3R Approach - Reuse, Recycle, Reduce for effective water management - Zero Liquid Discharge (ZLD) unit with a designed capacity of 230 m3/day, ensuring zero wastewater generation. - We have Installed 28 groundwater recharging borewells with a depth of 80 meters at the Bharuch plant. - At Bharuch plant 58 Nos Conventional urinals have been replaced with waterless Urinals resulted in saving of 5.3 m3/day (Approx 1935 m3/Year) water saving.	Reduced water consumption by ~ 3% as compared to last reporting period. Achieved zero wastewater discharge.
5	Biodiversity Management Practices	We have dedicated 52% of our Bharuch plant and 33% of our Pune plant area for plantation and green belt development which promotes planting various herbs and flora.	Supporting flora and fauna All 28 borewells combined will be able to recharge groundwater by an impressive 3,62,880 cubic meters every year.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, a comprehensive on-site emergency response plan has been established to address a wide range of potential scenarios, including natural and man-made incidents such as fires, explosions, hazardous chemical releases, and structural failures. The framework is designed to enable effective crisis management through systematic risk assessment and preparedness planning.

Business Responsibility & Sustainability Report (Contd.)

The plan focuses on prompt response and containment measures to minimize the impact of such events, while prioritizing the safety of employees, protection of assets, and preservation of the environment. It clearly defines roles and responsibilities for personnel during emergency situations and outlines procedures for safe recovery, restoration of affected areas, and resumption of normal operations.

By integrating disaster management and business continuity planning into its operations, we aim to strengthen organizational resilience, enhance preparedness, and ensure sustained and reliable performance.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

We actively ensure that our suppliers and vendors comply with all relevant certifications such as ISO 14001 and other environmental requirements and we have not observed any significant environmental impacts arising from our value chain.

7. Percentage of value chain partners (by the value of business done with such partners) that were assessed for environmental impacts.

We currently do not have any system in place to assess our value chain partners for their environmental impacts.

8. How many Green Credits have been generated or procured:

- a. By the listed entity
- b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners

During the reporting period, CEL did not generate or procure any Green Credits. Furthermore, we are in process of developing a framework to track data of green credits for our major value chain partners.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT.

CEL is an active member of multiple trade organizations, demonstrating our unwavering commitment to robust corporate governance and building lasting partnerships. Through collaboration with various industry associations, we showcase our sustainability achievements and work hand in hand with these associations to advocate for sustainable business practices.

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/ associations.
10
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	The Synthetic & Rayon Textiles Export Promotion Council	National
2	Association of Synthetic Fiber Industry (ASFI)	National
3	Indian Technical Textile Association (ITTA)	National
4	Mahratta Chamber of Commerce Industries and Agriculture, Pune (MCCIA)	State
5	Federation of Gujarat Industries	State
6	Jhagadia Industries Association	State
7	Nylon Spinners association	State
8	Gujarat Employers' Organization	State
9	National Safety Council of India	National
10	Gujarat Safety Council	State

Business Responsibility & Sustainability Report (Contd.)

- Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable, as we do not have any adverse orders against issues related to anti-competitive conduct during the current financial year.		

LEADERSHIP INDICATORS

- Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by board (Annually/ half yearly/ quarterly / others - please specify)	Web-link, if available
We have not advocated public policy positions in the current financial year.					

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT.

We place significant emphasis on building long-term relationships founded on trust, transparency, and mutual value creation. These relationships are central to its stakeholder engagement approach, with continuous efforts undertaken to assess and enhance the impact of its initiatives on the well-being of stakeholders and their communities.

Through its CSR framework, we remain committed to creating meaningful and sustainable value for communities, which constitute a key stakeholder group. It actively undertakes initiatives across focus areas such as healthcare, education, infrastructure development, livelihood enhancement, and environmental conservation, in collaboration with charitable institutions, non-governmental organizations, and local authorities.

A sustained focus on community development and social responsibility enables us to drive positive societal and environmental outcomes. Continuous engagement and value creation initiatives with communities are considered integral to fostering strong stakeholder relationships and supporting long-term, sustainable growth.

ESSENTIAL INDICATORS

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
We have not conducted any Social Impact Assessments projects in the current financial year.					

- Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

S No.	Name of project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In Rs.)
NA, there is no ongoing project undertaken by the Company for which R&R is to be provided						

- Describe the mechanisms to receive and redress grievances of the community.

At CEL, Community-related grievances are primarily addressed through direct, face-to-face interactions, enabling effective communication and better understanding of local concerns. Insights gathered from these engagements are systematically reviewed and analyzed, with key focus areas identified based on inputs received from local Panchayats and community trusts.

In addition, a structured grievance redressal mechanism has been established to address concerns across all stakeholder groups, including communities in the areas of operation, ensuring timely resolution and reinforcing transparency and accountability in stakeholder engagement.

Business Responsibility & Sustainability Report (Contd.)

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	10.29%	7.42%
Sourced directly from within the district and neighboring India	71.24%	48.35%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2025-26	FY 2024-25
Rural	52.04%	46.32%
Semi-Urban	-	-
Urban	-	-
Metropolitan	47.96%	53.68%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Note: The previous year's figures for Job creation in smaller town have been updated to reflect improved accuracy following a refinement in the classification methodology.

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the social impact assessments (Reference: Question 1 of essential indicators above):

Details of negative social impact identified	Corrective action taken
We have not conducted any Social Impact Assessments projects in the current financial year	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational district	Amount spent (In ₹)
1	Gujarat	Narmada	11.34 lacs

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups?

No, we do not have a preferential procurement policy in place. However, we do purchase raw materials from MSMEs and small producers.

- (b) From which marginalized/vulnerable groups do you procure?

We source raw materials from MSMEs and small producers.

- (c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S.No.	Intellectual property based on traditional knowledge	Owned/acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
We have not applied and acquired intellectual properties in the current financial year				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.

Name of the authority	Brief the Case	Corrective action taken
NA		

Business Responsibility & Sustainability Report (Contd.)

6. Details of beneficiaries of CSR projects:

S.No	CSR project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1.	Poshanvahini Project for strengthening Anganwadi center	1,800	Most of the CSR activities and projects undertaken by us are specifically targeted towards benefiting vulnerable and marginalized groups in society. However, presently it is challenging to provide an accurate percentage of beneficiaries from these groups.
2.	Shikshasathi Project	2,200	
3.	Kanya Kenavani & Praveshtsav	1,239	
4.	Upgradation of School infrastructure	964	
5.	Financial assistance to Aditya Birla Education Trust	125	
6.	Upgradation of ITI infrastructure	124	
7.	Medical Checkup Camps	1,393	
8.	Women Health Checkup camps	1,128	
9.	Nutrition support for fighting T.B.	2,753	
10.	Medical Aid nearby area	700	
11.	Financial assistance for construction of residential building for orphan students & deserving students for professional course	171	
12.	Installation of High Mast Tower	7,774	
13.	Installation of RCC Benches	24,161	
14.	Beauty Therapist Training for Women empowerment	55	
15.	Road Construction in a village	3,000	
16.	Plantation for ecological balance	1,000	
17.	Distribution of school stationary to children of Sharda Vihar Madhyamik Vidyalaya, Chorwane, Khed, Ratnagiri	22	
18.	Basic Education in rural & tribal area under Ekal vidyalayas	60	

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER.

At CEL, building strong and enduring relationships with customers remains a key priority, supporting long-term growth, enhanced revenue, and sustained profitability. We are committed to consistently delivering high-quality products while creating meaningful value for our customers, thereby strengthening trust and loyalty.

A centralized grievance redressal mechanism has been established to provide customers with an accessible platform to raise concerns related to products and services. In addition, regular customer satisfaction surveys are conducted to obtain structured feedback on key aspects such as product quality and pricing. The insights gathered are actively analyzed and addressed, enabling continuous improvement and fostering positive customer experiences, which in turn support customer retention and acquisition through enhanced brand perception.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

All customer complaints and feedback are promptly acknowledged by the Technical Marketing team and systematically routed to the concerned departments for detailed evaluation and resolution. Responses are carefully formulated to address the specific requirements and expectations of customers, ensuring a customer-centric and responsive approach to issue management.

2. Turnover of products and/or services as a percentage of turnover from all products/services that carry information about:

	As a % to total turnover
Environmental and social parameters relevant to the product	0%
Safe and responsible usage	0%
Recycling and/or safe disposal	1.9%

Business Responsibility & Sustainability Report (Contd.)

3. Number of consumer complaints in respect of the following:

	FY 2025-26		Remarks	FY 2024-25		Remarks
	Receive during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	No complaints received during the year.			No complaints received during the year.		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive trade practices						
Unfair trade practices						
Other						

4. Details of instances of product recalls on account of safety issues.

	Number	Reason for Recall
Voluntary recalls	-	
Forced recalls		

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? If available, provide a web link to the policy.
Yes, we have a policy on cyber security and risks related to data privacy, available at <https://www.centuryenka.com/privacy-policy.html>
6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/ services.
Not Applicable as there were no complaints received for mentioned topics
7. Provide the following information relating to data breaches:
- Number of instances of data breaches
No instances received during the current financial year.
 - Percentage of data breaches involving personally identifiable information of customers: NA
 - Impact, if any, of the data breaches: NA

LEADERSHIP INDICATORS

- Channels/platforms where information on products and services of the entity can be accessed.
Brief information [about our products and services](#) is provided on our website. For more detailed information, please refer to our annual reports.
- Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
Based on the requirements of the customers, our technical and marketing personnel interact with various customers to create awareness about proper usage and technical description of the products.
- Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
Not Applicable, CEL's operations do not fall into the category of essential services.
- Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No)
No
- Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity, or the entity as a whole? (Yes/No)
Yes, customer satisfaction surveys are regularly conducted to obtain structured feedback on key products, services, and operations across major locations. These surveys incorporate detailed feedback formats covering parameters such as product quality, pricing, availability, and after-sales support. For NTCF customers, surveys are conducted on an annual basis, while for NFY customers, they are undertaken semi-annually.

The data collected through these surveys is systematically analyzed to identify improvement areas and enhance overall customer satisfaction. Further details in this regard are available in the 'Building Relationships with Customers section under Social and Relationship Capital in the Integrated Report.

**BDO India Services Private Limited**

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Tel: +91 124 4087 954, www.bdo.in

Independent Assurance Statement

To,

Century Enka Limited

Plot No. 72 & 72-A, MIDC Bhosari,

Pune, Maharashtra, 411026

Independent Assurance Statement to Century Enka Limited on select non-financial sustainability disclosures in the Integrated Report and Business Responsibility and Sustainability Report for the financial year 2025-26.

Introduction and objective of engagement

Century Enka Limited (the 'Company') has developed its Integrated Report based on the Global Reporting Initiative's (GRI) Standards, 2021, the United Nations' Sustainable Development Goals (UNSDGs) and has incorporated the principles of Integrated Reporting (<IR>) Framework published by the International Integrated Reporting Council (IIRC) and Business Responsibility and Sustainability Report (BRSR) 2025-26 (the 'Report') based on the BRSR reporting guidelines, including the BRSR Core indicators prescribed by SEBI for listed entities. The reporting criteria have been derived from the Principles of National Guidelines on Responsible Business Conduct (NGRBC), and Greenhouse Gas (GHG) Protocol - A Corporate Accounting and Reporting Standard.

BDO India Services Private Limited ("BDO India") was engaged by the Company to provide independent assurance on BRSR core indicators and select non-sustainability indicators in the Report that includes the Company's performance for the period 1st April 2025 through 31st March 2026.

The Company's responsibilities

The Report content and its presentation are the sole responsibilities of the management of the Company. The Company management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement, whether due to fraud or error.

BDO India's responsibilities

BDO India's responsibility, as agreed with the management of the Company, is to provide assurance on the Report content as described in the 'Scope, boundary & assurance criteria' section below. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance a third party may place on the Report is entirely at its own risk.

Assurance standard

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and ISAE 3410, "Assurance Engagements on Greenhouse Gas Statement" issued by the International Auditing and Assurance Standards Board (IAASB).

Scope, boundary & assurance criteria

The reporting scope and boundary cover the Company's standalone operations.

We have applied the 'Limited' Assurance criteria for non-financial information of the BRSR Core indicators and select sustainability indicators in the Report, pertaining to the Company's performance for the period 1st April 2025 through 31st March 2026. The list of select non-financial sustainability indicators are presented in Appendix 1.

Verification of non-financial sustainability performance data, based on our professional judgment was conducted at the following sites, on a sample basis:

- Century Enka, Pune
- Century Enka, Bharuch
- Corporate Office, Pune

Assurance methodology

Our assurance process entails conducting procedures to gather evidence regarding the reliability of the disclosures covered in the assurance scope. We conducted a review and verification of data collection, collation, and calculation methodologies, and a general review of the logic of inclusion/ omission of relevant information/ data in the Report. Our review process included:

- Evaluation and assessment of the appropriateness of the quantification methods used to arrive at the select non-financial sustainability information in the Report;
- Review of consistency of data/information within the Report as well as between the Report and the source;
- Engagement through discussions with personnel at the corporate level who are accountable for the data and information presented in the Report;

SEBI vide SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023

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Independent Assurance Statement (Contd.)



- Execution of an audit trail of claims and data streams, to determine the level of accuracy in collection, transcription, and aggregation;
- Review of data collection and management procedures, and related internal controls;

Limitations and exclusions:

There are inherent limitations in an assurance engagement, including, for example, the use of judgement and selective testing of data. Accordingly, there are possibilities that material misstatements in the Report may remain undetected.

The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2025 through 31st March 2026);
- Review of the 'economic and/or financial performance indicators' included in the Report or on which reporting is based; we have been informed by the Company that these are derived from the Company's audited financial records;
- The Company's statements and claims related to any topic other than those listed in the 'Scope, boundary & assurance criteria';
- The Company's statements that describe qualitative/quantitative assertions, expression of opinion, belief, inference, aspiration/targets, expectation, aim or future intention.

Our observations

We have reviewed the disclosures in the "Report" for the reporting period from 1st April 2025 through 31st March 2026. The disclosures of the Company, covered under the 'Scope, boundary & assurance criteria', are fairly reliable.

Our conclusion

Based on the scope of our review, we conclude that nothing has come to our attention that causes us not to believe that the disclosures of the Company are presented fairly, in material respects, as per 'limited' assurance criteria of the applied Assurance Standard.

Our assurance team and independence

BDO India Services Private Limited is a professional services firm providing services in Advisory, Assurance, Tax, and Business Advisory Services, to both domestic and international organizations across industry sectors. Our non-financial assurance practitioners for this engagement are drawn from a dedicated Sustainability and ESG Team in the organization. This team is comprised of multidisciplinary professionals, with expertise across the domains of sustainability, global sustainability reporting standards and principles, and related assurance standards. This team has extensive experience in conducting independent assurance of sustainability data, systems, and processes across sectors and geographies. As an assurance provider, BDO India is required to comply with the independence requirements set out in the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. Our independence policies and procedures ensure compliance with the Code.

For BDO India Services Private Limited

Indra Guha
Partner | Sustainability & ESG
Business Advisory Services
Gurugram, Haryana
24th July 2026

APPENDIX 1

S. No.	BRSR Reference	Indicator Description	GRI Indicator Reference
1	Section A, Question 20	Employees and workers (including differently abled)	2-7, 2-8
2	Section A, Question 22	Turnover rate for permanent employees and workers	401-1
3	Principle 3, Essential Indicator 5	Return to work and Retention rates of permanent employees and workers that took parental leave	401-3
4	Principle 3, Essential Indicator 8	Details of training given to employees and workers	403-5
5	Principle 3, Essential Indicator 9	Details of performance and career development reviews of employees and workers	404-3
6	Principle 6, Essential Indicator 6	Details of air emissions (other than GHG emissions)	305-7
7	Principle 6, Leadership Indicator 2	Details of total Scope 3 emissions & their intensity	305-3



Independent Auditor's Report

To
The Members of
Century Enka Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

1. We have audited the accompanying Standalone Financial Statements of Century Enka Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2026, and the Standalone Statement of Profit And Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year ended on that date, and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information ('the Standalone Financial Statements').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31 March 2026, and its Profit and Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act, and the rules 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 opinion on the Standalone Financial Statements.

EMPHASIS OF MATTER

4. We draw attention to the fact that Note 45(b) of the Standalone Financial Statements wherein it is stated that, the Excise department had issued an order dated 31 December 2013 denying the applicability of Notification No. 6/2000 dated 01 March 2000 and raised a demand of ₹22,927 lacs plus interest thereon and penalty equivalent to duty demand amount. In this matter, Customs, Excise and Service Tax Appellate Tribunal ('CESTAT') in its order dated 20 December 2019, upheld the denial of aforesaid notification and remanded back the matter to Central Excise Department to redetermine quantum of duty short paid, imposition of equal amount of penalty on redetermined amount of duty demand and applicable interest. The Commissioner, CGST & Central Excise, Raigad Commissionerate has re-determined assessable value pursuant to order of CESTAT and confirmed the demand amounting to ₹730 lacs (as against above demand of ₹22,927 lacs), interest at appropriate rate on the duty and equal amount of penalty vide its order dated 08 September 2020. Against the said order of the Commissioner, CGST & Central Excise, Raigad, Department has filed an appeal before the Appellate Tribunal. The Company's appeal in the matter is pending before the Honourable Supreme Court of India. The Company has deposited the duty amount of ₹730 Lacs under protest. Based on expert legal advice and merits of the case, no provision has been considered necessary by the Company. Our opinion on the Standalone Financial Statements is not modified in respect of the above matter.

KEY AUDIT MATTERS

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in our audit
Inventory Valuation • The Company has significant balances of inventory as on 31 March 2026 (refer note 9 to the Standalone Financial Statements) • Inventories are valued at lower of cost or net realizable value (NRV). Cost is determined using weighted average cost method • Valuation of inventories can be subjective due to inherent uncertainty due to volatility in prices of raw material and volatility in prices of finished goods due to changes in consumer demands	Our procedures included: • We assessed the appropriateness of Company's accounting policy for valuation of inventories and compliance of the policy with the requirements of the Ind AS 2. • Obtaining understanding of production process and testing of key controls over recognition and measurement of inventory • For sample locations, conducted physical verification of inventories at the year end

Independent Auditor's Report (Contd.)

- Determination of whether inventory will be realized for value less than cost requires management to exercise judgement and apply assumption - Because of size, inherent uncertainty in volatility in prices of raw material, assumption and complexities involved in inventory valuation, this is considered key audit matter	- For sample of inventory items, re-performed the weighted average cost calculation - Obtaining management's calculation and relevant supporting for inventory valuation, validated mathematical accuracy of production costs and agreed the same with financial statements - Assessing reasonableness of assumption and judgements applied by management in inventory valuation including evaluating consistencies with management's prior period estimations - Assessing appropriateness of NRV estimated by management, on sample basis, by comparing NRV to recent market prices - Obtaining and re-performing the calculation of inventory write down based on ageing and NRV of inventory. - Comparing historical trend of prices of raw material and finished goods to determine appropriateness of valuation of inventory. - Assessed the appropriateness and adequacy of disclosures made in the financial statements relating to inventories, including the accounting policy, classification and basis of valuation.
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OTHER INFORMATION

- The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Standalone Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.
- Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
- When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

- The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that

give a true and fair view of the State of Affairs, profit and Other Comprehensive Income, Changes in Equity and Cash Flows of the Company in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. 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 of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

- In preparing the Standalone Financial Statements, the Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- The Board of Directors is also responsible for overseeing the Company's financial reporting process.



Independent Auditor's Report (Contd.)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

13. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
14. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - 14.1. Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - 14.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
 - 14.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
 - 14.4. Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- 14.5. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
15. 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.
16. 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.
17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

18. 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.
19. As required by Section 143(3) of the Act, we report that:
 - 19.1. 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.
 - 19.2. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - 19.3. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - 19.4. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.

Independent Auditor's Report (Contd.)

- 19.5. On the basis of the written representations received from the directors as on 31 March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- 19.6. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- 19.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.
20. 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:
- 20.1. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its Standalone Financial Statements – Refer Note 45(d) to the Standalone Financial Statements;
- 20.2. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 45(c) to the Standalone Financial Statements;
- 20.3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 20.4. The Management has represented, to best of their knowledge and belief as disclosed in Note 44(b) to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- 20.5. The Management has represented, to best of their knowledge and belief disclosed in Note 44(h) to the Standalone Financial Statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 20.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, 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 para 20.4 and 20.5 above, contain any material misstatement.
- 20.7. In our opinion and according to the information and explanations given to us, the dividend declared and / or paid during the year by the Company is in compliance with Section 123 of the Act.
- 20.8. Based on our examination which included test checks, the company has used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- Additionally, the audit trail has been preserved by the Company in accordance with the statutory requirements for record retention from the date they were enabled in earlier years.

For **KKC & Associates LLP**
Chartered Accountants
 (formerly Khimji Kunverji & Co LLP)
 Firm Registration Number: 105146W/
 W100621

Kamlesh R Jagetia
Partner

Place: Mumbai
 Date: 21 May 2026

ICAI Membership No: 139585
 UDIN: 26139585TOQBQV5098

Annexure '[A]' to the Independent Auditor's Report

on the Standalone Financial Statements of Century Enka Limited for the year ended 31 March 2026

(Referred to in paragraph [18] under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE').

The Company is maintaining proper records showing full particulars of intangible assets.

- (b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner over a period of 2 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain PPE were physically verified by the Management during the

year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, 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 the financial statements are held in the name of the Company except for the following which are not held in the name of the Company.

Description of property	Gross carrying value ₹ in Lacs	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Freehold Land	2	Ex Whole Time Director	NA	1982 till date	Housing Societies allows individuals to own the land

- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.

- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

- ii. (a) In our opinion and according to the information and explanations given to us, the physical verification of inventories has been conducted at reasonable intervals by the Management and, the coverage and procedure of such verification by the Management is appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate for each class of inventory. For stocks lying with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, subsequent goods receipts have been verified.

- (b) In our opinion and according to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions which are secured on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investment in other Companies and mutual funds and has not made investment in firms, limited liability partnership or any other parties during the year. The company has not given any security, advance in the nature of loans or provided guarantee to companies, firms, limited liability partnership but has granted loans to other parties during the year in respect of which the requisite information is as below.

- (a) In our opinion and according to the information and explanations given to us, the Company has Not made investments in, provided any guarantee or security or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has granted loans to other parties during the year and details are mentioned in the following table.

Annexure '[A]' to the Independent Auditor's Report (Contd.)

Particulars	Guarantees	Security	Loans (₹ in Lacs)	Advances in the nature of loans
Aggregate amount granted/ provided during the year				
Subsidiaries				
Joint Ventures				
Associates				
Others			22.42	
Balance outstanding as at balance sheet date in respect of above cases				
Subsidiaries				
Joint Ventures				
Associates				
Others			20.01	

- (b) In our opinion and according to the information and explanations given to us and based on the audit procedure conducted by us, the terms and conditions of the grant of all loans and advances in the nature of loans provided during the year are not prejudicial to the Company's interest. The Company has not made investments or provided any guarantee or security during the year.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the record of the Company, in respect of loans and advances in the nature of loans granted by the company aggregating to ₹ 20 lacs as at year end to Employee Credit Society has stipulations for payment of interest but has no stipulations for payment or principal.
- (d) In our opinion and according to the information and explanations given to us and on the basis of our examination of the record of the Company, no amount is overdue in respect of loans and advances in the nature of loans.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the record of the Company, neither loans or advances in nature of loans have been renewed or extended nor any fresh loans have been granted to settle the overdue of existing loans.
- (f) In our opinion and according to the information and explanations given to us and on the basis of our examination of the record of the Company, the Company has not granted any loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act which are either repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 and 186 of the Act. In our opinion and according to the information and explanations given to us, in respect of investment made by the Company are in compliance of Section 186 of the Act.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company as specified under section 148(1) of the Act, for the maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 01 July 2017, these statutory dues have been subsumed into GST. In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited by the Company with the appropriate authorities.



Annexure '[A]' to the Independent Auditor's Report (Contd.)

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, we confirm that the following dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, have not been deposited to/with the appropriate authority on account of any dispute.

Name of the Statute	Nature of the Dues	Amount* ₹ in Lacs	Period to which the amount relates	Forum where dispute is pending^
Income tax Act, 1961	Income tax, interest and Penalty	38	A.Y. 2020-2021	Commissioner of Income Tax (Appeals)
		50	A.Y. 2008-2009	Income Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty and Penalty	730#	2000 to 2003	Supreme Court of India
Finance Act, 1994	Service Tax	141	2009-10 to 2013-14	Custom, Excise and Service Tax Appellate Tribunal
Gujarat Sales Tax Act, 1969	Sales Tax including interest & Penalty	520	2000 to 2001	Joint Commissioner of Commercial Tax

^Exclude matters in respect of which favorable order has been received at various appellate authorities.

* Net amounts paid under protest.

Interest to be determined at appropriate rate by the Central excise authorities.

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not obtained any term loan during the year.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its associate company.

x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.

(b) In our opinion and according to the information and explanations given to us, no report under sub section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

Annexure '[A]' to the Independent Auditor's Report (Contd.)

- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable to the Company.
- (b) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 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 Reserve Bank of India.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has three CICs which are registered with the Reserve Bank of India.
- xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly paragraph 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- Also, refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Annual report is expected to be made available to us after the date of this auditor's report.
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable to the Company.

For **KKC & Associates LLP**
Chartered Accountants
 (formerly Khimji Kunverji & Co LLP)
 Firm Registration Number: 105146W/
 W100621

Kamlesh R Jagetia
Partner

Place: Mumbai
 Date: 21 May 2026

ICAI Membership No: 139585
 UDIN: 26139585TOQBQV5098



Annexure '[B]' to the Independent Auditors' Report

on the Standalone Financial Statements of Century Enka Limited for the year ended 31 March 2026

(Referred to in paragraph '[19.6]' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act').

OPINION

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of Century Enka Limited the Company as at 31 March 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements,

assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS

7. A company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Standalone Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS

8. Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **KKC & Associates LLP**
Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Kamlesh R Jagetia
Partner

Place: Mumbai
Date: 21 May 2026

ICAI Membership No: 139585
UDIN: 26139585TOQBQV5098

Standalone Balance Sheet

As at 31st March, 2026

₹/Lacs

S.No.	Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
(A)	ASSETS			
	Non-Current Assets			
	Property, Plant and Equipment	3	75,570	78,182
	Capital Work-in-Progress	3A	1,286	1,318
	Right-of-Use Assets	4	589	635
	Other Intangible Assets	5	16	22
	Financial Assets			
	Investments	6	14,503	7,503
	Other Non-current Financial Assets	7	208	208
	Other Non-Current Assets	8	1,558	911
	Total Non Current Assets		93,730	88,779
	Current assets			
	Inventories	9	25,989	31,521
	Financial assets			
	Investments	10	34,844	33,786
	Trade Receivables	11	19,566	17,506
	Cash and Cash Equivalents	12	669	95
	Bank Balances other than Cash & Cash Equivalents	13	400	365
	Other Current Financial Assets	14	2,642	1,367
	Current Tax Assets (Net)		44	346
	Other Current Assets	15	7,730	4,706
	Total Current Assets		91,884	89,692
	Non-Current Assets Classified as held for sale	16	-	92
	TOTAL ASSETS		1,85,614	1,78,563
(B)	EQUITY AND LIABILITIES			
	Equity			
	Equity Share Capital	17	2,185	2,185
	Other Equity		1,47,874	1,39,959
	Total Equity		1,50,059	1,42,144
	Non-Current Liabilities			
	Financial Liabilities			
	Borrowings	18	600	1,990
	Lease Liabilities	19	157	227
	Other Non-current Financial Liabilities	20	224	225
	Provisions	21	1,273	1,356
	Deferred Tax Liabilities (Net)	22	9,317	9,203
	Other Non-Current Liabilities	23	2,238	1,334
	Total Non-Current Liabilities		13,809	14,335
	Current Liabilities			
	Financial Liabilities			
	Borrowings	24	1,390	1,400
	Lease Liabilities	19	70	65
	Trade payables	25		
	i) Total outstanding dues of Micro and Small enterprises		1,367	1,165
	ii) Total outstanding dues of Creditors other than above		15,816	16,198
	Other Current Financial Liabilities	26	1,187	1,253
	Other Current Liabilities	27	1,349	1,557
	Provisions	28	567	446
	Total Current Liabilities		21,746	22,084
	TOTAL EQUITY AND LIABILITIES		1,85,614	1,78,563

Significant Accounting Policies

1 & 2

The accompanying notes are an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board of Directors

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Kamlesh R Jagetia

Partner

Membership No. 139585

Place : Mumbai

Date: 21st May, 2026

Jayant Vasant Dhobley

Non-executive Director

DIN: 02402556

Yogesh R. Shah

Chief Financial Officer

Place : Mumbai

Date: 21st May, 2026

Suresh Sodani

Managing Director & CEO

DIN: 08789604

Rahul Dubey

Vice President - Legal & Company Secretary



Standalone Statement of Profit & Loss

For the year ended 31st March, 2026

₹/Lacs

S.No.	Particulars	Note No.	Year Ended 31st March, 2026	Year Ended 31st March, 2025
I	Revenue From Operations	29	1,70,541	2,00,169
II	Other Income	30	4,192	3,732
III	Total Income (I+II)		1,74,733	2,03,901
IV	EXPENSES			
	Cost of Materials Consumed	31	99,037	1,31,942
	Purchases of Stock-in-Trade		1,496	2,803
	Changes in inventories of Finished goods, Stock-in -Trade and work-in-progress	32	2,624	(2,082)
	Employee Benefits Expense	33	13,018	12,760
	Power and Fuel		19,186	21,954
	Finance Costs	34	289	454
	Depreciation and Amortization Expense	3, 4 & 5	5,542	5,497
	Other Expenses	35	20,403	21,316
	Total expenses (IV)		1,61,595	1,94,644
V	Profit before Exceptional Items and Tax Expense (III- IV)		13,138	9,257
VI	Exceptional Items	41 (b) (xv)	(186)	-
VII	Profit before Tax (V+VI)		12,952	9,257
VIII	Tax Expense/(Credit):	39		
	(1) Current Tax		2,798	1,739
	(2) (Excess)/Short Provision of Tax relating to earlier years		(167)	-
	(3) Deferred Tax		152	808
IX	Profit for the Year (VII-VIII)		10,169	6,710
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		(14)	1,053
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(21)	(198)
	B (i) Items that will be reclassified to profit or loss		(23)	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		6	-
XI	Total Comprehensive Income for the year (IX+X) (Comprising Profit and Other Comprehensive Income for the year)		10,117	7,565
XII	Earnings per equity share in ₹ (Face value per share ₹ 10 each):			
	(1) Basic	43	46.54	30.71
	(2) Diluted		46.54	30.71
	Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of these Financial Statements

This is the Statement of Profit and Loss referred to in our report of even date.

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Kamlesh R Jagetia

Partner

Membership No. 139585

Place : Mumbai

Date: 21st May, 2026

For and on behalf of the Board of Directors

Jayant Vasant Dhobley

Non-executive Director

DIN: 02402556

Yogesh R. Shah

Chief Financial Officer

Place : Mumbai

Date: 21st May, 2026

Suresh Sodani

Managing Director & CEO

DIN: 08789604

Rahul Dubey

Vice President - Legal & Company Secretary

Standalone Cash Flow Statement

For the year ended 31st March, 2026

₹/Lacs

S.No.	Particulars	Year Ended 31st March, 2026	Year Ended 31st March, 2025
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit Before Tax and Exceptional Items	13,138	9,257
	Adjustment for:		
	Depreciation and Amortization	5,542	5,497
	Finance cost	289	454
	Unrealised Exchange (Gain)/ Loss	49	(71)
	Fair value movement in Derivative Instruments	(159)	158
	Interest Income Other than Interest on Income Tax Refund and Customers	(1,770)	(1,651)
	Dividend Received	(31)	-
	Gain on Fair Valuation of Investments through Profit and Loss	(638)	(790)
	Liabilities/Provisions no longer required written back	(59)	(179)
	Amortization of Government Grant (TUF Capital Subsidy)	(55)	(26)
	(Profit) / Loss on sale / write off of Property, Plant and Equipments (Net)	(655)	-
	Gratuity Provision for Past Service Cost (Exceptional Item)	(186)	-
	Profit on sale of Current and Non Current Investments (Net)	(456)	(333)
	Revaluation Reserve Transfer to P&L	(17)	-
	Operating Profit Before Working Capital Changes	14,992	12,316
	Adjustment for:		
	Inventories	5,532	(4,599)
	Trade Receivables	(2,019)	2,177
	Other Current Financial Assets	(689)	(726)
	Other Current Assets	(2,644)	(476)
	Long Term Provisions	75	61
	Trade Payables	(211)	4,610
	Other Financial Liability	(182)	199
	Other Current Liabilities	(72)	100
	Short Term Provisions	121	45
	Non-Current Financial Assets	-	25
	Other Non-Current Assets	(13)	16
	Other Non-current financial liability	36	(32)
	Cash Generated From Operations	14,925	13,716
	Direct Taxes Paid (Net of Refund)	(2,382)	(1,929)
	Net Cash From Operating Activities (A)	12,543	11,787
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant and Equipment [including capitalised Interest]	(3,702)	(5,143)
	Sale of Property, Plant and Equipment and Right of Use Assets	1,096	480
	Interest received	1,184	1,669
	Dividend Received	31	-
	Bank Deposit placed	(35)	(23)
	Investment in Other Corporate Bodies	(15,236)	5,502
	Receipt of government Grant (TUF Capital Subsidy)	923	(1)
	(Purchase)/ Sale of Current Investments (Net)	8,046	(10,068)
	Purchase of Non Current Investments (Net)	(326)	-
	Net Cash From Investing Activities (B)	(8,019)	(7,584)



Standalone Cash Flow Statement

For the year ended 31st March, 2026

₹/Lacs

S.No.	Particulars	Year Ended 31st March, 2026	Year Ended 31st March, 2025
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Repayment of Long Term Borrowings	(1,390)	(1,490)
	Repayment/Increase in Lease Liability	(65)	(60)
	Changes in Working Capital Loans (Net)	(10)	7
	Payment of Interest on Lease Liability	(21)	(26)
	Payment of Interest on Borrowings	(279)	(441)
	Equity Dividends paid (including Dividend Distribution Tax)	(2,185)	(2,185)
	Net Cash From Financing Activities (C)	(3,950)	(4,195)
D.	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	574	8
	Closing Balance of Cash and Cash Equivalents	669	95
	Opening Balance of Cash and Cash Equivalents	95	87

Reconciliation of Closing Cash and Cash Equivalents with Balance Sheet

₹/Lacs

Particulars	As at 31st March, 2026	As at 31st March, 2025
Cash On hand	7	5
With Banks	-	-
In Current Accounts	662	90
In Deposit Accounts maturing within 3 months	-	-
Total	669	95

Notes:

- The above Cash Flow Statement has been prepared under the " Indirect Method " set out in Indian Accounting Standard (Ind AS) - 7 on Statement of Cash Flow.
- Figures in bracket indicate cash outflow.
- Change in liabilities arising from financing activities

Particulars	As at 31st March, 2025	Cash flows	Non Cash Changes	As at 31st March, 2026
Total Borrowings	3,390	(1,400)	-	1990
Particulars	As at 31st March, 2024	Cash flows	Non Cash Changes	As at 31st March, 2025
Total Borrowings	4,873	(1,483)	-	3390

The accompanying notes are an integral part of these Financial Statements

This is the Cash Flows Statement referred to in our report of even date.

For and on behalf of the Board of Directors

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Jayant Vasant Dhobley
Non-executive Director
DIN: 02402556

Suresh Sodani
Managing Director & CEO
DIN: 08789604

Kamlesh R Jagetia
Partner
Membership No. 139585

Yogesh R. Shah
Chief Financial Officer

Rahul Dubey
Vice President - Legal &
Company Secretary

Place : Mumbai
Date: 21st May, 2026

Place : Mumbai
Date: 21st May, 2026

Standalone Statement of Change in Equity

For the year ended 31st March, 2026

(A) EQUITY SHARE CAPITAL

Year Ended 31st March, 2026

₹/Lacs

Balance as at 1 st April, 2025	Changes in equity shares capital during the year ended	Balance As at 31 st March, 2026
2,185	-	2,185

For the year ended 31st March, 2025

₹/Lacs

Balance as at 1 st April, 2024	Changes in equity shares capital during the year ended	Balance as at 31 st March, 2025
2,185	-	2,185

(B) OTHER EQUITY

For the year ended 31st March, 2026

₹/Lacs

Particulars	Reserves and Surplus							Total
	Capital Reserve	Capital redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Cash Flow Hedges Reserve	FVOCI- Equity Instruments	
Balance as at 1 st April, 2025	48	186	3,225	40,566	92,679	-	3,255	139,959
Profit for the Year (1)	-	-	-	-	10,169	-	-	10,169
Other Comprehensive Income:								-
Remeasurement of the net defined benefit liability/asset, net of tax liability effect (2)	-	-	-	-	141	-	-	141
Equity instruments through other comprehensive income (3)	-	-	-	-	-	-	(193)	(193)
Effective portion of Gains / (Loss) on hedging instruments net of tax liability effect(4)	-	-	-	-	-	(17)	-	(17)
Total Comprehensive Income (1 to 4)	-	-	-	-	10,310	(17)	(193)	10,100
Dividend Paid for the FY 24-25	-	-	-	-	(2,185)	-	-	(2,185)
Balance as at 31 st March, 2026	48	186	3,225	40,566	100,804	(17)	3,062	147,874



Standalone Statement of Change in Equity

For the year ended 31st March, 2026

For the year ended 31st March, 2025

₹/Lacs

Particulars	Reserves and Surplus							Total
	Capital Reserve	Capital redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Cash Flow Hedges Reserve	FVOCI-Equity Instruments	
Balance as at 1st April, 2024	48	186	3,225	40,566	88,205	-	2,349	134,579
Profit for the Year (1)	-	-	-	-	6,710	-	-	6,710
Other Comprehensive Income:								
Remeasurement of the net defined benefit liability/asset, net of tax liability effect (2)	-	-	-	-	(51)	-	-	(51)
Equity instruments through other comprehensive income (3)	-	-	-	-	-	-	906	906
Effective portion of Gains / (Loss) on hedging instruments net of tax liability effect(4)	-	-	-	-	-	-	-	-
Total Comprehensive Income (1 to 4)	-	-	-	-	6,659	-	906	7,565
Dividend Paid for the FY 23-24	-	-	-	-	(2,185)	-	-	(2,185)
Balance as at 31st March, 2025	48	186	3,225	40,566	92,679	-	3,255	139,959

The Description of the nature and purpose of reserves within equity is as follows:

- Capital Reserve** - Comprise of Capital Subsidy received for setting up manufacturing plant at Mahad and profit on sale of assets over the original cost of assets in the earlier years.
- Capital Redemption Reserve** - Created on cancellation of equity shares under the scheme of arrangement and redemption of preference shares. It can be utilized in accordance with the provision of the Companies Act, 2013.
- Security Premium** - Premium received on issue of equity shares credited to Securities Premium Reserve. It can be utilized in accordance with the provision of the Companies Act, 2013.
- Cashflow Hedge Reserve:** The Company has designated its hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

The accompanying notes are an integral part of these financial statements

This is the Other Equity Statement referred to in our report of even date.

For and on behalf of the Board of Directors

For **KKC & Associates LLP**
Chartered Accountants
 (formerly Khimji Kunverji & Co LLP)
 Firm Registration Number: 105146W/W100621

Kamlesh R Jagetia
Partner
 Membership No. 139585

Place: Mumbai
 Date: 21st May, 2026

Jayant Vasant Dhobley
Non-executive Director
 DIN: 02402556

Yogesh R. Shah
Chief Financial Officer

Place: Mumbai
 Date: 21st May, 2026

Suresh Sodani
Managing Director & CEO
 DIN: 08789604

Rahul Dubey
Vice President - Legal & Company Secretary

Notes

to the Standalone Financial Statement

1 COMPANY OVERVIEW

Century Enka Limited ("the Company") is a Public Limited Company incorporated in India having its registered office at Pune, Maharashtra, India. The Company is engaged in the manufacturing and selling of 'Synthetic Yarn' and related products.

2 MATERIAL ACCOUNTING POLICIES

(a) Statement of Compliance

These Standalone financial statements (hereinafter referred to as "financial statements") are prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on 21st May 2026.

(b) Basis of Preparation and Presentation:

Basis of Preparation

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- (i) Derivative Financial Instruments measured at fair value
- (ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- (iii) Employee's Defined Benefit Plan as per actuarial valuation
- (iv) Assets held for sale measured at lower of carrying value and fair value less costs to sell.

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into 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.

Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Classification of Assets and Liabilities into Current/ Non-Current

The Company has ascertained its operating cycle as twelve months for the purpose of Current / Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

- (i) It is expected to be realized, or is intended to be sold or consumed, in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is expected to realize the asset within twelve months after the reporting period; or
- (iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- (i) It is expected to be settled in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

(c) Property, Plant and Equipment (PPE):

The cost of an item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

The PPE are stated at cost less accumulated depreciation and accumulated impairment loss.

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning. Subsequent costs incurred are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured



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reliably. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they were incurred.

Any gain or loss on disposal of an item of PPE is recognized in statement of Profit and Loss.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

PPE except freehold land are stated at their cost of acquisition/installation or construction net of accumulated depreciation, and impairment losses, if any. Freehold land is stated at cost less impairment losses, if any.

(d) Expenditure during construction period:

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE

Such classes of assets and their estimated useful lives are as under:

No	Nature	Useful life
1	Leasehold Assets – Plant & Machinery	Upto 25 years
2	Leasehold Assets – Other than Plant & Machinery	Lease Period
3	Stores and Spares Parts in the nature of PPE	5 to 25 Years
4	Motor Cars given to the employees as per The Parent Company's Scheme	4 to 5 years
5	Assets individually costing less than or equal to ₹ 5,000	Fully Depreciated in the year of purchase

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month of deduction/ disposal.

Residual value for Air Conditioners, Furniture and Fittings, Office Equipment's, Computers and servers is considered Nil.

(f) Intangible Assets and Amortization:

▪ Internally generated Intangible Assets:

Expenditure pertaining to research is expensed as incurred. Expenditure incurred on development is capitalized if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

(e) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Freehold land with indefinite life is not depreciated.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets. The estimated useful lives, residual values and the depreciation method are reviewed at the end of each reporting period and the effect of any changes in the estimates are accounted for on a prospective basis.

▪ Intangible Assets acquired separately:

Intangible assets that are acquired separately are carried at cost less accumulated amortization and accumulated impairment, if any. Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. The Company determines the amortization period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortization method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

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- **Class of intangible assets and their estimated useful lives are as under:**

No	Nature	Useful life
1	Software	6 Years

Residual value for the intangible assets is considered as Nil. An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognized in the statement of profit & loss when the asset is derecognized.

(g) Impairment of Non-Financial Assets:

At the end of each reporting period, the Company reviews the carrying amounts of non-financial 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). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest 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 of disposal 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.

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 Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(h) Financial Instruments:

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

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

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortized Cost:

A financial asset shall be classified and measured at amortized cost if both of the following conditions are met:

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



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In case of financial assets at amortized costs, interest income, foreign exchange gain or loss and impairment are recognized in Statement of Profit and Loss.

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

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

Where the Company has elected to present the fair value gain on equity instruments in other comprehensive income, there is no subsequent classification of fair value gain or losses to profit and loss account. Dividend from such instruments is recognized in profit and loss account as other income where right to receive is established.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through OCI.

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

Classification and Subsequent Measurement: Financial liabilities

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

Financial Liabilities at FVTPL (Fair Value through Profit & Loss):

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL:

Gains or Losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In case of trade receivables, the Company follows

the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The Company recognizes a loss allowance for expected credit losses on financial asset. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time credit expected losses. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience and other credit information available.

Derecognition of financial assets:

The Company derecognizes 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. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes associated liabilities.

On derecognition of a financial asset, other than equity investments classified as FVOCI, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of equity instruments classified as FVOCI, accumulated gains or loss recognized in OCI is transferred to retained earnings.

(i) Financial liabilities and equity instruments:

▪ Classification as debt or equity

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

▪ Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognized at the proceeds received.

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(j) Derecognition of Financial Liabilities:

The Company de-recognizes financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in the statement of profit and loss.

(k) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(l) Inventories:

Inventories are valued as follows:

- **Raw materials, Fuel, Store & Spare Parts and Packing materials**

Raw materials are valued at lower of cost and net realizable value (NRV). However, these items are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Fuel, Stores & Spare parts and Packing materials are valued at cost. Cost is determined on weighted average basis. The cost of inventory comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs related to the inventories.

- **Work-in- progress (WIP), finished goods, stock-in-trade and trial run inventories:**

Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of completion. Cost of inventories is computed on weighted average basis.

- **Waste / Scrap:**

Waste / Scrap and Byproduct inventory is valued at NRV.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(m) Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank, cheques and cash in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

(n) Assets held for Sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at the lower of its carrying amount and fair value less costs to sell.

An impairment loss is recognized for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognized for any subsequent increases in fair value less cost to sell of an asset, but not in excess of any cumulative impairment loss previously recognized.

No depreciation or amortization is charged for assets classified as held for sale.

(o) Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, loan processing charges, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

(p) Government Grants and Subsidies:

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

Government grants, related to assets, are recognized in the Statement of Profit and Loss on a systematic basis over the expected useful life of the related assets.

(q) Leases:

Company as a Lessee

The company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the



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amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right-of-use asset is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The Company elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases') and lease contracts for which the underlying asset is of low value (low-value assets)

Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term.

(r) Derivative financial instruments:

The Company enters into derivative financial instruments viz. foreign exchange forward contracts to manage foreign exchange risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognized 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 recognized in statement of profit and loss immediately excluding derivatives designated as cashflow hedge.

(s) Hedge accounting:

The Company designates certain hedging instruments in respect of foreign currency risk, interest rate risk and

commodity price risk 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 the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognized in OCI and accumulated under equity. The gain or loss relating to the ineffective portion is recognized immediately in the statement of profit and loss.

Amounts previously recognized in OCI and accumulated in equity relating to effective portion as described above are reclassified to Statement of Profit and Loss in the periods when the hedged item affects the Statement of Profit or Loss, in the same line as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in OCI and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in the Statement of Profit and Loss.

(t) Revenue Recognition:

Sale of goods:

The company derives revenue primarily from manufacturing and selling of Synthetic Yarn and related goods.

Revenue on sales of goods is recognized when the customer obtains control of the specified goods which is generally on dispatch/delivery of goods.

To recognize revenues, company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price (net of variable consideration), (4) allocate the transaction price (net of variable consideration) to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and

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rational basis over the period of the contract. Revenues are shown net of goods and services tax and applicable discounts and allowances.

The Company does not expect to have any contracts where the period between the transfer of goods and payment by customer exceeds one year. Hence, the Company does not adjust revenue for the time value of money.

Government grants in the nature of export incentives are accounted for in the period of export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

Other Income:

- Dividend Income is accounted for when the right to receive the income is established.
- Interest income is recognized on time proportion basis taking into account the amount outstanding on effective interest rate.
- Difference between the sale price and carrying value of investment is recognized in Statement of Profit or Loss on sale / redemption on investment on trade date of transaction.

(u) Employee benefits:

Gratuity:

Gratuity being defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognized in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognized in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The costs are categorized as follows:

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

The present value of the gratuity liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

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

Superannuation:

The company has Defined Contribution Plan for Post-Employment benefits in the form of Superannuation schemes for eligible employees. The scheme is administered through Life Insurance Corporation (LIC) and Trust which is administered by the Trustees. In respect of this scheme, the Company has no further obligation beyond its contributions.

Employee's Family Pension

The Company has Defined Contribution Plan for Post-Employment benefits in the form of family pension for eligible employees, which is administered by the Regional Provident Fund Commissioner. Company has no further obligation beyond its contributions.

Provident Fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Scheme as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

In respect of certain employees, Provident Fund contributions are made to the Trust set up and administered by the Company. If the board of trustees are unable to pay interest at the rate declared by the government under Para 60 of the Employees provident fund scheme, 1972 for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company making interest shortfall a defined benefit plan. Accordingly, the Company obtains actuarial valuation and having regard to the assets of the fund and the return on investments, the Company does not expect any deficiency as at the year end. If there is a deficiency as at any Balance Sheet date, then, the same will be recognized in the Statement of Profit and Loss in the year in which it arises.

Other Short-term and other long-term employee benefits

Liabilities for wages, salaries and bonus (as per the payment of bonus Act, 1965) including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees and workmen render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.



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Compensated Absences

The Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long-term employee benefits. The company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

(v) Foreign Currency transactions:

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated 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 translated using the exchange rate as at the date of initial transactions.

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

(w) Income Taxes:

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized directly

in equity or OCI is recognized in equity or OCI and not in the Statement Profit and Loss.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off recognized amount and there is intention to settle the assets and liabilities on net basis.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

(x) Earnings Per Share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(y) Provisions, Contingent Liabilities and Contingent Assets:

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

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

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Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

(z) Investment in Associates

The Company's investment in its associates are carried at cost net of accumulated impairment loss, if any.

On disposal of the Investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of Profit and Loss.

2(A) CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful Lives of Property, Plant & Equipment and Intangible Assets:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life of the assets.

(ii) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these

models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(iii) Defined benefit plans:

The cost of the defined benefit plans gratuity and provident fund, and the present value of the gratuity and provident fund obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iv) Recognition and measurement of deferred tax assets and liabilities:

Deferred tax assets and liabilities are recognized for deductible temporary differences for which there is probability of utilization against the future taxable profit. The Company uses judgement to determine the amount of deferred tax liability / asset that can be recognized, based upon the likely timing and the level of future taxable profits and business developments.

(v) Income Taxes:

The Company calculates income tax expense based on reported income and estimated exemptions / deduction likely available to the Company. The Company has applied the lower income tax rates on income tax expenses and the deferred tax assets / liabilities.

(vi) Asset held for sale:

The company has used certain judgements and estimates to determine fair value of asset held for sale. Fair value has determined on basis of independent external valuation and quotes from dealer of similar assets.

(vii) Inventory

Valuation of inventories involves a level of subjectivity due to inherent uncertainties such as volatility in raw material prices and fluctuations in the prices of finished goods driven by changes in consumer demand. Given the size of the inventory balance, the complexities involved, and the need for judgment in applying assumptions related to cost and net realizable value, we recognize that inventory valuation requires careful consideration and is a significant area of accounting focus for the company.



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3 PROPERTY, PLANT AND EQUIPMENTS (PPEs)

₹/Lacs

	Land	Buildings (Refer Note a)	Plant & Machinery (Refer Note b & c)	Furniture & Fixtures	Office equipments	Vehicles	Total
For the year 24-25							
As at 1st April, 2024	336	12,507	1,00,345	193	425	427	114,233
Add: Additions	-	930	2,714	89	72	381	4,187
Less: Disposals/Adjustment	-	-	5,389	1	6	57	5,453
Less: Asset classified as held for sale (Refer Note 16)	-	-	1,379	-	-	-	1,379
As at 31st March, 2025	336	13,437	96,291	281	491	751	1,11,588
Accumulated Depreciation:							
As at 1st April, 2024	-	3,512	30,181	105	276	223	34,297
Add: Depreciation during the year	-	485	4,789	15	81	90	5,460
Less: Disposals/Adjustment	-	-	5,017	0	6	41	5,064
Less: Asset classified as held for sale (Refer Note 16)	-	-	1,287	-	-	-	1,287
As at 31st March, 2025	-	3,997	28,666	120	351	272	33,406
Net carrying amount As at 31st March, 2025	336	9,440	67,625	162	140	478	78,182
For the year 25-26							
As at 1st April, 2025	336	13,437	96,291	281	491	751	1,11,588
Add: Additions	-	20	3,016	32	39	121	3,227
Less: Disposals/Adjustment	-	112	510	-	27	92	742
As at 31st March, 2026	336	13,345	98,797	313	503	779	1,14,073
Accumulated Depreciation:							
As at 1st April, 2025	-	3,997	28,666	120	351	272	33,406
Add: Depreciation during the year	-	522	4,753	27	78	129	5,509
Less: Disposals/Adjustment	-	26	279	-	27	79	412
As at 31st March, 2026	-	4,493	33,140	147	402	322	38,503
Net carrying amount As at 31st March, 2026	336	8,853	65,657	166	101	457	75,570

- a) Includes Land ₹ 2 Lacs and ₹ 500 being the cost of 5 shares in a co-operative housing society held in the name of a nominee of the Company.
- b) Rupee Term Loans are secured by hypothecation of specific Plant and Machinery against which Loans have been taken.
- c) In FY25, The Company has reclassified the Spinning machine to Asset held for sale. Recognition has been lower of Fair value and its carrying amount before the classification adjusted for depreciation upto to date of reclassification.

3.1 The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

3.2 The Title deeds of all the immovable properties are held in the Name of Company except as follows

Description of Property	Carrying Value	Title in name of	Property held since	Reason for not being held in company's name
Freehold Land	₹ 2 Lacs	Ex. Whole time director	1982	Housing Society only allows individual to own the land

Notes

to the Standalone Financial Statement

3A (i) CAPITAL WORK IN PROGRESS - AGEING SCHEDULE

₹/Lacs

Capital Work in Progress	Amount in Capital Work in Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
2024-25					
Projects in progress	1,248	69	-	-	1,318
2025-26					
Projects in progress	1,195	56	35	-	1,286

Note 3A(ii): There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

Note 3A(iii): There are no temporarily suspended projects.

4 RIGHT OF USE ASSETS (IND AS 116)

₹/Lacs

	Land	Plant & Machinery	Total
For the year 24-25			
As at 1st April, 2024	207	591	798
Add: Additions	-	-	-
Less: Disposals/Adjustment	-	-	-
As at 31st March, 2025	207	591	798
Accumulated Depreciation:			
As at 1st April, 2024	21	115	136
Add: Depreciation during the year	4	23	27
Less: Disposals/Adjustment	-	-	-
As at 31st March, 2025	25	138	163
Net carrying amount As at 31st March, 2025	182	453	635
For the year 25-26			
As at 1st April, 2025	207	591	798
Add: Additions	-	-	-
Less: Disposals/Adjustment	19	-	19
As at 31st March, 2026	188	591	779
Accumulated Depreciation:			
As at 1st April, 2025	25	138	163
Add: Depreciation during the year	4	23	27
Less: Disposals/Adjustment	0	-	0
As at 31st March, 2026	29	161	190
Net carrying amount As at 31st March, 2026	159	430	589



Notes

to the Standalone Financial Statement

5 INTANGIBLE ASSETS

₹/Lacs

	Computer Softwares
For the year 24-25	
As at 1st April, 2024	757
Add: Additions	-
Less: Disposals	-
As at 31st March, 2025	757
Accumulated Amortisation:	
As at 1st April, 2024	726
Add: Amortisation during the year	9
Less: Disposals	-
As at 31st March, 2025	735
Net carrying amount As at 31st March, 2025	22
For the year 25-26	
As at 1st April, 2025	757
Add: Additions	-
Less: Disposals	-
As at 31st March, 2026	757
Accumulated Amortisation:	
As at 1st April, 2025	735
Add: Amortisation during the year	6
Less: Disposals	-
As at 31st March, 2026	741
Net carrying amount As at 31st March, 2026	16

6 NON-CURRENT INVESTMENTS

₹/Lacs

	Number of Shares	Face Value Per Share	As at 31st March, 2026	As at 31st March, 2025
Investments in Equity Shares (fully paid up)				
1) Quoted Investments				
Fair value through Other Comprehensive Income				
Ultratech Cement Ltd	40,105	10	4,309	4,616
(Received during the year 2024-25 without any consideration pursuant to scheme of demerger of cement business of Kesoram Industries Limited)	(40,105)			
Kesoram Industries Limited	2,085,481	10	168	87
	(2,085,481)			

Notes

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₹/Lacs

	Number of Shares	Face Value Per Share	As at 31 st March, 2026	As at 31 st March, 2025
2) Unquoted Investments				
Fair Value through profit or loss				
BEIL Infrastructure Limited	10,220	10	1	1
	(10,220)			
MMA CETP Co-operative Society Limited	12,895	100	13	13
	(12,895)			
Bhadreshwar Vidyut Private Limited	19,47,000	0.10	4	4
	(19,47,000)			
Less : Provision for Impairment on Investments			(4)	(4)
Investment in Associate at Cost				
ABReL Century Energy Limited	88,47,800	10	885	885
	(88,47,800)			
3) Unquoted Investments at Amortised Cost				
Fixed Deposit with Financial Institutions with maturity more than 12 months			3,900	-
4) Quoted Investments at Amortised Cost				
Taxable Corporate Bonds /Debentures			5,227	1,901
Note: Figures in bracket represents previous year numbers			14,503	7,503
Aggregate amount of:				
Quoted Investments			9,704	6,604
Unquoted Investments			4,799	899
Aggregate market value of Quoted Investment			9,832	6,574
Aggregate amount of impairment in value of Investment			4	4

7 OTHER NON-CURRENT FINANCIAL ASSETS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
(Unsecured, Considered Good)		
Security Deposits	188	188
Advances	20	20
	208	208



Notes

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8 OTHER NON-CURRENT ASSETS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Capital Advances	715	81
Others		
Balances with Government authorities	806	806
Prepaid Expense	37	24
	1,558	911

9 INVENTORIES

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
(Valued at lower of Cost or Net Realisable Value) (Unless otherwise stated)		
Raw Material [Including in transit ₹ 1263 Lacs (Previous Year ₹ 181 Lacs)]	9,130	11,850
Stock-in-Process	4,805	4,032
Finished goods [Including in transit ₹ 1710 Lacs (Previous Year ₹ 2149 Lacs)]	9,822	13,219
Stores, Spares and Packing Material & Fuel (at cost)	2,232	2,420
[Including in transit ₹ 68 Lacs (Previous Year ₹ 34 lacs)]		
	25,989	31,521

The Company follows adequate accounting policy for writing down the value of Stores and Spares towards slow moving, non-moving and surplus Inventories ₹ 276 Lacs (31st March 2025: ₹ 339 Lacs).

Provision on Stock-in-Process / Finished goods for the period is ₹ 786 Lacs (31st March 2025: ₹ 885 Lacs).

Refer Note 2(k) for mode of valuation of Inventories.

10 CURRENT INVESTMENTS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
a) Quoted Investments (Fair value through profit or loss)		
Exchange Traded Funds	127	120
b) Unquoted Investments (Fair value through profit or loss)		
Units of various schemes of Mutual Funds	17,516	21,962
c) Amortised cost		
Quoted Investments		
Taxable Corporate Bonds/Debentures	1,191	3,704
Unquoted Investments		
Inter-corporate Deposits/Fixed Deposit with Financial Institutions	16,010	8,000
	34,844	33,786
Aggregate amount of Quoted Investments	1,318	3,824
Aggregate amount of Unquoted Investments	33,526	29,962
Aggregate market value of Quoted Investment	1,318	4,877

Notes

to the Standalone Financial Statement

11 TRADE RECEIVABLES

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Considered good - Secured	-	209
Considered good - Unsecured	19,566	17,297
	19,566	17,506

Trade Receivables ageing schedule as at 31st March, 2026

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
a) Considered good	17,512	2,054	-	-	-	-	19,566
b) Credit impaired	-	-	-	-	-	-	-
Allowance for credit losses	-	-	-	-	-	-	-
Total	17,512	2,054	-	-	-	-	19,566

Trade Receivables ageing schedule as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
a) Considered good	15,639	1,868	0.12	-	0.01	-	17,506
b) Credit impaired	-	-	-	-	-	-	-
Allowance for credit losses	-	-	-	-	-	-	-
Total	15,639	1,868	0.12	-	0.01	-	17,506

12 CASH AND CASH EQUIVALENTS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Cash and Cash equivalents		
Cash on Hand	7	5
Bank Balances		
In Current Accounts	662	90
	669	95



Notes

to the Standalone Financial Statement

13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Fixed Deposits with Banks	193	164
(Maturing more than three months and upto 12 months) *		
Unpaid Dividend Accounts	207	201
	400	365

* Fixed Deposits includes deposit of ₹193 lacs (Previous Year ₹ 164 Lacs) held as margin against Bank Guarantees.

14 OTHER CURRENT FINANCIAL ASSETS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Insurance Claims Receivables	1,394	599
Interest Accrued on Deposits	1,136	550
Derivative Asset/Liability	109	-
Others	3	218
	2,642	1,367

15 OTHER CURRENT ASSETS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Advances to Suppliers	1,894	877
Share Application Money Pending Allotment (Right shares of Aditya Birla Renewable Energy Ltd)	380	-
Others		
Prepaid Expense	71	77
Statutory Receivables	5,144	3,481
Others	241	271
	7,730	4,706

16 ASSETS CLASSIFIED AS HELD FOR SALE

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Plant & Machinery*	-	92

*During the previous year company had classified the Spinning machine (1 No) to assets held for sale. Recognition has been lower of Carrying Amount and Fair Value less costs to sell.

Notes

to the Standalone Financial Statement

17 SHARE CAPITAL

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Authorised:		
1,00,000 Redeemable Cumulative Preference Shares of ₹100.00 each	100	100
(As at 31 st March, 2025 - 1,00,000 Shares)		
3,30,00,000 Equity Shares of ₹10.00 each	3,300	3,300
(As at 31 st March, 2025 - 3,30,00,000 Shares)		
1,00,000 Unclassified Shares of ₹100.00 each	100	100
(As at 31 st March, 2025 - 1,00,000 Shares)		
Issued, Subscribed and Fully Paid - Up:		
(2,18,50,589 Equity Shares of ₹10 each (Refer Notes below)	2,185	2,185
As at 31 st March, 2025 - 2,18,50,589 Shares)		

a) Reconciliation of the Number of Shares and amount outstanding:

Particulars	31 st March, 2026		31 st March, 2025	
	No. of Shares	Amount ₹/Lacs	No. of Shares	Amount ₹/Lacs
Outstanding as at the beginning of the year	2,18,50,589	2,185	2,18,50,589	2,185
Share issued during the year	-	-	-	-
Outstanding as at the end of the year	2,18,50,589	2,185	2,18,50,589	2,185

b) Rights, Preferences and Restrictions attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of the Equity Shares is entitled to one vote per share. The Company declares dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

c) The details of Shareholders holding more than 5% Equity Shares:

S. No.	Name of Shareholder	31 st March, 2026		31 st March, 2025	
		%	No. of Shares	%	No. of Shares
1	Birla Group Holdings Private Limited	16.63	36,33,690	16.63	36,33,690
2	Quant Mutual Fund - Quant Active Fund	7.87	17,20,053	7.87	17,20,053
3	Aditya Birla Real Estate Limited	5.80	12,66,887	5.80	12,66,887



Notes

to the Standalone Financial Statement

d) Shareholding of Promoters and Promoters Group

S No.	Promoter Name	31st March, 2026		31st March, 2025		% of change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
A. Promoter						
i	Aditya Vikram Kumar Mangalam Birla HUF	29,760	0.14	29,760	0.14	-
ii	Rajashree Birla	26,080	0.12	26,080	0.12	-
iii	Vasavadatta Bajaj	8,930	0.04	8,930	0.04	-
iv	Kumar Mangalam Birla	0	0	0	0	-
B. Promoters Group						
i	Birla Group Holdings Private Limited	36,33,690	16.63	36,33,690	16.63	-
ii	Aditya Birla Real Estate Limited	12,66,887	5.80	12,66,887	5.80	-
iii	Prakash Educational Society	2,77,360	1.27	2,77,360	1.27	-
iv	Birla Education Trust	75,000	0.34	75,000	0.34	-
v	Pilani Investment and Industries Corporation Ltd	71,360	0.33	71,360	0.33	-
vi	Padmavati Investment Private Limited	28,891	0.13	28,891	0.13	-
vii	B. K. Birla Foundation	15,090	0.07	15,090	0.07	-
viii	Jayashree Finvest Private Limited (Formerly Jayantika Investment & Finance Limited)	0	0	0	0	-
ix	Cygnnet Industries Limited	0	0	0	0	-

e) No bonus shares have been issued during five years immediately preceding 31st March, 2026

f) Dividend Proposed, Declared and Paid [Refer Note 38A]

g) Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts - Nil

h) For the period of five years immediately preceding the date at which the Balance Sheet is prepared-

- 1 Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash - Nil
- 2 Aggregate number and class of shares bought back - Nil

18 NON-CURRENT BORROWINGS

₹/Lacs

	As at 31st March, 2026	As at 31st March, 2025
Secured:		
Rupee term Loans from Banks	600	1,990
	600	1,990

Notes

to the Standalone Financial Statement

Nature of Security, Repayment Terms and Breakup of Current and Non-Current

Particulars	Terms of Repayment	Month in which last Instalment is due	Prevailing Interest Rate Per Annum %	Balance As at 31st March, 2026 ₹/Lacs	Balance as at 31st March, 2025 ₹/Lacs
Secured:					
Rupee Term Loans					
HDFC Bank	Annual	March 2027	8.70%	790	1,580
Kotak Mahindra Bank Limited	Annual	December 2027	8.75%	1,200	1,800
Sub-Total				1,990	3,380
Less: Current Maturities of Long Term Debt (Refer Note 24)				(1390)	(1390)
Total				600	1,990

Notes :

- Rupee Term Loans are secured by hypothecation of specific Plant and Machinery against which Loans have been taken.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

19 NON-CURRENT LEASE LIABILITY

₹/Lacs

	As at 31st March, 2026	As at 31st March, 2025
Lease Obligation (Refer Note 40)	227	292
Current Lease Obligation (Refer Note 40)	(70)	(65)
Non Current Lease Obligation	157	227

20 OTHER NON-CURRENT FINANCIAL LIABILITIES

₹/Lacs

	As at 31st March, 2026	As at 31st March, 2025
Security Deposits	224	225

21 NON-CURRENT PROVISIONS

₹/Lacs

	As at 31st March, 2026	As at 31st March, 2025
Provision for Employee Benefits		
Gratuity (Refer Note 41(b))	100	211
Compensated Absences	1,019	991
Provision for Disputed Matters	154	154
	1,273	1,356



Notes

to the Standalone Financial Statement

21.1 MOVEMENT OF PROVISIONS DURING THE YEAR AS REQUIRED BY IND AS 37 -" PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS"

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Opening Balance	154	154
Add: Provision during the Year	-	-
Less: Utilisation during the Year	-	-
Closing Balance (considered as Non-Current)	154	154

22 DEFERRED TAX LIABILITIES (NET)

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
The balances comprises of temporary differences attributable to:		
Property, Plant and Equipments	8,896	8,841
Financial Assets at Fair value through Profit or loss	487	385
Others	(66)	(23)
Deferred Tax (Assets)/Liabilities	9,317	9,203

Movement in Deferred Tax Liabilities

Description	Property, Plant and Equipments	Financial Assets at FVTPL	Others	Total
As at 01st April, 2024	8,370	145	(335)	8,180
Charged / (Credited)				
- To Profit and Loss	471	240	58	769
- To OCI	-	-	254	254
As at 31st March, 2025	8,841	385	(23)	9,203
Charged / (Credited)				
- To Profit and Loss	61	102	(264)	(101)
- To OCI	(6)	-	221	215
As at 31st March, 2026	8,896	487	(66)	9,317

23 OTHER NON-CURRENT LIABILITIES

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Statutory Liabilities	1,017	940
Deferred Income on Government Grant	1,221	394
	2,238	1,334

Notes

to the Standalone Financial Statement

24 SHORT TERM BORROWINGS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Secured:		
Current Maturity of Non-Current Financial Borrowings (Rupee Term Loans)	1,390	1,390
Working capital borrowings repayable on demand	-	10
	1,390	1,400

Notes :

- Working Capital borrowings are secured by way of hypothecation of Inventories, Book Debts and Receivables, both present and future.
- Working capital borrowings carried an average interest rate of 8.65% per annum (Previous Year: 9.30% per annum). The Company did not have any outstanding working capital borrowings as at the reporting date.
- Working Capital Borrowings are renewed based on contract with bankers.
- Borrowings obtained by the company from banks have been utilised for the purposes for which such loans were taken.
- The statements of current assets filed by the company with banks are in agreement with the books of accounts.

25 TRADE PAYABLES

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Micro and Small enterprises (Refer Note 48)	1,367	1,165
Others	15,816	16,198
	17,183	17,363

Trade Payable ageing schedule as at 31st March, 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
a) Micro and Small enterprises	1,301	52	14	-	-	1,367
b) Others	15,157	603	55	1	-	15,816
Total	16,458	655	69	1	-	17,183

Trade Payable ageing schedule as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
a) Micro and Small enterprises	1,045	120	0	-	-	1,165
b) Others	14,773	1,416	9	-	-	16,198
Total	15,818	1,536	9	-	-	17,363



Notes

to the Standalone Financial Statement

26 OTHER CURRENT FINANCIAL LIABILITIES

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Interest accrued but not due on borrowings	14	26
Unpaid Dividend Accounts *	207	201
Capital Goods Liability	342	215
Others	624	811
	1,187	1,253

* There is no amount due and outstanding to be credited to the Investor Education and Protection Fund during the current and previous financial year.

27 OTHER CURRENT LIABILITIES

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Advances from Customers	682	913
Others		
Statutory dues	489	535
Deferred Income on Government Grant-ST	67	26
Other Liabilities	111	83
	1,349	1,557

28 CURRENT PROVISIONS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Employee Benefits		
Compensated Absences	567	446

Notes

to the Standalone Financial Statement

29 REVENUE FROM OPERATIONS

₹/Lacs

	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Revenue from Contract with Customers (Refer Note 50)		
Sale of Products		
Finished Goods	1,68,078	1,96,202
Traded Goods	1,520	2,827
	1,69,598	1,99,029
Other Operating Revenue		
Scrap Sales	694	825
Export Incentives	249	315
Revenue from Operations	1,70,541	2,00,169
Note: A) Details of Sales of Products		
Finished Goods		
Reinforcement (Fabric)	81,536	96,088
Yarn	82,784	93,677
Others	3,758	6,437
Sale of Finished Goods	1,68,078	1,96,202
Traded Goods	1,520	2,827
Total of Sale of Products	1,69,598	1,99,029
B) Other Operating Revenue		
Scrap Sales	694	825
Export Incentives	249	315
Total Other Operating Revenue	943	1,140
Revenue from Operations (A+B)	1,70,541	2,00,169

30 OTHER INCOME

₹/Lacs

	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Interest Income		
From Customers	80	78
On Current and Non Current Investments	1,770	1,647
Others	31	4
Total Interest Income	1,881	1,729
Profit on Sale of Property, Plant and Equipment (Net) & Termination of Lease	655	-
Profit on Sale of Current Investments (Net)	456	333
Gain on Fair Valuation of Investments through Profit and Loss	638	790
Gain due to Foreign Currency Fluctuations (Including MTM on Derivatives) (Net)	325	-
Dividend Received	31	-
Liabilities / Provisions no longer required written back	59	179
Government Grant	55	26
Insurance Claims	30	617
Miscellaneous Income	62	58
Other Income	4,192	3,732



Notes

to the Standalone Financial Statement

31 COST OF MATERIALS CONSUMED

₹/Lacs

	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Opening Stock of Raw Materials	11,850	9,140
Add: Purchases	96,317	1,34,652
	1,08,167	1,43,792
Less: Closing Stock of Raw Materials	9,130	11,850
Cost of Raw Materials Consumed	99,037	1,31,942

32 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE

₹/Lacs

	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Opening Stock		
Finished Goods	13,219	10,881
Stock-in-Process	4,032	4,288
	17,251	15,169
Less: Closing Stock		
Finished Goods	9,822	13,219
Stock-in-Process	4,805	4,032
	14,627	17,251
(Increase)/ Decrease in Stocks	2,624	(2,082)

33 EMPLOYEE BENEFITS EXPENSES

₹/Lacs

	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Salaries, Wages and Bonus	10,934	10,779
Contribution to Provident and other funds (Refer Note 41)	914	939
Workers and Staff Welfare Expenses	1,170	1,042
	13,018	12,760

34 FINANCE COSTS

₹/Lacs

	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Interest on borrowings	251	407
Interest on Lease Liabilities	21	26
Other (Including interest on deposits)	16	21
	289	454

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35 OTHER EXPENSES

₹/Lacs

	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Stores and Spare Parts Consumed	4,087	4,427
Packing Material Consumed	3,479	3,725
Processing Charges	3,299	3,310
Building & Machinery Maintenance	2,442	2,753
Rent	15	12
Rates and taxes	100	130
Insurance	452	389
Directors' Sitting Fees	8	10
Directors' Commission	38	38
Auditors Remuneration (Refer Note 49)	65	61
Commission on Sales	1,236	1,306
Transport and Handling	2,589	2,461
Expenditure on Corporate Social Responsibility (CSR) Activities (Refer Note 47)	179	288
Loss on Sale of PPE (Net)	-	16
Legal and Professional Fees	586	427
Miscellaneous Expenses	1,828	1,963
	20,403	21,316

36 FINANCIAL RISK MANAGEMENT OBJECTIVES (IND AS 107):

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, lease, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets, other than derivatives include trade and other receivables, deposit with banks, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments, such as foreign exchange forward contracts, to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The sources of risks which the company is exposed to, and their management are given below:

Risk	Exposure Arising From	Measurement	Management
A. Market Risk			
1) Foreign Exchange Risk	Committed commercial transaction. Financial asset and Liabilities not denominated in INR	Cash Flow Forecasting Sensitivity Analysis	Forward foreign exchange contracts
2) Interest Rate	Long Term Borrowings and Short-Term Borrowing at variable rates and Investments in Debt Schemes of Mutual Funds	Sensitivity Analysis, Interest rate movements	Portfolio Diversification
3) Commodity Price Risk	Movement in prices of commodities	Sensitivity Analysis, Commodity price tracking	Active inventory management, Sales Price linked to purchase price



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Risk	Exposure Arising From	Measurement	Management
B. Credit Risk	Trade receivables, Investments, Derivative financial instruments, Loans	Aging analysis, Credit Rating	Diversification of mutual fund investments, Credit limit and credit worthiness monitoring, Criteria based approval process
C. Liquidity Risks	Borrowings, lease liabilities, Other Liabilities and Liquid investments	Rolling cash flow forecasts Broker Quotes	Adequate unused credit lines and borrowing facilities Portfolio Diversification

The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in inter corporate deposits, fixed deposits, debt securities and mutual fund schemes of debt and debt like categories and restricts the exposure in equity markets.

Compliances of these policies and principles are reviewed by internal auditors on periodical basis.

The Corporate Treasury team updates the Audit Committee on a quarterly basis to about the implementation of the above policies. It also updates to the Internal Risk Management Committee of the Company on periodical basis about the various risk to the business and status of various activities planned to mitigate the risk.

A. Market Risk Management:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

- Foreign Currency Risk:** Foreign currency risk is the risk of impact related to fair value or future cash flows of exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to imports of raw materials and spare parts, capital expenditure and exports.

When a derivative is entered for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency forwards to hedge exposure to foreign currency risk.

In lacs

Outstanding foreign currency exposure as at	As at 31 st March, 2026	As at 31 st March, 2025
Trade receivables		
USD	3	4
Cash & Cash Equivalent		
EURO	-	-
USD [#]	0	0
Trade Payables (Incl. in-transit)		
EURO	0	0
YEN	330	94
USD	23	51
Total Foreign Currency - EURO	0	-
Total Foreign Currency - YEN	330	94
Total Foreign Currency - USD	26	55

Out of USD 26 Lacs & Yen 330 Lacs Foreign Currency Exposure as 31st March 2026, USD 22 Lacs & Yen 311 Lacs was hedged and out of USD 55 Lacs & Yen 94 Lacs as at 31st March 2025, USD 51 & Yen 88 Lacs were hedged by forward contracts.

USD 2000 held as cash and cash equivalent as on 31st March, 2026 (USD 300 held as cash and cash equivalent as on 31st March, 2025)

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Forward Exchange Contracts:

Derivatives for hedging foreign currency risk with respect to outstanding payable/receivables & highly probable forecasted transaction

In lacs

Particulars	Purpose	Currency	As at 31 st March, 2026	As at 31 st March, 2025
Forward Contracts	Imports	USD	67	91
Forward Contracts	Imports	Euro	9	4
Forward Contracts	Imports	Yen	3173	218

Foreign currency sensitivity on unhedged exposure (Net):

100 bps increase in foreign exchange rates will have the following impact on profit before tax.

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
USD	2.18	3.05
EUR	0.16	0.01
JPY	0.12	0.03

Note: If the rate is decreased by 100 bps impact on profit will (increase)/decrease by an equal amount.

Cash flow Hedge: The company has foreign currency capital commitment and to mitigate the risk of foreign currency, the company has taken forward cover. The company is following hedge accounting for all the foreign currency capital commitment raised based on qualitative approach

The Company assesses hedge effectiveness based on following criteria:

- (I) an economic relationship between the hedged item and the hedging instrument
- (II) the effect of credit risk and
- (III) assessment of the hedge ratio

The company designates the derivatives to hedge its currency risk and generally applies hedge ratio of 1:1. The company's policies is to match the critical terms of the forward exchange contracts to match with hedge item.

Recognition of gain/ (loss) under foreign exchange contracts designated under cash flow

₹/Lacs

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)
Gain/ (loss)	23	-	-	-

2) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost. Since all the borrowings are on floating rate, no significant risk of change in interest rate.

INR Interest rate exposure:

₹/Lacs

Particulars	Total borrowings	Floating rate borrowings	Average Interest rate
Total as at 31 st March 2026	1,990	1,990	7.23%
Total as at 31 st March 2025	3,390	3,390	8.39%



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Interest rate sensitivities for unhedged exposure (impact of increase by 100 bps):

Particulars	₹/Lacs	
	As at 31 st March, 2026	As at 31 st March, 2025
INR	20	34

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

3) Commodity price risk

Commodity price risk for the Company is mainly related to fluctuations of raw materials prices linked to various external factors, which can affect the production cost of the Company. Company actively manages inventory and in many cases sale prices are linked to major raw material prices. Energy costs is also one of the primary costs' drivers, any increase in fuel prices can lead to drop in operating margin. To manage this risk, the Company enters into long-term supply agreement for power, identifying new sources of supply etc. Additionally, processes and policies related to such risks are reviewed and managed by senior management on continuous basis.

B. Credit Risk Management:

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/ investing activities, including deposits with banks, mutual fund investments, and investments in debt securities, foreign exchange transactions and financial guarantees. The Company has two major customers which represents 68% receivables as on 31st March, 2026 (80% receivables as on 31st March, 2025) and company is receiving payments from these parties within due dates. Hence, the company has no significant credit risk related to these parties.

Trade receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined. Wherever the Company assesses the credit risk as high the exposure is backed by either letter of credit or security deposits.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision for loss allowance at each reporting date wherever outstanding is for longer period and involves higher risk.

The Company makes provision for the trade receivable as per the following matrix:

Ageing of Trade Receivables	Provision (%)
Upto 1 Year	Nil
More than 1 Year but less than 2 years	25%
More than 2 Years but less than 3 Years	50%
More than 3 Years	100%

Movement in expected credit loss allowance on trade receivables:

Particulars	₹/Lacs	
	As at 31 st March, 2026	As at 31 st March, 2025
Opening Balance	-	-
Add: Provision made during the year	-	-
Less: Provision utilization during the year	-	-
Closing Balance	-	-

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Investments, Derivative Instruments, Cash and Cash Equivalent and Bank Deposit

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions, debt securities are generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments are generally low as Company enters into the Derivative Contracts with the reputed Banks and Financial Institutions.

Investments of surplus funds are made only with approved Financial Institutions/ Counterparty. Investments primarily include investment in units of mutual funds and high investment grade corporates. These Mutual Funds and Counterparties have low credit risk.

Total non-current and current investments as on 31st March, 2026 is ₹ 49,347 Lacs (31st March, 2025 - ₹ 41,289 Lacs).

C. Liquidity Risk Management:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts based on expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

₹/Lacs

As at 31 st March, 2026	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Borrowings (including short term borrowing)	1,390	600		1,990
Trade payables	17,183			17,183
Interest accrued but not due on borrowings	14			14
Other financial liabilities (excluding derivative liability)	1,173	224		1,397
Derivative liability/ (Assets)	(109)			(109)
Finance Lease Obligation	86	169		255
Investments	34,844	9,127	5,376	49,347

₹/Lacs

As at 31 st March, 2025	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Borrowings (including short term borrowing)	1,400	1,990		3,390
Trade payables	17,363			17,363
Interest accrued but not due on borrowings	26			26
Other financial liabilities (excluding derivative liability)	1,091	225		1,316
Derivative liability/ (Assets)	136			136
Finance Lease Obligation	86	255		341
Investments	33,786	1,901	5,602	41,289



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36(A) CLASSIFICATIONS OF FINANCIAL ASSETS AND LIABILITIES (IND AS 107):

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Financial Assets at amortised cost[#]		
Trade receivables	19,566	17,506
Other Financial Assets	2,741	1,575
Cash and Cash Equivalents	669	95
Bank Balance other than Cash & Cash Equivalents	400	365
Fixed Deposits with Financial Institutions	19,910	8,000
Taxable Corporate Bonds/ Debentures/ Debt Securities	6,418	5,605
Financial Assets at fair value through profit or loss		
Investments	17,657	22,096
Financial Assets at fair value through other comprehensive income		
Investments (Non-current)	4,478	4,703
Total	71,839	59,945
Financial Liabilities at amortised cost[#]		
Term Loan from Banks	1,990	3,380
Finance Lease Obligation	227	292
Other Non-Current Finance Liabilities	224	225
Cash Credits/Working Capital Borrowings	-	10
Trade payables	17,183	17,363
Other Financial Liabilities	1,187	1,117
Fair Value Hedging Instruments		
Derivative Liability/ (Asset)	(109)	136
Total	20,702	22,523

[#] Considering nature of financial assets and financial liabilities, fair value is same as amortized cost.

Investment in Associate amounting to ₹ 885 Lacs (March 31, 2025, ₹ 885 Lacs) measured at Cost in accordance with Ind AS 27

36(B) FAIR VALUE MEASUREMENTS (IND AS 113):

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (For example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

₹/Lacs

Particulars	Fair Value	
	As at 31 st March, 2026	As at 31 st March, 2025
Financial Assets at fair value through profit or loss		
Investments –Level 1	127	120
Investments –Level 2	17,516	21,962
Investments –Level 3	14	14
Total	17,657	22,096
Financial Assets at fair value through other comprehensive income		
Investments –Level 1	4,477	4,703
Total	4,477	4,703
Fair Value derivative		
Derivative liability/ (Asset) -Level 2	(109)	136
Total	(109)	136

The management assessed that fair value of cash and bank balances, trade receivables, trade payables, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

- The fair values of the quoted investments/units of mutual fund schemes are based on market price/net asset value at the reporting date.
- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis or based on the contractual terms. The discount rates used is based on management estimates.

37 SEGMENT REPORTING (IND AS 108):

The Company is exclusively engaged in the business of synthetic yarn related products primarily in India. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company.

38(A) DISTRIBUTION MADE AND PROPOSED (IND AS 1):

₹/Lacs

Particulars	Year Ended	
	31 st March, 2026	31 st March, 2025
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on 31 st March 2025: ₹ 10.00 per share (31 st March, 2024: ₹ 10.00 per share)	2,185	2,185
Proposed dividends on Equity shares:		
Final dividend for the year ended on 31 st March 2026: ₹ 11.00 Per share. (31 st March 2025: ₹ 10.00 per share)	2,404	2,185

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability.



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38(B)CAPITAL MANAGEMENT (IND AS 1):

The Company's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is total debt divided by total equity.

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Total Debt (Bank and other borrowings)	1,990	3,390
Equity	1,50,059	1,42,144
Debt to Equity	0.01	0.02

In addition, the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Company.

39 INCOME TAXES (IND AS 12):

(i) Reconciliation of Effective Tax Rate:

₹/Lacs

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Profit before Tax	13,138	9,257
Tax Expense	2,950	2,547
Effective Tax Rate (in %)	22.454	27.514
Effect of Non-Deductible expenses (in %)	(0.350)	(0.788)
Effect of Allowances for tax purpose (in %)	-	-
Effect of Previous year's adjustments (in %)	(1.270)	-
Effect of (Increase)/Decrease in income Taxable at lower rate (in %)	0.794	(0.440)
Others (in %)	3.540	(1.118)
Applicable Tax Rate (in %)	25.168	25.168

40 LEASES (IND AS 116):

(i) Lease Expenses recognized in the Statement of Profit and Loss not included in the measurement of lease liabilities:

₹/Lacs

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Variable lease payments	-	-
Expenses relating to leases of low value assets, excluding short term lease of low value assets	-	-

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(ii) Maturity analysis of lease liabilities - Contractual undiscounted cash flows:

₹/Lacs

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Less than one year	86	86
One to five years	169	255
More than five years	-	-
Total undiscounted lease liabilities	255	341
Discounted lease liabilities included in the statement of financial position	227	292
Current lease liability	70	65
Non-current lease liability	157	227

(iii) The weighted average incremental borrowing rate of 8.5% p.a. has been applied for measuring the lease liability at the date of initial application.

(iv) The total cash outflow for leases for year ended March 31, 2026 is ₹ 86 lacs (March 31, 2025 is ₹ 86 lacs).

General description of leasing agreements:

- Leased assets: Land, Plant & Machinery, Godowns, Offices.
- Future lease rentals are determined based on agreed terms.
- At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
- Lease agreements are generally cancellable and are renewed by mutual consent on mutually agreed terms

41 DISCLOSURES IN ACCORDANCE WITH IND AS-19 ON "EMPLOYEE BENEFITS"

a) Defined Contribution Plans - The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

₹/Lacs

Particulars	2025-26	2024-25
Employer's Contribution to Provident Fund and Employee's Pension Scheme, 1995	561	565
Employer's Contribution to Superannuation Fund	48	45
Employer's Contribution to Employee's State Insurance	13	13
Total	622	623

b) Defined Benefit Plans - Gratuity and Provident Fund

Gratuity:

Inherent Risk - The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

The Company operates a gratuity plan which is administered through Life Insurance Corporation and a trust which is administered through trustees. Every employee is entitled to a minimum benefit equivalent to 15 days salary last drawn for each completed year of service in line with the provisions of Payment of Gratuity Act, 1972. However, certain employees are entitled to benefit higher than the benefit prescribed under Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier or death in service.

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i) A reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening DBO	4,269	4,253
Current Service Cost	243	267
Interest on DBO	279	304
Past Service Cost	186	-
Remeasurement due to:		
Actuarial loss/ (gain) arising from change in financial assumption	(92)	89
Actuarial loss/ (gain) arising from change in demographic assumption	-	-
Actuarial loss/ (gain) arising on account of experience change	(41)	(75)
Transfer In / (Out)	-	-
Benefits Paid	(493)	(569)
Acquisition Adjustment	-	-
Closing DBO	4,351	4,269

ii) A reconciliation of the opening and closing balances of the fair value of plan assets:

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening Fair Value of Plan Assets	4,059	4,155
Interest on Plan Assets	269	297
Remeasurement due to:		
Actuarial loss/ (gain) arising on account of experience change	79	(53)
Contribution by the Employer	338	229
Benefits Paid	(493)	(569)
Transfer In / (Out)	-	-
Acquisition Adjustment	-	-
Closing Fair Value of Plan Assets	4,252	4,059

Fair value of Plan Assets for gratuity represents the amount as confirmed by the Insurer Managed Funds.

iii) Amount recognised in Balance Sheet including a reconciliation of the present value of the defined benefit obligation in b (i) and the fair value of the plan assets in b (ii) to the assets and liabilities recognised in the balance sheet:

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Present value of Defined Benefit Obligation	4,351	4,269
Fair value of Plan Assets	(4,252)	(4,059)
Net Liability recognised in the Balance Sheet	100	210
Long Term Provisions	100	210

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iv) The total expense recognised in the Statement of Profit and Loss:

₹/Lacs

Particulars	2025-26	2024-25
Current Service Cost	243	267
Past Service Cost	186	-
Net Interest Cost/ (Income) on the Net Defined Benefit Liability / (Asset)	10	7
Total	439	274

v) Amount recorded in Other Comprehensive Income

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Remeasurement due to:		
Changes in financial assumptions	(92)	89
Changes in demographic	-	-
Experience Adjustments	(41)	(75)
Actual return on plan assets less interest on plan assets	(79)	53
Closing amount recognised in OCI outside profit and loss	(212)	67

vi) Maturity Profile of defined benefit obligation:

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Weighted average duration (based on discounted cashflows)	4 Years	4 Years
Within the next 12 months (Next annual reporting period)	1,174	988
Between 1 and 5 years	2,431	2,507
Between 6 and 9 years	1,241	1,263
10 years and above	1,475	1,269

vii) For each major category of plan assets, following is the percentage that each major category constitutes of the fair value of the plan assets:

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Amount (₹/Lacs)	Rate (%)	Amount (₹/Lacs)	Rate (%)
Insurer Managed Funds	4,252	100%	4,059	100%
Total	4,252	100%	4,059	100%

viii) The overall expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

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ix) Following are the Principal Actuarial Assumptions used as at the balance sheet date:

Rate %

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Discount Rate	7.10%	6.65%
Salary Escalation Rate	8.00%	8.00%
Attrition Rate (Average Rate of 3 Age Groups)	7.67%	7.67%
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14

x) Amounts recognised to Gratuity:

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Defined Benefit Obligation	4,351	4,269
Plan Assets	4,252	4,059
Surplus / (Deficit)	(100)	(210)
Experience Adjustment on Plan Liabilities	(41)	(75)
Experience Adjustment on Plan Assets	79	(53)

xi) Expected Contribution to the Funds in the next year:

₹/Lacs

Particulars	2026-27
Gratuity	261
Provident Fund and Employee's Pension Scheme, 1995	581

xii) Sensitivity Analysis:

Rate %

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Impact of increase in 50 bps on discounting rate on DBO	(2.1%)	(2.1%)
Impact of decrease in 50 bps on discounting rate on DBO	2.20%	2.20%
Impact of increase in 50 bps on salary escalation rate on DBO	2.20%	2.20%
Impact of decrease in 50 bps on salary escalation rate on DBO	0.40%	(1.6%)
Impact of increase in 50% of attrition rate on DBO	(0.30%)	(0.5%)
Impact of decrease in 50% of attrition rate on DBO	0.50%	0.90%

xiii) The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

xiv) Asset liability matching strategy:

The money contributed by the Company to Gratuity Fund has to be invested. The trustee have outsourced management of investment to an Insurance Company. The Insurance Company in turn manage these funds as per mandate provided by the trustees and the asset allocation which is with in permissible limits prescribed in insurance regulations. Due to restrictions in type of investments that can be held by the fund it is not possible to explicitly follow asset liability matching strategy. There is no compulsion on the part of company to fully prefund liability of the plan. The Company fund these benefit based on known liability and Level of underfunding of the plan.

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xv) Exceptional Item:

The Government of India has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health, and Working Conditions Code, 2020 ("Labour Codes") with effect from 21st November, 2025, which consolidates 29 existing labour laws. The Labour Codes, amongst other things introduce changes, including a uniform definition of wages and enhanced benefits relating to leave. The Ministry of Labour & Employment has issued draft Central Rules and FAQs to facilitate assessment of the financial impact arising from these regulatory changes. In accordance with the guidance issued by the Institute of Chartered Accountants of India and based on actuarial valuation, the Company has assessed and disclosed the financial Impact of these changes as "Statutory Impact of New Labour Codes" under Exceptional Items in the financial statements for the year ended 31st March, 2026. The Company has recognized ₹ 186 Lacs as Statutory Impact of New Labour Codes towards additional Gratuity, classified as past service cost, primarily due to the revised definition of wages under the Labour Codes. The Company continues to monitor the developments relating to the Implementation of the Labour Codes and will review the estimates as further clarification and Rules are notified.

Provident Fund:

The Company contributes to a provident fund scheme for eligible employees, which is administered through a trust established by the Company in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The scheme guarantees interest at the rates notified by the statutory authorities. Contributions made by the Company and employees, together with accumulated interest thereon, are payable to employees upon retirement or separation, whichever is earlier, and the benefits vest immediately upon rendering of service by employee.

In accordance with the rules of the trust, in the event the trust is unable to declare interest at the rate prescribed under Paragraph 60 of the Employees' Provident Fund Scheme, 1972 due to lower returns on investments or any other reason, the resultant shortfall is required to be made good by the Company. Accordingly, the provident fund is treated as a defined benefit plan to the extent of the interest rate guarantee.

The Company has obtained an actuarial valuation of the plan. Based on the valuation and underlying assumptions, the plan assets exceed the present value of the defined benefit obligation as at the reporting date and no contribution shortfall exists. Accordingly, the Company's liability is restricted to its contributions.

The surplus in the trust is not recognised as an asset in the financial statements, as it is neither refundable to the Company nor available for set-off against future contributions.

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Present value of Defined Benefit Obligation	12,288	12,367
Fair value of Plan Assets	13,505	(12,367)
Surplus/(Deficit) available	1,217	-

Following are the Principal Actuarial Assumptions used as at the balance sheet date:

Rate %

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Discount Rate	6.75%	6.55%
Expected rate of return on Plan Assets	6.75%	6.55%
Discount Rate for the remaining term to Maturity of the Investment Portfolio	7.05%	6.71%
Average Historic Yield on the Investment Portfolio	7.79%	7.86%
Guaranteed Rate of Return	8.25%	8.25%
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14
Attrition Rate	6.00%	6.00%

C) Amount recognised as an expense in respect of Compensated Absences is ₹ 294 lacs (Previous year ₹ 232 lacs)



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42 RELATED PARTY DISCLOSURES (IND AS 24):

(A) Related Parties with whom there were transactions during the year:

Parties	Relationship
Mrs. Rajashree Birla	Non-Executive Director
Ms. Krupa R. Gandhi	Independent Director
Mr. Jayant Vasant Dhobley	Non-Executive Director
Mr. Ashish Razdan	Independent Director
Mr. Ravindra Kastia	Independent Director
Mr. Suresh Sodani	Managing Director & CEO (Key Managerial Personnel)
Mr. Yogesh R. Shah	Chief Financial Officer (Key Managerial Personnel)
Mr. Rahul Dubey	Vice President – Legal & Company Secretary (Key Managerial Personnel)
Century Enka Ltd Employee's Provident Fund	Post-Employment Benefit Plan
ABReL Century Energy Limited	Associate

(a) The following transactions were carried out with the related parties in the ordinary course of business:

₹/Lacs

Nature of Transaction/Relationship	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Services received from:		
Non-Executive Director's Sitting Fees and Commission	46	48

Compensation of Key Management Personnel of the Company:

₹/Lacs

Nature of Transaction/Relationship	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Short-term employee benefits	441	413
Other long-term benefits [#]	79	73
Total compensation paid to Key Management Personnel	520	486

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

[#] Includes Employer Contribution to Provident Fund, Superannuation, NPS and Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall company basis at the end of each year, difference of opening and closing of Actuarial Valuation liability pertaining to Gratuity and compensated absences as per Ind AS 19.

Contribution to:

₹/Lacs

Nature of Transaction	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Post-Employment Benefit Plan – Century Enka Employees Provident Fund	213	238

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Transactions with Associate – ABReL Century Energy Ltd:

₹/Lacs

Nature of Transaction	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Share Application Money Pending Allotment of Right Issue	380	-
Power Purchase	1,841	1,906
Balance Receivable / (Payable)	(137)	(139)

43 EARNINGS PER SHARE (EPS) (IND AS 33):

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Basic/Diluted EPS:		
(i) Net Profit attributable to Equity Shareholders	10,169	6,710
(ii) Weighted average number of Equity Shares outstanding (Nos.) [For Basic & Diluted EPS]	2,18,50,589	2,18,50,589
Basic/ Diluted EPS in ₹ Per share (Face Value ₹10 per share) (i)/(ii)	46.54	30.71

44 OTHER STATUTORY INFORMATION

- No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The company has no transactions with the companies struck off under Companies Act, 2013 during the current year.
- The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- The company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- 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:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Notes

to the Standalone Financial Statement

45 CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR) (IND AS 37):

(a) Claims against the Company not acknowledged as debt:

₹/Lacs

Particulars	Brief Description	As at 31 st March, 2026	As at 31 st March, 2025
(i) Excise, Service Tax & Custom Matters	Matters related to valuation, disallowances of input tax credit	180	250

The above amount of contingencies does not include applicable interest, if any. Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

- (b) Excise Department had issued an order dated 31st December, 2013 denying the applicability of Notification No. 6/2000 dated 1st March, 2000 and raised a demand of ₹22,927 lacs plus interest thereon and penalty equivalent to duty demand amount. In this matter, CESTAT in its order dated 20th December 2019, upheld the denial of aforesaid notification and remanded back the matter to Central Excise Department to redetermine quantum of duty short paid, imposition of equal amount of penalty on redetermined amount of duty demand and applicable interest. The Commissioner, CGST & Central Excise, Raigad has re-determined assessable value pursuant to order of CESTAT and confirmed the demand amounting to ₹730 lacs (as against above demand of ₹22,927 lacs), interest at appropriate rate on the duty and equal amount of penalty vide its order dated 8th September 2020. Against the said order of the Commissioner, CGST & Central Excise, Raigad, Department has filed an appeal before the Appellate Tribunal.

The Company's appeal in the matter is pending before the hon'ble Supreme Court of India. The Company has deposited the amount of duty of ₹730 Lacs under protest. The Company has been advised by legal experts that it has a fair chance of ultimately succeeding in the matter and accordingly no provision is required to be made in the accounts.

- (c) Foreseeable Losses: The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ applicable accounting standards for material foreseeable losses on such long-term contracts has been made in the books of account.
- (d) Pending litigations: The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

46 CAPITAL AND OTHER COMMITMENTS:

- (a) Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances) as on 31st March, 2026 is ₹ 3,285 Lacs. (31st March, 2025 - ₹ 1,044 Lacs).
- (b) Other Commitments: The Company has non-cancellable agreements with Gas Utilities Company for purchase of LNG. Under this agreement, the Company is committed to purchasing certain annual minimum quantity of LNG failing which it will pay the seller for any shortfall in offtake of LNG based on an agreed formula. The cost of the minimum committed quantity as at 31st March 2026 for the remaining period of the contract at current market prices approximates ₹ 3,305 Lacs (Previous Year ₹ 5,051 Lacs). Based on the current projection Company does not expect shortfall in offtake of minimum committed quantity and therefore no material foreseeable losses are expected.

Notes

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47 CORPORATE SOCIAL RESPONSIBILITY:

₹/Lacs

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Total amount excess / shortfall pertaining to previous year	Nil	Nil
Gross amount required to be spent under section 135 of the Companies Act, 2013	179	288
Total amount spent during the year (Refer Note- 35)		
(i) Construction/ acquisition of any asset	-	-
(ii) On purpose other than (i) above	179	288
Total amount excess / shortfall at the end of year out of the required amount to be spent	Nil	Nil

Amount of Corporate Social Responsibility is spent towards:

₹/Lacs

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Vocational Training	24	28
Promotion of School Education	68	136
Health Care, Medical facility and drinking water	41	47
Gender equality, women empowerment and support to Old age homes & orphanages	10	19
Environmental sustainability and ecological balance	6	6
Rural Infrastructure Development other than mentioned above	30	52
Total	179	288

48 DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

Amounts due to Micro and Small Enterprises disclosed on the basis of information available with the Company regarding status of the suppliers are as follows:

₹/Lacs

Particulars	2025-26		2024-25	
	Principal	Interest	Principal	Interest
Principal Amount and Interest due thereon remaining unpaid at the end of the year	66	4	117	2
The amount of interest paid as per terms of section 16 of the MSMED Act along with the amount of payment made beyond the due date	928	-	1,565	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the act	-	6	-	11
Interest amount due and unpaid as at the end of the year	-	6	-	11
The amount of further interest remains due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	14	-	4

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

Notes

to the Standalone Financial Statement

49 AUDITORS' REMUNERATION (EXCLUDING TAXES) AND EXPENSES:

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(a) Statutory Auditors:		
Audit fees (including quarterly Limited Review)	54	51
Tax audit fees	8	8
Fees for other services	-	-
Expenses reimbursed	3	2
	65	61
(b) Cost Auditors:		
Audit fees	4	4

50 REVENUE FROM CONTRACTS (IND AS 115):

The Company is primarily in the business of manufacture, trade and sale of Synthetic Yarn. Sales are made at a point in time and revenue from contracts with customers is recognized when goods are dispatched and the control over the goods sold is transferred to customers. The Company does not expect to have any contracts where the period between the transfer of goods and payment by customer exceeds one year. Hence, the Company does not adjust revenue for the time value of money.

a) Revenue recognised from Contract liability (Advances from Customers):

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Closing Contract liability	682	913

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31st, 2026.

b) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Revenue as per Contract Price	1,73,881	2,03,820
Less: Discounts	4,283	4,791
Revenue as per statement of profit and loss	1,69,598	1,99,029

Notes

to the Standalone Financial Statement

51 ANALYTICAL RATIOS:

Ratio	Numerator	Denominator	31 st March 2026	31 st March 2025	% change	Reason
Current Ratio	Current Assets	Current Liability	4.23	4.06	4.03	Higher current assets and lower current liabilities
Debt Equity Ratio	Total Debt	Total Equity	0.01	0.02	(44.39)	Repayment of debt during the year
Debt Service Coverage Ratio	Profit after taxes + Depreciation + Finance Cost + Loss/Profit on sale Assets+ Impairment + Allowance of credit loss	Repayment of short Term, long term, lease + Finance Cost	8.75	6.35	37.84	Higher EBITDA compared with previous year and lower finance cost due to debt repayment as per due date.
Return on Equity	Net Profit	Average Total Equity	7%	4.8%	44.65	Due to increase in profit after tax.
Inventory Turnover Ratio	Sales of Products	Average Inventory	6.42	7.45	(14.02)	Due to decrease in sales volume and realisation.
Debtors Turnover Ratio	Sales of Products	Average Trade Receivable	9.15	10.70	(14.60)	Due to decrease in sales.
Creditors Turnover Ratio	Total Purchase	Average Trade Payable	6.30	9.79	(35.65)	Due to lower purchase volume.
Net capital turnover ratio	Sales of Products	Average Working Capital	2.46	3.07	(19.90)	Due to decrease in sales
Net profit Ratio	Net profit	Sale of Products	6%	3.37%	78.07	Due to increase in profit after tax.
Return on Capital employed	Profit before tax and interest	Average Capital employed	8.50%	6.38%	33.19	Due to increase in profit after tax.
Return on Investment	Income from Mutual Fund + Interest Income	Current investment + non-current investment (Debt instruments)	7.2%	8.4%	(14.73)	Due to decrease in rate of debt instrument.

52 ROUNDING OFF: Figures have been rounded off to the nearest ₹ Lacs. Accordingly, minor differences in totals may arise due to casting/rounding adjustments.

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)
Chartered Accountants
FRN: 105146W/W100621

For and on behalf of the Board of Directors

Kamlesh R Jagetia
Partner
Membership No. 139585

Jayant Vasant Dhobley
Non-executive Director
DIN: 02402556

Suresh Sodani
Managing Director & CEO
DIN: 08789604

Yogesh R Shah
Chief Financial Officer

Rahul Dubey
Vice President - Legal & Company Secretary

Place: Mumbai
Date: 21/05/2026

Place: Mumbai
Date: 21/05/2026



Independent Auditor's Report

To
The Members of
Century Enka Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

1. We have audited the accompanying Consolidated Financial Statements of Century Enka Limited ('the Parent' or 'the Company') and its associate, which comprise the Consolidated Balance Sheet as at 31 March 2026 and the Consolidated Statement of Profit including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year ended on that date, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information ('the Consolidated Financial Statements').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports on separate financial statements of such associate, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ('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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the Consolidated State of Affairs of the Company and its associate as at 31 March 2026, and its Consolidated Profit And Other Comprehensive Income, Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Consolidated 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 opinion on the Consolidated Financial Statements.

EMPHASIS OF MATTER

4. We draw attention to the fact that Note 45(b) of the Consolidated Financial Statements wherein it is stated that, the Excise department had issued an order dated 31 December 2013 denying the applicability of Notification No. 6/2000 dated 01 March 2000 and raised a demand of ₹22,927 lacs plus interest thereon and penalty equivalent to duty demand amount. In this matter, Customs, Excise and Service Tax Appellate Tribunal ('CESTAT') in its order dated 20 December 2019, upheld the denial of aforesaid notification and remanded back the matter to Central Excise Department to redetermine quantum of duty short paid, imposition of equal amount of penalty on redetermined amount of duty demand and applicable interest. The Commissioner, CGST & Central Excise, Raigad Commissionerate has re-determined assessable value pursuant to order of CESTAT and confirmed the demand amounting to ₹730 lacs (as against above demand of ₹22,927 lacs), interest at appropriate rate on the duty and equal amount of penalty vide its order dated 08 September 2020. Against the said order of the Commissioner, CGST & Central Excise, Raigad, Department has filed an appeal before the Appellate Tribunal. The Company's appeal in the matter is pending before the Honourable Supreme Court of India. The Company has deposited the amount of duty of ₹730 Lacs under protest. Based on expert legal advice and merits of the case, no provision has been considered necessary by the Company. Our opinion on the Statement is not modified in respect of this above matter.

KEY AUDIT MATTERS

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in our audit
Inventory Valuation	Our procedures included:
- The Company has significant balances of inventory as on 31 March 2026 (refer note 9 to the Consolidated Financial Statements) - Inventories are valued at lower of cost or net realizable value (NRV). Cost is determined using weighted average cost method	- We assessed the appropriateness of Company's accounting policy for valuation of inventories and compliance of the policy with the requirements of the Ind AS 2. - Obtaining understanding of production process and testing of key controls over recognition and measurement of inventory

Independent Auditor's Report (Contd.)

- Valuation of inventories can be subjective due to inherent uncertainty due to volatility in prices of raw material and volatility in prices of finished goods due to changes in consumer demands - Determination of whether inventory will be realized for value less than cost requires management to exercise judgement and apply assumption - Because of size, inherent uncertainty in volatility in prices of raw material, assumption and complexities involved in inventory valuation, this is considered key audit matter	- For sample locations, conducted physical verification of inventories at the year end - For sample of inventory items, re-performed the weighted average cost calculation - Obtaining management's calculation and relevant supporting for inventory valuation, validated mathematical accuracy of production costs and agreed the same with financial statements - Assessing reasonableness of assumption and judgements applied by management in inventory valuation including evaluating consistencies with management's prior period estimations - Assessing appropriateness of NRV estimated by management, on sample basis, by comparing NRV to recent market prices Obtaining and re-performing the calculation of inventory write down based on ageing and NRV of inventory - Comparing historical trend of prices of raw material and finished goods to determine appropriateness of valuation of inventory. - Assessed the appropriateness and adequacy of disclosures made in the financial statements relating to inventories, including the accounting policy, classification and basis of valuation
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OTHER INFORMATION

- The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Consolidated Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.
- Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done / audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact.
- When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

- The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial

Statements, that give a true and fair view of the Consolidated State of Affairs, Consolidated Profit and Other Comprehensive Income, Consolidated Changes in Equity and Consolidated Cash Flows of the Company including its associate is in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and of its associate and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

- In preparing the Consolidated Financial Statements, the respective Board of Directors of the company and of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis



Independent Auditor's Report (Contd.)

of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

12. The respective Board of Directors of the companies included in the Company and its associate are responsible for overseeing the financial reporting process of the Company and of its associate.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

13. Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.
14. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 14.1. Identify and assess the risks of material misstatement of the Consolidated 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.
 - 14.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.
 - 14.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
 - 14.4. 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 ability of the Company and its associate 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 Consolidated 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 and its associate to cease to continue as a going concern.

- 14.5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
15. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its associate to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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.
16. 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.
17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

18. As required by section 143(3) of the Act, based on our audit and on the consideration of audit reports on separate financial statements of such associate, we report, to the extent applicable, that:
 - 18.1. 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 of the aforesaid Consolidated Financial Statements.

Independent Auditor's Report (Contd.)

- 18.2. In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books except for the matters stated in paragraph 19.8 below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- 18.3. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- 18.4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.
- 18.5. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2026, taken on record by the Board of Directors of the Company and on the consideration of our reports on associate company, incorporated in India, none of the directors of the company and its associate company incorporated in India are disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- 18.6. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 18.2 above on reporting under Section 143(3) (b) and paragraph 19.8 below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- 18.7. With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Company and its associate company incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.
- 18.8. In our opinion and according to the information and explanations given to us and based on the consideration of our reports on separate financial statements of such associate company incorporated in India, the remuneration paid during the current year by the Company and its associate company incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company and its associate company incorporated in India is not in excess of the limit laid down under Section 197 of the Act.
19. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of our audit reports on separate financial statements of such associates:
- 19.1. The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Company and its associates – Refer Note 45(d) to the consolidated financial statements.
- 19.2. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 45(c) to the Consolidated Financial Statements in respect of such items as it relates to the Company and its associates.
- 19.3. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Company and/or its associate company incorporated in India during the year ended 31 March 2026.
- 19.4. The respective managements of the Company and its associate incorporated in India whose financial statements have been audited under the Act have represented to us, to best of their knowledge and belief, as disclosed in the Note 44(b) of Consolidated Financial Statements that 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 or any of such associate to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such associate and ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 19.5. The respective managements of the Company, its associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us to best of their knowledge and belief as disclosed in Note 44(h) to the Consolidated Financial Statements that no funds have been received by the Holding Company or any of such associate from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company or any of such associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of



Independent Auditor's Report (Contd.)

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

19.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our or other auditor's notice that has caused us or other auditors to believe that the representation under sub clause (i) and (ii) of Rule 11(e), as provided under para 19.4 and 19.5 above, contain any material misstatement.

19.7. In our opinion and according to the information and explanations given to us, the dividend declared and / or paid during the year by the Company is in compliance with Section 123 of the Act.

19.8. Based on our examination which included test checks and based on consideration of our reports on separate financial statements of the associate which is the company incorporated in India whose financial statements have been audited under the Act, the company, associate have used an accounting software for maintaining its books of accounts which has a feature of recording audit trail facility (edit log) [except for the instances mentioned below] and the same has operated throughout the year for all relevant transactions recorded in the software [except for the instances mentioned below]. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

Sr. No.	Instance	Reporting
1.	Instances of accounting software for maintaining its books of account which did not have a feature of recording audit trail (edit log) facility and the same was not operated throughout the year for all relevant transactions recorded in the software.	In respect of associate, it was observed: - Audit trail (edit log) features does not capture the old values for changes made at the database level for the period from 01 April 2025 to 31 August 2025. - During the year, the Company migrated from its existing accounting software to a new accounting software with effect from 01 September 2025. The audit trail (edit log) facility was not enabled at the database level, in the new accounting software for the period from 01 September 2025 to 31 March 2026

Additionally, the audit trail has been preserved by the Company and above referred associate as per the statutory requirements for record retention from the date they were enabled in earlier years

20. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('CARO') issued by Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and based on our consideration of CARO reports issued by us of the company included in the consolidated financial statements, we report that following qualifications and adverse remarks were observed:

Sr. No.	Name	CIN	Relationship	Clause number of the CARO which is qualified or adverse
1	ABRel Century Energy Limited	U40106MH2022PLC378261	Associate	Clause (i) (a)

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Kamlesh R Jagetia

Partner

Place: Mumbai

Date: 21 May 2026

ICAI Membership No: 139585

UDIN: 26139585TOQBQVQ5098

Annexure '[A]' to the Independent Auditors' Report

on the Consolidated Financial Statements of Century Enka Limited for the year ended 31 March 2026

(Referred to in paragraph '[18.7]' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

OPINION

1. In conjunction with our audit of the Consolidated Financial Statements of Century Enka Limited as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to the Consolidated Financial Statements of Century Enka Limited ('the Company') and its associate company which are companies incorporated in India, as of that date.
2. In our opinion, the Company, and its associate company which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

3. The respective Board of Directors of the Company and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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

4. Our responsibility is to express an opinion on Company and its associate company, which are companies incorporated in India, internal financial controls with reference to the Consolidated

Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 Consolidated Financial Statements, whether due to fraud or error.
6. 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 with reference to the Consolidated Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. A company's internal financial controls with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and

**Independent Auditor's Report (Contd.)**

directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. Because of the inherent limitations of internal financial controls with reference to the Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Consolidated Financial Statements to future periods are subject

to the risk that the internal financial controls with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **KKC & Associates LLP**
Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Kamlesh R Jagetia
Partner

Place: Mumbai
Date: 21 May 2026

ICAI Membership No: 139585
UDIN: 26139585TOQBVO5098

Consolidated Balance Sheet

As at 31st March, 2026

₹/Lacs

S.No.	Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
(A)	ASSETS			
	Non-Current Assets			
	Property, Plant and Equipment	3	75,570	78,182
	Capital Work-in-Progress	3(a)	1,286	1,318
	Right-of-Use Assets	4	589	635
	Other Intangible Assets	5	16	22
	Financial Assets			
	Investments	6	14,029	7,114
	Others	7	208	208
	Other Non-Current Assets	8	1,558	911
	Total Non-current Assets		93,256	88,390
	Current assets			
	Inventories	9	25,989	31,521
	Financial assets			
	Investments	10	34,844	33,786
	Trade Receivables	11	19,566	17,506
	Cash and Cash Equivalents	12	669	95
	Bank Balances other than Cash & Cash Equivalents	13	400	365
	Others	14	2,642	1,367
	Current Tax Assets (Net)		44	346
	Other Current Assets	15	7,730	4,706
	Total Current Assets		91,884	89,692
	Non-Current Assets Classified as held for sale	16	-	92
	TOTAL ASSETS		1,85,140	1,78,174
(B)	EQUITY AND LIABILITIES			
	Equity			
	Equity Share Capital	17	2,185	2,185
	Other Equity		1,47,400	1,39,570
	Total Equity		1,49,585	1,41,755
	Non-Current Liabilities			
	Financial Liabilities			
	Borrowings	18	600	1,990
	Lease Liabilities	19	157	227
	Others	20	224	225
	Provisions	21	1,273	1,356
	Deferred Tax Liabilities (Net)	22	9,317	9,203
	Other Non-Current Liabilities	23	2,238	1,334
	Total Non-Current Liabilities		13,809	14,335
	Current Liabilities			
	Financial Liabilities			
	Borrowings	24	1,390	1,400
	Lease Liabilities	19	70	65
	Trade payables	25		
	i) Total outstanding dues of Micro and Small enterprises		1,367	1,165
	ii) Total outstanding dues of Creditors other than above		15,816	16,198
	Others	26	1,187	1,253
	Other Current Liabilities	27	1,349	1,557
	Provisions	28	567	446
	Current Tax Liabilities (Net)		-	-
	Total Current Liabilities		21,746	22,084
	TOTAL EQUITY AND LIABILITIES		1,85,140	1,78,174
	Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Kamlesh R Jagetia
Partner
Membership No. 139585

Place : Mumbai
Date: 21st May, 2026

For and on behalf of the Board of Directors

Jayant Vasant Dhobley
Non-executive Director
DIN: 02402556

Yogesh R. Shah
Chief Financial Officer

Place : Mumbai
Date: 21st May, 2026

Suresh Sodani
Managing Director & CEO
DIN: 08789604

Rahul Dubey
Vice President - Legal &
Company Secretary



Consolidated Statement of Profit & Loss

For the year ended 31st March, 2026

₹/Lacs

S.No.	Particulars	Note No.	Year Ended 31st March, 2026	Year Ended 31st March, 2025
I	Revenue From Operations	29	1,70,541	2,00,169
II	Other Income	30	4,192	3,732
III	Total Income (I+II)		1,74,733	2,03,901
IV	EXPENSES			
	Cost of Materials Consumed	31	99,037	1,31,942
	Purchases of Stock-in-Trade		1,496	2,803
	Changes in inventories of Finished goods, Stock-in -Trade and work-in-progress	32	2,624	(2,082)
	Employee Benefits Expense	33	13,018	12,760
	Power and Fuel		19,186	21,954
	Finance Costs	34	289	454
	Depreciation and Amortization Expense	3, 4 & 5	5,542	5,497
	Other Expenses	35	20,403	21,316
	Total expenses (IV)		1,61,595	1,94,644
V	Profit before Exceptional Items and Tax Expense (III- IV)		13,138	9,257
VI	Exceptional Items	41 (b) (xv)	(186)	-
VII	Profit before share in Profit of Associate and Tax (V+VI)		12,952	9,257
VIII	Share in Profit of associate (net of tax)		(85)	(63)
IX	Profit before Tax (VII + VIII)		12,867	9,194
X	Tax Expense/(Credit):	39		
	(1) Current Tax		2,798	1,739
	(2) (Excess)/Short Provision of Tax relating to earlier years		(167)	-
	(3) Deferred Tax		152	808
XI	Profit for the Year (IX-X)		10,084	6,647
XII	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		(14)	1,053
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(21)	(198)
	B (i) Items that will be reclassified to profit or loss		(23)	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		6	-
XIII	Total Comprehensive Income for the year (XI+XII) (Comprising Profit and Other Comprehensive Income for the year)		10,032	7,502
XIV	Earnings per equity share in ₹ (Face value per share ₹ 10 each):			
	(1) Basic	43	46.15	30.42
	(2) Diluted		46.15	30.42
	Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of these Financial Statements

This is the Statement of Profit and Loss referred to in our report of even date.

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Kamlesh R Jagetia

Partner

Membership No. 139585

Place : Mumbai

Date: 21st May, 2026

For and on behalf of the Board of Directors

Jayant Vasant Dhobley

Non-executive Director

DIN: 02402556

Yogesh R. Shah

Chief Financial Officer

Place : Mumbai

Date: 21st May, 2026

Suresh Sodani

Managing Director & CEO

DIN: 08789604

Rahul Dubey

Vice President - Legal & Company Secretary

Consolidated Cash Flow Statement

For the year ended 31st March, 2026

₹/Lacs

S.No.	Particulars	Year Ended 31st March, 2026	Year Ended 31st March, 2025
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit Before Tax and Exceptional Items	13,053	9,194
	Adjustment for:		
	Depreciation and Amortisation	5,542	5,497
	Finance cost	289	454
	Unrealised Exchange Loss /(Gain)	49	(71)
	Fair value movement in Derivative Instruments	(159)	158
	Interest Income Other than Tax Refund and Customers	(1,770)	(1,651)
	Dividend Received	(31)	-
	Fair Value through P&L	(638)	(790)
	Liabilities/Provisions no longer required written back	(59)	(179)
	Amortization of Government Grant (TUF Capital Subsidy)	(55)	(26)
	(Profit) / Loss on sale / write off of Property, Plant and Equipments (Net)	(655)	-
	Gratuity Provision for Past Service Cost	(186)	-
	Profit on sale of Current and Non Current Investments (Net)	(456)	(333)
	Share in Loss on equity accounted investment	85	63
	Revaluation Reserve Transfer to P&L	(17)	-
	Operating Profit Before Working Capital Changes	14,992	12,316
	Adjustment for:		
	Inventories	5,532	(4,599)
	Trade Receivables	(2,019)	2,177
	Other Current Financial Assets	(689)	(726)
	Other Current Assets	(2,644)	(476)
	Non-Current Financial Assets	-	25
	Other Non Current Assets	(13)	16
	Other Non-current financial liability	36	(32)
	Long Term Provisions	75	61
	Trade Payables	(211)	4,610
	Other Financial Liability	(182)	199
	Other Current Liabilities	(72)	100
	Short Term Provisions	121	45
	Cash Generated From Operations	14,925	13,716
	Direct Taxes Paid (Net of Refund)	(2,382)	(1,929)
	Net Cash From Operating Activities (A)	12,543	11,787
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant and Equipment [including capitalised Interest]	(3,702)	(5,143)
	Sale of Property, Plant and Equipment / Right of Use Assets	1,096	480
	Interest received	1,184	1,669
	Dividend Received	31	-
	Bank Deposit placed	(35)	(23)
	Investment in Other Corporate Bodies	(15,236)	5,502
	Receipt of government Grant (TUF Capital Subsidy)	923	(1)
	Sale of Non Current Investments	-	-
	(Purchase)/Sale of Current Investments (Net)	8,046	(10,068)
	Purchase of Non Current Investments (Net)	(326)	-
	Net Cash From Investing Activities (B)	(8,019)	(7,584)



Consolidated Cash Flow Statement

For the year ended 31st March, 2026

₹/Lacs

S.No.	Particulars	Year Ended 31st March, 2026	Year Ended 31st March, 2025
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Repayment of Long Term Borrowings	(1,390)	(1,490)
	Repayment/Increase in Lease Liability	(65)	(60)
	Changes in Working Capital Loans (Net)	(10)	7
	Payment of Interest on Lease Liability	(21)	(26)
	Payment of Interest on Borrowings	(279)	(441)
	Equity Dividends paid (including Dividend Distribution Tax)	(2,185)	(2,185)
	Exchange Loss on Foreign Currency Fluctuation (Net)	-	-
	Net Cash From Financing Activities (C)	(3,950)	(4,195)
D.	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	574	8
	Closing Balance of Cash and Cash Equivalents	669	95
	Opening Balance of Cash and Cash Equivalents	95	87

Reconciliation of Closing Cash and Cash Equivalents with Balance Sheet

₹/Lacs

Particulars	As at 31st March, 2026	As at 31st March, 2025
Cash On hand	7	5
With Banks	-	-
In Current Accounts	662	90
In Deposit Accounts maturing within 3 months	-	-
Total	669	95

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind - AS) - 7 on Statement of Cash Flow.
- Figures in bracket indicate cash outflow.
- Change in liabilities arising from financing activities

Particulars	As at 31st March, 2025	Cash flows	Non Cash Changes	As at 31st March, 2026
Total Borrowings	3,390	(1,400)	-	1990
Particulars	As at 31st March, 2024	Cash flows	Non Cash Changes	As at 31st March, 2025
Total Borrowings	4,873	(1,483)	-	3390

The accompanying notes are an integral part of these Financial Statements

This is the Cash Flows Statement referred to in our report of even date.

For and on behalf of the Board of Directors

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Kamlesh R Jagetia

Partner

Membership No. 139585

Place : Mumbai

Date: 21st May, 2026

Jayant Vasant Dhobley

Non-executive Director

DIN: 02402556

Yogesh R. Shah

Chief Financial Officer

Place : Mumbai

Date: 21st May, 2026

Suresh Sodani

Managing Director & CEO

DIN: 08789604

Rahul Dubey

Vice President - Legal & Company Secretary

Consolidated Statement of Change in Equity

For the year ended 31st March, 2026

(A) EQUITY SHARE CAPITAL

Year Ended 31st March, 2026

₹/Lacs

Balance as at 1 st April, 2025	Changes in equity shares capital during the year ended	Balance As at 31 st March, 2026
2,185	-	2,185

For the year ended 31st March, 2025

₹/Lacs

Balance as at 1 st April, 2024	Changes in equity shares capital during the year ended	Balance as at 31 st March, 2025
2,185	-	2,185

(B) OTHER EQUITY

For the year ended 31st March, 2026

₹/Lacs

Particulars	Reserves and Surplus							Total
	Capital Reserve	Capital redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Cash Flow Hedges Reserve	FVOCI-Equity Instruments	
Balance at 1 st April, 2025	48	186	3,225	40,566	92,290	-	3,255	1,39,570
Profit for the Year (1)	-	-	-	-	10,084	-	-	10,084
Other Comprehensive Income:								-
Remeasurement of the net defined benefit liability/asset, net of tax liability effect (2)	-	-	-	-	141	-	-	141
Equity instruments through other comprehensive income (3)	-	-	-	-	-	-	(193)	(193)
Effective portion of Gains / (Loss) on hedging instruments net of tax liability effect(4)	-	-	-	-	-	(17)	-	(17)
Total Comprehensive Income (1 to 4)	-	-	-	-	10,225	(17)	(193)	10,015
Dividend Paid for the FY 24-25	-	-	-	-	(2,185)	-	-	(2,185)
Balance at 31 st March, 2026	48	186	3,225	40,566	1,00,330	(17)	3,062	1,47,400



Consolidated Statement of Change in Equity

For the year ended 31st March, 2026

For the year ended 31st March, 2025

₹/Lacs

Particulars	Reserves and Surplus							Total
	Capital Reserve	Capital redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Cash Flow Hedges Reserve	FVOCI-Equity Instruments	
Balance at 1st April, 2024	48	186	3,225	40,566	87,879	-	2,349	1,34,253
Profit for the Year (1)	-	-	-	-	6,647	-	-	6,647
Other Comprehensive Income:								
Remeasurement of the net defined benefit liability/asset, net of tax liability effect (2)	-	-	-	-	(51)	-	-	(51)
Equity instruments through other comprehensive income (3)	-	-	-	-	-	-	906	906
Effective portion of Gains / (Loss) on hedging instruments net of tax liability effect (4)	-	-	-	-	-	-	-	-
Total Comprehensive Income (1 to 4)	-	-	-	-	6,596	-	906	7,502
Dividend Paid for the FY 23-24	-	-	-	-	(2,185)	-	-	(2,185)
Balance at 31st March, 2025	48	186	3,225	40,566	92,290	-	3,255	1,39,570

The Description of the nature and purpose of reserves within equity is as follows:

- Capital Reserve** - Comprise of Capital Subsidy received for setting up manufacturing plant at Mahad and profit on sale of assets over the original cost of assets in the earlier years.
- Capital Redemption Reserve** - Created on cancellation of equity shares under the scheme of arrangement and redemption of preference shares. It can be utilised in accordance with the provision of the Companies Act, 2013.
- Security Premium** - Premium received on issue of equity shares credited to Securities Premium Reserve. It can be utilised in accordance with the provision of the Companies Act, 2013.
- Cashflow Hedge Reserve:** The Parent Company has designated its hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

The accompanying notes are an integral part of these financial statements

This is the Other Equity Statement referred to in our report of even date.

For and on behalf of the Board of Directors

For **KKC & Associates LLP**
Chartered Accountants
 (formerly Khimji Kunverji & Co LLP)
 Firm Registration Number: 105146W/W100621

Jayant Vasant Dhobley
Non-executive Director
 DIN: 02402556

Suresh Sodani
Managing Director & CEO
 DIN: 08789604

Kamlesh R Jagetia
Partner
 Membership No. 139585

Yogesh R. Shah
Chief Financial Officer

Rahul Dubey
Vice President - Legal & Company Secretary

Place : Mumbai
 Date: 21st May, 2026

Place : Mumbai
 Date: 21st May, 2026

Notes

to the Consolidated Financial Statement

1 COMPANY OVERVIEW

Century Enka Limited ("the Parent Company or Holding Company") is a Public Limited Company incorporated in India having its registered office at Pune, Maharashtra, India. The Holding Company is engaged in the manufacturing and selling of 'Synthetic Yarn' and related products. The Holding Company has one associate ABReL Century Energy Limited and it is engaged in production of power.

2 MATERIAL ACCOUNTING POLICIES

(a) Statement of Compliance

These Consolidated financial statements (hereinafter referred to as "financial statements") are prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The financial statements are authorized for issue by the Board of Directors of The Parent Company at their meeting held on 21st May 2026.

(b) Basis of Preparation and Presentation:

Basis of Preparation

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- (i) Derivative Financial Instruments measured at fair value.
- (ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- (iii) Employee's Defined Benefit Plan as per actuarial valuation.
- (iv) Assets held for sale measured at lower of carrying value and fair value less costs to sell.

Fair value is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, The Parent Company takes into 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.

Principles of Consolidation

These consolidated financial statements are prepared on the following basis in accordance with Ind AS on "Consolidated Financial Statements" (Ind AS - 110), "Investments in Associates and Joint Ventures" (Ind AS - 28) and "Disclosure of interests in other entities" (Ind AS - 112), specified under Section 133 of the Companies Act, 2013.

Associates (Accounted using Equity method)

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates is accounted for using equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence ceases.

Functional and Presentation Currency

The financial statements are presented in Indian Rupees (₹), which is the functional currency of The Parent Company and the currency of the primary economic environment in which The Parent Company operates.

Classification of Assets and Liabilities into Current/ Non-Current

The Parent Company has ascertained its operating cycle as twelve months for the purpose of Current / Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

- (i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is expected to realise the asset within twelve months after the reporting period; or
- (iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- (i) It is expected to be settled in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is due to be settled within twelve months after the reporting period; or



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- (iv) The Parent Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

(c) Property, Plant and Equipment (PPE):

The cost of an item of PPE is recognised as an asset if it is probable that future economic benefits associated with the item will flow to The Parent Company and the cost of the item can be measured reliably.

The PPE are stated at cost less accumulated depreciation and accumulated impairment loss.

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

Subsequent costs incurred are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they were incurred.

Any gain or loss on disposal of an item of PPE is recognized in statement of Profit and Loss.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 - Property, Plant and Equipment.

Such classes of assets and their estimated useful lives are as under:

No	Nature	Useful life
1	Leasehold Assets - Plant & Machinery	Upto 25 years
2	Leasehold Assets - Other than Plant & Machinery	Lease Period
3	Stores and Spares Parts in the nature of PPE	5 to 25 Years
4	Motor Cars given to the employees as per The Parent Company's Scheme	4 to 5 years
5	Assets individually costing less than or equal to ₹ 5,000	Fully Depreciated in the year of purchase.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month of deduction/disposal.

Residual value for Air Conditioners, Furniture and Fittings, Office Equipments, Computers and servers is considered Nil.

PPE except freehold land are stated at their cost of acquisition/installation or construction net of accumulated depreciation, and impairment losses, if any. Freehold land is stated at cost less impairment losses, if any.

(d) Expenditure during construction period:

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

(e) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Freehold land with indefinite life is not depreciated.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by The Parent Company, or the number of production or similar units expected to be obtained from the asset by The Parent Company.

In case of certain classes of PPE, The Parent Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets. The estimated useful lives, residual values and the depreciation method are reviewed at the end of each reporting period, and the effect of changes in the estimates are accounted for on a prospective basis.

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(f) Intangible Assets and Amortization:

▪ Internally generated Intangible Assets:

Expenditure pertaining to research is expensed as incurred. Expenditure incurred on development is capitalized if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

▪ Intangible Assets acquired separately:

Intangible assets that are acquired separately are carried at cost less accumulated amortization and accumulated impairment, if any. Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. The Parent Company determines the amortization period as the period over which the future economic benefits will flow to The Parent Company after taking into account all relevant facts and circumstances. The estimated useful life and amortization method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

▪ Class of intangible assets and their estimated useful lives are as under:

No	Nature	Useful life
1	Software	6 Years

Residual value for the intangible assets is considered as Nil. An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognized in the Statement of Profit & Loss when the asset is derecognized.

(g) Impairment of Non-Financial Assets:

At the end of each reporting period, The Parent Company reviews the carrying amounts of non-financial 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). When it is not possible to estimate the recoverable amount of an individual asset, The Parent Company estimates the recoverable amount of the cash-generating unit to which

the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest 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 of disposal 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.

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 Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(h) Financial Instruments:

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value



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of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: **Financial Assets**

The Parent Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortized Cost:

A financial asset shall be classified and measured at amortized cost if both of the following conditions are met:

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

In case of financial assets at amortized costs, interest income, foreign exchange gain or loss and impairment are recognized in Statement of Profit and Loss.

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

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

Where The Parent Company has elected to present the fair value gain on equity instruments in other comprehensive income, there is no subsequent classification of fair value gain or losses to profit and loss account. Dividend from such instruments is recognized in profit and loss account as other income where right to receive is established.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through OCI.

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

Classification and Subsequent Measurement: **Financial liabilities**

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

Financial Liabilities at FVTPL (Fair Value through Profit & Loss):

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL:

Gains or Losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In case of trade receivables, The Parent Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The Parent Company recognizes a loss allowance for expected credit losses on financial asset. The Parent Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time credit expected losses. The Parent Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience and other credit information available.

Derecognition of financial assets:

The Parent Company derecognizes 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. If The Parent Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, The Parent Company recognizes its retained interest in the

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asset and an associated liability for amounts it may have to pay. If The Parent Company retains substantially all the risks and rewards of ownership of a transferred financial asset, The Parent Company continues to recognize the financial asset and also recognizes associated liabilities.

On derecognition of a financial asset, other than equity investments classified as FVOCI, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of equity instruments classified as FVOCI, accumulated gains or loss recognized in OCI is transferred to retained earnings.

(i) Financial liabilities and equity instruments:

▪ Classification as debt or equity

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

▪ Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognized at the proceeds received.

(j) Derecognition of Financial Liabilities:

The Parent Company de-recognizes financial liabilities when and only when, The Parent Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in the Statement of Profit and Loss.

(k) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, The Parent Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(l) Inventories:

Inventories are valued as follows:

▪ Raw materials, Fuel, Store & Spare Parts and Packing materials

Raw materials are valued at lower of cost and net realizable value (NRV). However, these items are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Fuel, Stores & Spare parts and Packing materials are valued at cost. Cost is determined on weighted average basis. The cost of inventory comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs related to the inventories.

▪ Work-in- progress (WIP), finished goods, stock-in-trade and trial run inventories:

Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of completion. Cost of inventories is computed on weighted average basis.

▪ Waste / Scrap:

Waste / Scrap and Byproduct inventory is valued at NRV.

Net realizable value for inventories is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(m) Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank, cheques and cash in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

(n) Assets held for Sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at the lower of its carrying amount and fair value less costs to sell.

An impairment loss is recognized for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognized for any subsequent increases in fair value less cost to sell of an asset, but not in excess of any cumulative impairment loss previously recognized.

No depreciation or amortization is charged for assets classified as held for sale.



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(o) Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, loan processing charges, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

(p) Government Grants and Subsidies:

Government grants are not recognized until there is reasonable assurance that The Parent Company will comply with the conditions attached to them and that the grants will be received.

Government grants, related to assets, are recognized in the Statement of Profit and Loss on a systematic basis over the expected useful life of the related assets.

(q) Leases:

Company as a Lessee

The Parent Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right-of-use asset is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the Statement of Profit and Loss.

The Parent Company measures the lease liability at the present value of the lease payments that are not paid at

the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, The Parent Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where The Parent Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The Parent Company elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases') and lease contracts for which the underlying asset is of low value (low-value assets)

Company as a Lessor

Leases for which The Parent Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

The Parent Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term.

(r) Derivative financial instruments:

The Parent Company enters into derivative financial instruments viz. foreign exchange forward contracts to manage foreign exchange risks. The Parent Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognized 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 recognized in Statement of Profit and Loss immediately excluding derivatives designated as cashflow hedge.

(s) Hedge accounting:

The Parent Company designates certain hedging instruments in respect of foreign currency risk, interest rate risk and commodity price risk 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

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ongoing basis, The Parent Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognized in OCI and accumulated under equity. The gain or loss relating to the ineffective portion is recognized immediately in the Statement of Profit and Loss.

Amounts previously recognized in OCI and accumulated in equity relating to effective portion as described above are reclassified to Statement of Profit and Loss in the periods when the hedged item affects the Statement of Profit or Loss, in the same line as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in OCI and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in the Statement of Profit and Loss.

(t) Revenue Recognition:

Sale of goods:

The Parent Company derives revenue primarily from manufacturing and selling of Synthetic Yarn and related goods.

Revenue on sales of goods are recognized when the customer obtains control of the specified goods which is generally on dispatch/delivery of goods.

To recognize revenues, company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price (net of variable consideration), (4) allocate the transaction price (net of variable consideration) to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

The Parent Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and

rational basis over the period of the contract. Revenues are shown net of goods and services tax and applicable discounts and allowances.

The Parent Company does not expect to have any contracts where the period between the transfer of goods and payment by customer exceeds one year. Hence, The Parent Company does not adjust revenue for the time value of money.

Government grants in the nature of export incentives are accounted for in the period of export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

Other Income:

- Dividend Income is accounted for when the right to receive the income is established.
- Interest income is recognized on time proportion basis taking into account the amount outstanding on effective interest rate.
- Difference between the sale price and carrying value of investment is recognized in Statement of Profit or Loss on sale / redemption on investment on trade date of transaction.

(u) Employee benefits:

Gratuity:

Gratuity being defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognized in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognized in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The costs are categorized as follows:

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



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The present value of the gratuity liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

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

Superannuation:

The Parent Company has Defined Contribution Plan for Post-Employment benefits in the form of Superannuation schemes for eligible employees. The scheme is administered through Life Insurance Corporation (LIC) and Trust which is administered by the Trustees. In respect of this scheme, The Parent Company has no further obligation beyond its contributions.

Employee's Family Pension

The Parent Company has Defined Contribution Plan for Post-Employment benefits in the form of family pension for eligible employees, which is administered by the Regional Provident Fund Commissioner. Company has no further obligation beyond its contributions.

Provident Fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where The Parent Company has no further obligations. Such benefits are classified as Defined Contribution Scheme as The Parent Company does not carry any further obligations, apart from the contributions made on a monthly basis.

In respect of certain employees, Provident Fund contributions are made to the Trust set up and administered by The Parent Company. If the board of trustees are unable to pay interest at the rate declared by the government under Para 60 of the Employees provident fund scheme, 1972 for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by The Parent Company making interest shortfall a defined benefit plan. Accordingly, The Parent Company obtains actuarial valuation and having regard to the assets of the fund and the return on investments, The Parent Company does not expect any deficiency as at the year end. If there is a deficiency as at any Balance Sheet date, then, the same will be recognized in the Statement of Profit and Loss in the year in which it arises.

Other Short-term and other long-term employee benefits

Liabilities for wages, salaries and bonus (as per the Payment of Bonus Act, 1965) including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees and workmen render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.

Compensated Absences

The Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long-term employee benefits. The Parent Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

(v) Foreign Currency transactions:

In preparing the financial statements of The Parent Company, transactions in currencies other than The Parent Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated 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 translated using the exchange rate as at the date of initial transactions.

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

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(w) Income Taxes:

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the Statement Profit and Loss.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off recognized amount and there is intention to settle the assets and liabilities on net basis.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

(x) Earnings Per Share:

The basic Earnings per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(y) Provisions, Contingent Liabilities and Contingent Assets:

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

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments

of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of The Parent Company.

Claims against The Parent Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

(z) Investment in Associates

The Parent Company's investment in its associates are carried at cost net of accumulated impairment loss, if any.

On disposal of the Investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of Profit and Loss.

2(A) CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

The preparation of The Parent Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Parent Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond



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the control of The Parent Company. Such changes are reflected in the assumptions when they occur.

(i) Useful Lives of Property, Plant & Equipment and Intangible Assets:

The Parent Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life of the assets.

(ii) Fair value measurement of financial instruments:

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

(iii) Defined benefit plans:

The cost of the defined benefit plans gratuity and provident fund, and the present value of the gratuity and provident fund obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iv) Recognition and measurement of deferred tax assets and liabilities:

Deferred tax assets and liabilities are recognized for deductible temporary differences for which there is probability of utilization against the future taxable profit. The Parent Company uses judgement to determine the amount of deferred tax liability / asset that can be recognized, based upon the likely timing and the level of future taxable profits and business developments.

(v) Income Taxes:

The Parent Company calculates income tax expense based on reported income and estimated exemptions / deduction likely available to The Parent Company. The Parent Company has applied the lower income tax rates on income tax expenses and the deferred tax assets / liabilities.

(vi) Asset held for sale:

The Parent Company has used certain judgements and estimates to determine fair value of asset held for sale. Fair value has determined on basis of independent external valuation and quotes from dealer of similar assets.

(vii) Inventory

Valuation of inventories involves a level of subjectivity due to inherent uncertainties such as volatility in raw material prices and fluctuations in the prices of finished goods driven by changes in consumer demand. Given the size of the inventory balance, the complexities involved, and the need for judgment in applying assumptions related to cost and net realizable value, we recognize that inventory valuation requires careful consideration and is a significant area of accounting focus for The Parent Company.

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3 PROPERTY, PLANT AND EQUIPMENTS (PPEs)

₹/Lacs

	Land	Buildings (Refer Note a)	Plant & Machinery (Refer Note b & c)	Furniture & Fixtures	Office equipments	Vehicles	Total
For the year 24-25							
As at 1st April, 2024	336	12,507	1,00,345	193	425	427	1,14,233
Add: Additions	-	930	2,714	89	72	381	4,187
Less: Disposals/Adjustment	-	-	5,389	1	6	57	5,453
Less: Asset classified as held for sale (Refer Note 16)	-	-	1,379	-	-	-	1,379
As at 31st March, 2025	336	13,437	96,291	281	491	751	1,11,588
Accumulated Depreciation:							
As at 1st April, 2024	-	3,512	30,181	105	276	223	34,297
Add: Depreciation during the year	-	485	4,789	15	81	90	5,460
Less: Disposals/Adjustment	-	-	5,017	0	6	41	5,064
Less: Asset classified as held for sale (Refer Note 16)	-	-	1,287	-	-	-	1,287
As at 31st March, 2025	-	3,997	28,666	120	351	272	33,406
Net carrying amount As at 31st March, 2025	336	9,440	67,625	162	140	478	78,182
For the year 25-26							
As at 1st April, 2025	336	13,437	96,291	281	491	751	1,11,588
Add: Additions	-	20	3,016	32	39	121	3,227
Less: Disposals/Adjustment	-	112	510	-	27	92	742
As at 31st March, 2026	336	13,345	98,797	313	503	779	1,14,073
Accumulated Depreciation:							
As at 1st April, 2025	-	3,997	28,666	120	351	272	33,406
Add: Depreciation during the year	-	522	4,753	27	78	129	5,509
Less: Disposals/Adjustment	-	26	279	-	27	79	412
As at 31st March, 2026	-	4,493	33,140	147	402	322	38,503
Net carrying amount As at 31st March, 2026	336	8,853	65,657	166	101	457	75,570

- a) Includes Land ₹ 2 Lacs and ₹ 500 being the cost of 5 shares in a co-operative housing society held in the name of a nominee of the parent Company
- b) Rupee Term Loans are secured by hypothecation of specific Plant and Machinery against which Loans have been taken.
- c) In FY25, The Company has reclassified the Spinning machine to Asset held for sale. Recognition has been lower of Fair value and its carrying amount before the classification adjusted for depreciation upto to date of reclassification.

3.1 The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

3.2 The Title deeds of all the immovable properties are held in the Name of Company except as follows

Description of Property	Carrying Value	Title in name of	Property held since	Reason for not being held in company's name
Freehold Land	₹ 2 Lacs	Ex. Whole time director	1982	Housing Society only allows individual to own the land



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3A(i) CAPITAL WORK IN PROGRESS - AGEING SCHEDULE

₹/Lacs

Capital Work in Progress	Amount in Capital Work in Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
2024-25					
Projects in progress	1,248	69	-	-	1,318
2025-26					
Projects in progress	1,195	56	35	-	1,286

3A(ii): There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

3A(iii): There are no temporarily suspended projects.

4 RIGHT OF USE ASSETS (IND AS 116)

₹/Lacs

	Land	Plant & Machinery	Total
For the year 24-25			
As at 1st April, 2024	207	591	798
Add: Additions	-	-	-
Less: Disposals/Adjustment	-	-	-
As at 31st March, 2025	207	591	798
Accumulated Depreciation:			
As at 1st April, 2024	21	115	136
Add: Depreciation during the year	4	23	27
Less: Disposals/Adjustment	-	-	-
As at 31st March, 2025	25	138	163
Net carrying amount As at 31st March, 2025	182	453	635
For the year 25-26			
As at 1st April, 2025	207	591	798
Add: Additions	-	-	-
Less: Disposals/Adjustment	19	-	19
As at 31st March, 2026	188	591	779
Accumulated Depreciation:			
As at 1st April, 2025	25	138	163
Add: Depreciation during the year	4	23	27
Less: Disposals/Adjustment	0	-	0
As at 31st March, 2026	29	161	190
Net carrying amount As at 31st March, 2026	159	430	589

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5 INTANGIBLE ASSETS

₹/Lacs

	Computer Softwares
For the year 24-25	
As at 1st April, 2024	757
Add: Additions	-
Less: Disposals	-
As at 31st March, 2025	757
Accumulated Amortisation:	
As at 1st April, 2024	726
Add: Amortisation during the year	9
Less: Disposals	-
As at 31st March, 2025	735
Net carrying amount As at 31st March, 2025	22
For the year 25-26	
As at 1st April, 2025	757
Add: Additions	-
Less: Disposals	-
As at 31st March, 2026	757
Accumulated Amortisation:	
As at 1st April, 2025	735
Add: Amortisation during the year	6
Less: Disposals	-
As at 31st March, 2026	741
Net carrying amount As at 31st March, 2026	16

6 NON-CURRENT INVESTMENTS

₹/Lacs

	Number of Shares	Face Value Per Share	As at 31 st March, 2026	As at 31 st March, 2025
Investments in Equity Shares (fully paid up)				
1) Quoted Investments				
Fair value through Other Comprehensive Income				
Ultratech Cement Ltd	40,105	10	4,309	4,616
(Received during the year 2024-25 without any consideration pursuant to scheme of demerger of cement business of Kesoram Industries Limited)	(40,105)			
Kesoram Industries Limited	20,85,481	10	168	87
	(20,85,481)			



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₹/Lacs

	Number of Shares	Face Value Per Share	As at 31 st March, 2026	As at 31 st March, 2025
2) Unquoted Investments				
Fair Value through profit or loss				
BEIL Infrastructure Limited	10,220	10	1	1
	(10,220)			
MMA CETP Co-operative Society Limited	12,895	100	13	13
	(12,895)			
Bhadreshwar Vidyut Private Limited	19,47,000	0.10	4	4
	(19,47,000)			
Less : Provision for Impairment on Investments			(4)	(4)
Investment in Associate at Cost				
ABReL Century Energy Limited	88,47,800	10	885	885
	(88,47,800)			
Add: Share in Profit / (Loss) of Associate			(474)	(389)
			411	496
3) Unquoted Investments at Amortised Cost				
Fixed Deposit with Financial Institutions with maturity more than 12 months			3,900	-
4) Quoted Investments at Amortised Cost				
Taxable Corporate Bonds /Debentures			5,227	1,901
Note: Figures in bracket represents previous year numbers			14,029	7,114
Aggregate amount of:				
Quoted Investments			9,704	6,604
Unquoted Investments			4,325	510
Aggregate market value of Quoted Investment			9,832	6,574
Aggregate amount of impairment in value of Investment			4	4

7 OTHER NON-CURRENT FINANCIAL ASSETS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
(Unsecured, Considered Good)		
Security Deposits	188	188
Advances	20	20
	208	208

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8 OTHER NON-CURRENT ASSETS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Capital Advances	715	81
Others		
Balances with Government authorities	806	806
Prepaid Expense	37	24
	1,558	911

9 INVENTORIES

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
(Valued at lower of cost or Net Realisable Value) (Unless otherwise stated)		
Raw Material [Including in transit ₹ 1263 Lacs (Previous Year ₹ 181 Lacs)]	9,130	11,850
Stock-in-Process	4,805	4,032
Finished goods [Including in transit ₹ 1710 Lacs (Previous Year ₹ 2149 Lacs)]	9,822	13,219
Stores, Spares and Packing Material & Fuel (at cost)	2,232	2,420
[Including in transit ₹ 68 Lacs (Previous Year ₹ 34 lacs)]		
	25,989	31,521

The Parent Company follows adequate accounting policy for writing down the value of Stores and Spares towards slow moving, non-moving and surplus Inventories ₹ 276 Lacs (Previous year ₹ 339 Lacs)

Provision on Stock-in-Process / Finished goods for the period is ₹ 786 Lacs (31st March 2025 ₹ 885 Lacs).

Refer Note 2(k) for mode of valuation of Inventories

10 CURRENT INVESTMENTS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
a) Quoted Investments (Fair value through profit or loss)		
Exchange Traded Funds	127	120
b) Unquoted Investments (Fair value through profit or loss)		
Units of various schemes of Mutual Funds	17,516	21,962
c) Amortised cost		
Quoted Investments		
Taxable Corporate Bonds/Debentures	1,191	3,704
Unquoted Investments		
Inter-corporate Deposits/Fixed Deposit with Financial Institutions	16,010	8,000
	34,844	33,786
Aggregate amount of Quoted Investments	1,318	3,824
Aggregate amount of Unquoted Investments	33,526	29,962
Aggregate market value of Quoted Investment	1,318	4,877



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11 TRADE RECEIVABLES

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Considered good - Secured	-	209
Considered good - Unsecured	19,566	17,297
	19,566	17,506

Trade Receivables ageing schedule as at 31st March, 2026

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
a) Considered good	17,512	2,054	-	-	-	-	19,566
b) Credit impaired	-	-	-	-	-	-	-
Allowance for credit losses	-	-	-	-	-	-	-
Total	17,512	2,054	-	-	-	-	19,566

Trade Receivables ageing schedule as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
a) Considered good	15,639	1,868	0.12	-	0.01	-	17,506
b) Credit impaired	-	-	-	-	-	-	-
Allowance for credit losses	-	-	-	-	-	-	-
Total	15,639	1,868	0.12	-	0.01	-	17,506

12 CASH AND CASH EQUIVALENTS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Cash and Cash equivalents		
Cash on Hand	7	5
Bank Balances		
In Current Accounts	662	90
	669	95

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13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Fixed Deposits with Banks	193	164
(Maturing more than three months and upto 12 months) *		
Unpaid Dividend Accounts	207	201
	400	365

* Fixed Deposits includes deposit of ₹193 lacs (Previous Year ₹ 164 Lacs) held as margin against Bank Guarantees.

14 OTHER CURRENT FINANCIAL ASSETS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Insurance Claims Receivables	1,394	599
Interest Accrued on Deposits	1,136	550
Derivative Asset/Liability	109	-
Others	3	218
	2,642	1,367

15 OTHER CURRENT ASSETS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Advances to Suppliers	1,894	877
Share Application Money Pending Allotment (Right shares of Aditya Birla Renewable Energy Ltd)	380	-
Others		
Prepaid Expense	71	77
Statutory Receivables	5,144	3,481
Others	241	271
	7,730	4,706

16 ASSETS CLASSIFIED AS HELD FOR SALE

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Plant & Machinery*	-	92

*During the previous year company had classified the Spinning machine to assets held for sale. Recognition has been lower of Carrying Amount and Fair Value less costs to sell.



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17 SHARE CAPITAL

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Authorised:		
1,00,000 Redeemable Cumulative Preference Shares of ₹100.00 each	100	100
(As at 31 st March, 2025 - 1,00,000 Shares)		
3,30,00,000 Equity Shares of ₹10.00 each	3,300	3,300
(As at 31 st March, 2025 - 3,30,00,000 Shares)		
1,00,000 Unclassified Shares of ₹100.00 each	100	100
(As at 31 st March, 2025 - 1,00,000 Shares)		
Issued, Subscribed and Fully Paid - Up:		
(2,18,50,589 Equity Shares of ₹10 each (Refer Notes below)	2,185	2,185
As at 31 st March, 2025 - 2,18,50,589 Shares)		

a) Reconciliation of the Number of Shares and amount outstanding:

Particulars	31 st March, 2026		31 st March, 2025	
	No. of Shares	Amount ₹/Lacs	No. of Shares	Amount ₹/Lacs
Outstanding as at the beginning of the year	2,18,50,589	2,185	2,18,50,589	2,185
Share issued during the year	-	-	-	-
Outstanding as at the end of the year	2,18,50,589	2,185	2,18,50,589	2,185

b) Rights, Preferences and Restrictions attached to Equity Shares

The Parent Company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of the Equity Shares is entitled to one vote per share. The parent Company declares dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the parent Company, the holders of Equity Shares will be entitled to receive remaining assets of the parent Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

c) The details of Shareholders holding more than 5% Equity Shares:

S. No.	Name of Shareholder	31 st March, 2026		31 st March, 2025	
		%	No. of Shares	%	No. of Shares
1	Birla Group Holdings Private Limited	16.63	36,33,690	16.63	36,33,690
2	Quant Mutual Fund - Quant Active Fund	7.87	17,20,053	7.87	17,20,053
3	Aditya Birla Real Estate Limited	5.80	12,66,887	5.80	12,66,887

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d) Shareholding of Promoters and Promoters Group

S No.	Promoter Name	31st March, 2026		31st March, 2025		% of change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
A. Promoter						
i	Aditya Vikram Kumar Mangalam Birla HUF.	29,760	0.14	29,760	0.14	-
ii	Rajashree Birla	26,080	0.12	26,080	0.12	-
iii	Vasavadatta Bajaj	8,930	0.04	8,930	0.04	-
iv	Kumar Mangalam Birla	0	0	0	0	-
B. Promoter Group						
i	Birla Group Holdings Private Limited	36,33,690	16.63	36,33,690	16.63	
ii	Aditya Birla Real Estate Limited	12,66,887	5.80	12,66,887	5.80	-
iii	Prakash Educational Society	2,77,360	1.27	2,77,360	1.27	-
iv	Birla Education Trust	75,000	0.34	75,000	0.34	-
v	Pilani Investment and Industries Corporation Ltd	71,360	0.33	71,360	0.33	-
vi	Padmavati Investment Private Limited	28,891	0.13	28,891	0.13	-
vii	B. K. Birla Foundation	15,090	0.07	15,090	0.07	-
viii	Jayashree Finvest Private Limited (Formerly Jayantika Investment & Finance Limited)	0	0	0	0	-
ix	Cygnnet Industries Limited	0	0	0	0	-

e) No bonus shares have been issued during five years immediately preceding 31st March, 2026

f) Dividend Proposed, Declared and Paid [Refer Note 38A]

g) Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts - Nil

h) For the period of five years immediately preceding the date at which the Balance Sheet is prepared-

- 1 Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash - Nil
- 2 Aggregate number and class of shares bought back - Nil

18 NON-CURRENT BORROWINGS

₹/Lacs

	As at 31st March, 2026	As at 31st March, 2025
Secured:		
Rupee term Loans from Banks	600	1,990
	600	1,990



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Nature of Security, Repayment Terms and Breakup of Current and Non-Current

Particulars	Terms of Repayment	Month in which last Instalment is due	Prevailing Interest Rate Per Annum %	Balance As at 31st March, 2026 ₹/Lacs	Balance as at 31st March, 2025 ₹/Lacs
Secured:					
Rupee Term Loans					
HDFC Bank	Annual	March 2027	8.70%	790	1,580
Kotak Mahindra Bank Limited	Annual	December 2027	8.75%	1,200	1,800
Sub-Total				1,990	3,380
Less: Current Maturities of Long Term Debt (Refer Note 24)				(1390)	(1390)
Total				600	1,990

Notes :

- Rupee Term Loans are secured by hypothecation of specific Plant and Machinery against which Loans have been taken.
- The parent Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- The borrowings obtained by the parent company from banks and financial institutions have been applied for the purposes for which such loans were taken.

19 NON-CURRENT LEASE LIABILITY

₹/Lacs

	As at 31st March, 2026	As at 31st March, 2025
Lease Obligation (Refer Note 40)	227	292
Current Lease Obligation (Refer Note 40)	(70)	(65)
Non Current Lease Obligation	157	227

20 OTHER NON-CURRENT FINANCIAL LIABILITIES

₹/Lacs

	As at 31st March, 2026	As at 31st March, 2025
Security Deposits	224	225

21 NON-CURRENT PROVISIONS

₹/Lacs

	As at 31st March, 2026	As at 31st March, 2025
Provision for Employee Benefits		
Gratuity (Refer Note 41)	100	211
Compensated Absences	1,019	991
Provision for Disputed Matters	154	154
	1,273	1,356

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21.1 MOVEMENT OF PROVISIONS DURING THE YEAR AS REQUIRED BY IND AS 37 - " PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS"

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Opening Balance	154	154
Add: Provision during the Year	-	-
Less: Utilisation during the Year	-	-
Closing Balance (considered as Non-Current)	154	154

22 DEFERRED TAX LIABILITIES (NET)

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
The balances comprises of temporary differences attributable to:		
Property, Plant and Equipments	8,896	8,841
Financial Assets at Fair value through Profit or loss	487	385
Others	(66)	(23)
Deferred Tax (Assets)/Liabilities	9,317	9,203

Movement in Deferred Tax Liabilities

Description	Property, Plant and Equipments	Financial Assets at FVTPL	Others	Total
As at 01st April, 2024	8,370	145	(335)	8,180
Charged / (Credited)				
- To Profit and Loss	471	240	58	769
- To OCI	-	-	254	254
As at 31st March, 2025	8,841	385	(23)	9,203
Charged / (Credited)				
- To Profit and Loss	61	102	(264)	(101)
- To OCI	(6)	-	221	215
As at 31st March, 2026	8,896	487	(66)	9,317

23 OTHER NON-CURRENT LIABILITIES

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Statutory Liabilities	1,017	940
Deferred Income on Government Grant	1,221	394
	2,238	1,334



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24 SHORT TERM BORROWINGS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Secured:		
Current Maturity of Non-Current Financial Borrowings (Rupee Term Loans)	1,390	1,390
Working capital borrowings repayable on demand	-	10
	1,390	1,400

Notes :

- Working Capital borrowings are secured by way of hypothecation of Inventories, Book Debts and Receivables, both present and future.
- Working capital borrowings carried an average interest rate of 8.65% per annum (Previous Year: 9.30% per annum). The parent Company did not have any outstanding working capital borrowings as at the reporting date.
- Working Capital Borrowings are renewed based on contract with bankers.
- Borrowings obtained by the parent company from banks have been utilised for the purposes for which such loans were taken.
- The statements of current assets filed by the parent company with banks are in agreement with the books of accounts.

25 TRADE PAYABLES

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Micro and Small enterprises (Refer Note 48)	1,367	1,165
Others	15,816	16,198
	17,183	17,363

Trade Payable ageing schedule as at 31st March, 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
a) Micro and Small enterprises	1,301	52	14	-	-	1,367
b) Others	15,157	603	55	1	-	15,816
Total	16,458	655	69	1	-	17,183

Trade Payable ageing schedule as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
a) Micro and Small enterprises	1,045	120	0	-	-	1,165
b) Others	14,773	1,416	9	-	-	16,198
Total	15,818	1,536	9	-	-	17,363

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26 OTHER CURRENT FINANCIAL LIABILITIES

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Interest accrued but not due on borrowings	14	26
Unpaid Dividend Accounts *	207	201
Capital Goods Liability	342	215
Others	624	811
	1,187	1,253

* There is no amount due and outstanding to be credited to the Investor Education and Protection Fund during the current and previous financial year.

27 OTHER CURRENT LIABILITIES

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Advances from Customers	682	913
Others		
Statutory dues	489	535
Deferred Income on Government Grant-ST	67	26
Other Liabilities	111	83
	1,349	1,557

28 CURRENT PROVISIONS

₹/Lacs

	As at 31 st March, 2026	As at 31 st March, 2025
Employee Benefits		
Compensated Absences	567	446



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29 REVENUE FROM OPERATIONS

₹/Lacs

	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Revenue from Contract with Customers (Refer Note 50)		
Sale of Products		
Finished Goods	1,68,078	1,96,202
Traded Goods	1,520	2,827
	1,69,598	1,99,029
Other Operating Revenue		
Scrap Sales	694	825
Export Incentives	249	315
Revenue from Operations	1,70,541	2,00,169
Note: A) Details of Sales of Products		
Finished Goods		
Reinforcement (Fabric)	81,536	96,088
Yarn	82,784	93,677
Others	3,758	6,437
Sale of Finished Goods	1,68,078	1,96,202
Traded Goods	1,520	2,827
Total of Sale of Products	1,69,598	1,99,029
B) Other Operating Revenue		
Scrap Sales	694	825
Export Incentives	249	315
Total Other Operating Revenue	943	1,140
Revenue from Operations (A+B)	1,70,541	2,00,169

30 OTHER INCOME

₹/Lacs

	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Interest Income		
From Customers	80	78
On Current and Non Current Investments	1,770	1,647
Others	31	4
Total Interest Income	1,881	1,729
Profit on Sale of Property, Plant and Equipment (Net) / Termination of Lease	655	-
Profit on Sale of Current Investments (Net)	456	333
Gain on Fair Valuation of Investments through Profit and Loss	638	790
Gain due to Foreign Currency Fluctuations (Including MTM on Derivatives) (Net)	325	-
Dividend Received	31	-
Liabilities / Provisions no longer required written back	59	179
Government Grant	55	26
Insurance Claims	30	617
Miscellaneous Income	62	58
	4,192	3,732

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31 COST OF MATERIALS CONSUMED

₹/Lacs

	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Opening Stock of Raw Materials	11,850	9,140
Add: Purchases	96,317	1,34,652
	1,08,167	1,43,792
Less: Closing Stock of Raw Materials	9,130	11,850
Cost of Raw Materials Consumed	99,037	1,31,942

32 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE

₹/Lacs

	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Opening Stock		
Finished Goods	13,219	10,881
Stock-in-Process	4,032	4,288
	17,251	15,169
Less: Closing Stock		
Finished Goods	9,822	13,219
Stock-in-Process	4,805	4,032
	14,627	17,251
(Increase)/ Decrease in Stocks	2,624	(2,082)

33 EMPLOYEE BENEFITS EXPENSES

₹/Lacs

	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Salaries, Wages and Bonus	10,934	10,779
Contribution to Provident and other funds (Refer Note 41)	914	939
Workers and Staff Welfare Expenses	1,170	1,042
	13,018	12,760

34 FINANCE COSTS

₹/Lacs

	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Interest on borrowings	251	407
Interest on Lease Liabilities	21	26
Other (Including interest on deposits)	16	21
	289	454



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35 OTHER EXPENSES

₹/Lacs

	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Stores and Spare Parts Consumed	4,087	4,427
Packing Material Consumed	3,479	3,725
Processing Charges	3,299	3,310
Building & Machinery Maintenance	2,442	2,753
Rent	15	12
Rates and taxes	100	130
Insurance	452	389
Directors' Sitting Fees	8	10
Directors' Commission	38	38
Auditors Remuneration (Refer Note 49)	65	61
Commission on Sales	1,236	1,306
Transport and Handling	2,589	2,461
Expenditure on Corporate Social Responsibility (CSR) Activities (Refer Note 47)	179	288
Loss on Sale of PPE (Net)	-	16
Legal and Professional Fees	586	427
Miscellaneous Expenses	1,828	1,963
	20,403	21,316

36 FINANCIAL RISK MANAGEMENT OBJECTIVES (IND AS 107):

The Parent Company's principal financial liabilities, other than derivatives, comprises of borrowings, lease, trade and other payables. The main purpose of these financial liabilities is to finance The Parent Company's operations. The Parent Company's principal financial assets, other than derivatives include trade and other receivables, deposit with banks, investments and cash and cash equivalents that derive directly from its operations.

The Parent Company's activities expose it to market risk, liquidity risk and credit risk. The Parent Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Parent Company. The Parent Company uses derivative financial instruments, such as foreign exchange forward contracts, to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The sources of risks which The Parent Company is exposed to and their management are given below:

Risk	Exposure Arising From	Measurement	Management
A. Market Risk			
1) Foreign Exchange Risk	Committed commercial transaction Financial asset and Liabilities not denominated in INR	Cash Flow Forecasting Sensitivity Analysis	Forward foreign exchange contracts
2) Interest Rate	Long Term Borrowings and Short Term Borrowing at variable rates and Investments in Debt Schemes of Mutual Funds	Sensitivity Analysis, Interest rate movements	Portfolio Diversification
3) Commodity Price Risk	Movement in prices of commodities	Sensitivity Analysis, Commodity price tracking	Active inventory management, Sales Price linked to purchase price

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Risk	Exposure Arising From	Measurement	Management
B. Credit Risk	Trade receivables, Investments, Derivative financial instruments, Loans	Aging analysis, Credit Rating	Diversification of mutual fund investments, Credit limit and credit worthiness monitoring, Criteria based approval process
C. Liquidity Risks	Borrowings, lease liabilities, Other Liabilities and Liquid investments	Rolling cash flow forecasts Broker Quotes	Adequate unused credit lines and borrowing facilities Portfolio Diversification

The Parent Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in inter corporate deposits, fixed deposits, debt securities and mutual fund schemes of debt and debt like categories and restricts the exposure in equity markets.

Compliances of these policies and principles are reviewed by internal auditors on periodical basis.

The Corporate Treasury team updates the Audit Committee on a quarterly basis to about the implementation of the above policies. It also updates to the Internal Risk Management Committee of The Parent Company on periodical basis about the various risk to the business and status of various activities planned to mitigate the risk.

A. Market Risk Management:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

- Foreign Currency Risk:** Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Parent Company's exposure to the risk of changes in foreign exchange rates relates primarily to import of raw materials and spare parts, capital expenditure and exports.

When a derivative is entered for the purpose of being a hedge, The Parent Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Parent Company evaluates exchange rate exposure arising from foreign currency transactions. The Parent Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency forwards to hedge exposure to foreign currency risk.

In Lacs

Outstanding foreign currency exposure as at	As at 31 st March, 2026	As at 31 st March, 2025
Trade receivables		
USD	3	4
Cash & Cash Equivalent		
EURO	-	-
USD#	0	0
Trade Payables (Incl. in-transit)		
EURO	0	0
YEN	330	94
USD	23	51
Total Foreign Currency - EURO	0	-
Total Foreign Currency - YEN	330	94
Total Foreign Currency - USD	26	55

Out of USD 26 Lacs & Yen 330 Lacs Foreign Currency Exposure as 31st March 2026, USD 22 Lacs & Yen 311 Lacs was hedged and out of USD 55 Lacs & Yen 94 Lacs as at 31st March 2025, USD 51 & Yen 88 Lacs were hedged by forward contracts.

USD 2000 held as cash and cash equivalent as on 31st March, 2026 (USD 300 held as cash and cash equivalent as on 31st March, 2025).



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Forward Exchange Contracts:

Derivatives for hedging foreign currency risk with respect to outstanding payable/receivables & highly probable forecasted transaction

In Lacs

Particulars	Purpose	Currency	As at 31 st March, 2026	As at 31 st March, 2025
Forward Contracts	Imports	USD	67	91
Forward Contracts	Imports	Euro	9	4
Forward Contracts	Imports	Yen	3173	218

Foreign currency sensitivity on unhedged exposure (Net):

100 bps increase in foreign exchange rates will have the following impact on profit before tax.

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
USD	2.18	3.05
EUR	0.16	0.01
JPY	0.12	0.03

Note: If the rate is decreased by 100 bps impact on profit will (increase)/decrease by an equal amount.

Cash flow Hedge: The Parent Company has foreign currency capital commitment and to mitigate the risk of foreign currency, The Parent Company has taken forward cover. The Parent Company is following hedge accounting for all the foreign currency capital commitment raised based on qualitative approach

The Parent Company assesses hedge effectiveness based on following criteria:

- (I) an economic relationship between the hedged item and the hedging instrument
- (II) the effect of credit risk and
- (III) assessment of the hedge ratio

The Parent Company designates the derivatives to hedge its currency risk and generally applies hedge ratio of 1:1. The Parent Company's policies is to match the critical terms of the forward exchange contracts to match with hedge item.

Recognition of gain/ (loss) under foreign exchange contracts designated under cash flow

₹/Lacs

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)
Gain/ (loss)	23	-	-	-

2) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Parent Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost. Since all the borrowings are on floating rate, no significant risk of change in interest rate.

INR Interest rate exposure:

₹/Lacs

Particulars	Total borrowings	Floating rate borrowings	Average Interest rate
Total as at 31st March 2026	1,990	1,990	7.23%
Total as at 31st March 2025	3,390	3,390	8.39%

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Interest rate sensitivities for unhedged exposure (impact of increase by 100 bps):

₹/Lacs

Particulars	As at	As at
	31 st March, 2026	31 st March, 2025
INR	20	34

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

3) Commodity price risk

Commodity price risk for The Parent Company is mainly related to fluctuations of raw materials prices linked to various external factors, which can affect the production cost of The Parent Company. The Parent Company actively manages inventory and in many cases sale prices are linked to major raw material prices. Energy costs is also one of the primary costs' drivers, any increase in fuel prices can lead to drop in operating margin. To manage this risk, The Parent Company enters into long-term supply agreement for power, identifying new sources of supply etc. Additionally, processes and policies related to such risks are reviewed and managed by senior management on continuous basis.

B. Credit Risk Management:

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Parent Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with banks, mutual fund investments, and investments in debt securities, foreign exchange transactions and financial guarantees. The Parent Company has two major customers which represents 68% receivables as on 31st March, 2026 (80% receivables as on 31st March, 2025) and company is receiving payments from these parties within due dates. Hence, The Parent Company has no significant credit risk related to these parties.

Trade receivables

Trade receivables consist of a large number of customers. The Parent Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined. Wherever The Parent Company assesses the credit risk as high the exposure is backed by either letter of credit or security deposits.

As per simplified approach, The Parent Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision for loss allowance at each reporting date wherever outstanding is for longer period and involves higher risk.

The Parent Company makes provision for the trade receivable as per the following matrix:

Ageing of Trade Receivables	Provision (%)
Upto 1 Year	Nil
More than 1 Year but less than 2 years	25%
More than 2 Years but less than 3 Years	50%
More than 3 Years	100%

Movement in expected credit loss allowance on trade receivables:

₹/Lacs

Particulars	As at	As at
	31 st March, 2026	31 st March, 2025
Opening Balance	-	-
Add: Provision made during the year	-	-
Less: Provision utilization during the year	-	-
Closing Balance	-	-

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Investments, Derivative Instruments, Cash and Cash Equivalent and Bank Deposit

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions, debt securities are generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments are generally low as Company enters into the Derivative Contracts with the reputed Banks and Financial Institutions.

Investments of surplus funds are made only with approved Financial Institutions/ Counterparty. Investments primarily include investment in units of mutual funds and high investment grade corporates. These Mutual Funds and Counterparties have low credit risk.

Total non-current and current investments as on 31st March, 2026 is ₹ 48,873 Lacs (31st March, 2025 - ₹ 40,900 Lacs).

C. Liquidity Risk Management:

Liquidity risk is defined as the risk that The Parent Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Parent Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors The Parent Company's liquidity position through rolling forecasts based on expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

₹/Lacs

As at 31 st March, 2026	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Borrowings (including short term borrowing)	1,390	600		1,990
Trade payables	17,183			17,183
Interest accrued but not due on borrowings	14			14
Other financial liabilities (excluding derivative liability)	1,173	224		1,397
Derivative liability/ (Assets)	(109)			(109)
Finance Lease Obligation	86	169		255
Investments	34,844	9,127	4,902	48,873

₹/Lacs

As at 31 st March, 2025	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Borrowings (including short term borrowing)	1,400	1,990		3,390
Trade payables	17,363			17,363
Interest accrued but not due on borrowings	26			26
Other financial liabilities (excluding derivative liability)	1,091	225		1,316
Derivative liability/ (Assets)	136			136
Finance Lease Obligation	86	255		341
Investments	33,786	1,901	5,213	40,900

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36(A) CLASSIFICATIONS OF FINANCIAL ASSETS AND LIABILITIES (IND AS 107):

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Financial Assets at amortised cost[#]		
Trade receivables	19,566	17,506
Other Financial Assets	2,741	1575
Cash and Cash Equivalents	669	95
Bank Balance other than Cash & Cash Equivalents	400	365
Fixed Deposits with Financial Institutions	19,910	8,000
Taxable Corporate Bonds/ Debentures/ Debt Securities	6,418	5,605
Financial Assets at fair value through profit or loss		
Investments	17,657	22,096
Financial Assets at fair value through other comprehensive income		
Investments (Non-current)	4,478	4,703
Total	71,839	59,945
Financial Liabilities at amortised cost[#]		
Term Loan from Banks	1,990	3,380
Finance Lease Obligation	227	292
Other Non-Current Finance Liabilities	224	225
Cash Credits/Working Capital Borrowings	-	10
Trade payables	17,183	17,363
Other Financial Liabilities	1,187	1,117
Fair Value Hedging Instruments		
Derivative Liability/(Asset)	(109)	136
Total	20,702	22,523

[#] Considering nature of financial assets and financial liabilities, fair value is same as amortized cost.

Investment in Associate amounting to ₹ 885 Lacs (March 31, 2025 ₹ 885 Lacs) measured at Cost in accordance with Ind AS 27

36(B) FAIR VALUE MEASUREMENTS (IND AS 113):

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Parent Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (For example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.



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Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

₹/Lacs

Particulars	Fair Value	
	As at 31 st March, 2026	As at 31 st March, 2025
Financial Assets at fair value through profit or loss		
Investments –Level 1	127	120
Investments –Level 2	17,516	21,962
Investments –Level 3	14	14
Total	17,657	22,096
Financial Assets at fair value through other comprehensive income		
Investments –Level 1	4,477	4,703
Total	4,477	4,703
Fair Value derivative		
Derivative liability/ (Asset) -Level 2	(109)	136
Total	(109)	136

The management assessed that fair value of cash and bank balances, trade receivables, trade payables, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

- The fair values of the quoted investments/units of mutual fund schemes are based on market price/net asset value at the reporting date.
- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis or based on the contractual terms. The discount rates used is based on management estimates.

37 SEGMENT REPORTING (IND AS 108):

The Parent Company is exclusively engaged in the business of synthetic yarn related products primarily in India. As per Ind AS 108 "Operating Segments", specified under Section 133 of The Companies Act, 2013, there are no reportable operating or geographical segments applicable to The Parent Company.

38(A) DISTRIBUTION MADE AND PROPOSED (IND AS 1):

₹/Lacs

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on 31 st March 2025: ₹ 10.00 per share (31 st March, 2024: ₹ 10.00 per share)	2,185	2,185
Proposed dividends on Equity shares:		
Final dividend for the year ended on 31 st March 2026: ₹ 11.00 Per share. (31 st March 2025: ₹ 10.00 per share)	2,404	2,185

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability.

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38(B)CAPITAL MANAGEMENT (IND AS 1):

The Parent Company's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of The Parent Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

The Parent Company monitors capital using debt-equity ratio, which is total debt divided by total equity.

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Total Debt (Bank and other borrowings)	1,990	3,390
Equity	1,49,585	1,41,755
Debt to Equity	0.01	0.02

In addition, The Parent Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by The Parent Company.

39 INCOME TAXES (IND AS 12):

(i) Reconciliation of Effective Tax Rate:

₹/Lacs

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Profit before Tax	12,867	9,194
Tax Expense	2,950	2,547
Effective Tax Rate (in %)	22.927	27.702
Effect of non-deductible expenses (in %)	(0.350)	(0.784)
Effect of Allowances for tax purpose (in %)	-	-
Effect of Previous year's adjustments (in %)	(1.270)	-
Effect of (Increase)/Decrease in income Taxable at lower rate (in %)	0.794	(0.440)
Others (in %)	3.067	(1.310)
Applicable Tax Rate (in %)	25.168	25.168

40 LEASES (IND AS 116):

(i) Lease Expenses recognized in the Statement of Profit and Loss not included in the measurement of lease liabilities:

₹/Lacs

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Variable lease payments	-	-
Expenses relating to leases of low value assets, excluding short term lease of low value assets	-	-

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(ii) Maturity analysis of lease liabilities - Contractual undiscounted cash flows:

₹/Lacs

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Less than one year	86	86
One to five years	169	255
More than five years	-	-
Total undiscounted lease liabilities	255	341
Discounted lease liabilities included in the statement of financial position	227	292
Current lease liability	70	65
Non-current lease liability	157	227

(iii) The weighted average incremental borrowing rate of 8.5% p.a. has been applied for measuring the lease liability at the date of initial application.

(iv) (The total cash outflow for leases for year ended March 31st, 2026, is ₹. 86 lacs (March 31st, 2025, is ₹ 86 lacs).

General description of leasing agreements:

- Leased assets: Land, Plant & Machinery, Godowns, Offices.
- Future lease rentals are determined based on agreed terms.
- At the expiry of lease terms, The Parent Company has an option to return the assets or extend the term by giving notice in writing.
- Lease agreements are generally cancellable and are renewed by mutual consent on mutually agreed terms

41 DISCLOSURES IN ACCORDANCE WITH IND AS-19 ON "EMPLOYEE BENEFITS"

a) Defined Contribution Plans - The Parent Company has recognised the following amounts in the Statement of Profit and Loss for the year:

₹/Lacs

Particulars	2025-26	2024-25
Employer's Contribution to Provident Fund and Employee's Pension Scheme, 1995	561	565
Employer's Contribution to Superannuation Fund	48	45
Employer's Contribution to Employee's State Insurance	13	13
Total	622	623

b) Defined Benefit Plans - Gratuity and Provident Fund

Gratuity:

Inherent Risk - The plan is defined benefit in nature which is sponsored by the parent Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes The Parent Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

The Parent Company operates a gratuity plan which is administered through Life Insurance Corporation and a trust which is administered through trustees. Every employee is entitled to a minimum benefit equivalent to 15 days salary last drawn for each completed year of service in line with the provisions of Payment of Gratuity Act, 1972. However, certain employees are entitled to benefit higher than the benefit prescribed under Payment of Gratuity Act, 1972. The same is payable at the time of separation from The Parent Company or retirement, whichever is earlier or death in service.

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i) **A reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):**

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening DBO	4,269	4,253
Current Service Cost	243	267
Interest on DBO	279	304
Past Service Cost	186	-
Remeasurement due to:		
Actuarial loss/ (gain) arising from change in financial assumption	(92)	89
Actuarial loss/ (gain) arising from change in demographic assumption	-	-
Actuarial loss/ (gain) arising on account of experience change	(41)	(75)
Transfer In / (Out)	-	-
Benefits Paid	(493)	(569)
Acquisition Adjustment	-	-
Closing DBO	4,351	4,269

ii) **A reconciliation of the opening and closing balances of the fair value of plan assets:**

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening Fair Value of Plan Assets	4,059	4,155
Interest on Plan Assets	269	297
Remeasurement due to:		
Actuarial loss/ (gain) arising on account of experience change	79	(53)
Contribution by the Employer	338	229
Benefits Paid	(493)	(569)
Transfer In / (Out)	-	-
Acquisition Adjustment	-	-
Closing Fair Value of Plan Assets	4,252	4,059

Fair value of Plan Assets for gratuity represents the amount as confirmed by the Insurer Managed Funds.

iii) **Amount recognised in Balance Sheet including a reconciliation of the present value of the defined benefit obligation in b (i) and the fair value of the plan assets in b (ii) to the assets and liabilities recognised in the balance sheet:**

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Present value of Defined Benefit Obligation	4,351	4,269
Fair value of Plan Assets	(4,252)	(4,059)
Net Liability recognised in the Balance Sheet	100	210
Long Term Provisions	100	210

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iv) The total expense recognised in the Statement of Profit and Loss:

₹/Lacs

Particulars	2025-26	2024-25
Current Service Cost	243	267
Past Service Cost	186	-
Net Interest Cost/ (Income) on the Net Defined Benefit Liability / (Asset)	10	7
Total	439	274

v) Amount recorded in Other Comprehensive Income

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Remeasurement due to:		
Changes in financial assumptions	(92)	89
Changes in demographic	-	-
Experience Adjustments	(41)	(75)
Actual return on plan assets less interest on plan assets	(79)	53
Closing amount recognised in OCI outside profit and loss	(212)	67

vi) Maturity Profile of defined benefit obligation:

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Weighted average duration (based on discounted cashflows)	4 Years	4 Years
Within the next 12 months (Next annual reporting period)	1,174	988
Between 1 and 5 years	2,431	2,507
Between 6 and 9 years	1,241	1,263
10 years and above	1,475	1,269

vii) For each major category of plan assets, following is the percentage that each major category constitutes of the fair value of the plan assets:

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Amount (₹/Lacs)	Rate (%)	Amount (₹/Lacs)	Rate (%)
Insurer Managed Funds	4,252	100%	4,059	100%
Total	4,252	100%	4,059	100%

viii) The overall expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Notes

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ix) Following are the Principal Actuarial Assumptions used as at the balance sheet date:

Rate %

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Discount Rate	7.10%	6.65%
Salary Escalation Rate	8.00%	8.00%
Attrition Rate (Average Rate of 3 Age Groups)	7.67%	7.67%
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14

x) Amounts recognised to Gratuity:

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Defined Benefit Obligation	4,351	4,269
Plan Assets	4,252	4,059
Surplus / (Deficit)	(100)	(210)
Experience Adjustment on Plan Liabilities	(41)	(75)
Experience Adjustment on Plan Assets	79	(53)

xi) Expected Contribution to the Funds in the next year:

₹/Lacs

Particulars	2026-27
Gratuity	261
Provident Fund and Employee's Pension Scheme, 1995	581

xii) Sensitivity Analysis:

Rate %

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Impact of increase in 50 bps on discounting rate on DBO	(2.1%)	(2.1%)
Impact of decrease in 50 bps on discounting rate on DBO	2.20%	2.20%
Impact of increase in 50 bps on salary escalation rate on DBO	2.20%	2.20%
Impact of decrease in 50 bps on salary escalation rate on DBO	0.40%	(1.6%)
Impact of increase in 50% of attrition rate on DBO	(0.30%)	(0.5%)
Impact of decrease in 50% of attrition rate on DBO	0.50%	0.90%

xiii) The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

xiv) Asset liability matching strategy:

The money contributed by the parent Company to Gratuity Fund has to be invested. The trustee have outsourced management of investment to an Insurance Company. The Insurance Company in turn manage these funds as per mandate provided by the trustees and the asset allocation which is with in permissible limits prescribed in insurance regulations. Due to restrictions in type of investments that can be held by the fund it is not possible to explicitly follow asset liability matching strategy. There is no compulsion on the part of company to fully prefund liability of the plan. The Parent Company fund these benefit based on known liability and Level of underfunding of the plan.

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xv) Exceptional Item:

The Government of India has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health, and Working Conditions Code, 2020 ("Labour Codes") with effect from 21st November, 2025, which consolidates 29 existing labour laws. The Labour Codes, amongst other things introduce changes, including a uniform definition of wages and enhanced benefits relating to leave. The Ministry of Labour & Employment has issued draft Central Rules and FAQs to facilitate assessment of the financial impact arising from these regulatory changes. In accordance with the guidance issued by the Institute of Chartered Accountants of India and based on actuarial valuation, The Parent Company has assessed and disclosed the financial impact of these changes as "Statutory Impact of New Labour Codes" under Exceptional Items in the financial statements for the year ended 31st March, 2026. The Parent Company has recognized ₹ 186 Lacs as Statutory Impact of New Labour Codes towards additional Gratuity, classified as past service cost, primarily due to the revised definition of wages under the Labour Codes. The Parent Company continues to monitor the developments relating to the Implementation of the Labour Codes and will review the estimates as further clarification and Rules are notified.

Provident Fund:

The Company contributes to a provident fund scheme for eligible employees, which is administered through a trust established by the Company in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The scheme guarantees interest at the rates notified by the statutory authorities. Contributions made by the Company and employees, together with accumulated interest thereon, are payable to employees upon retirement or separation, whichever is earlier, and the benefits vest immediately upon rendering of service by employee.

In accordance with the rules of the trust, in the event the trust is unable to declare interest at the rate prescribed under Paragraph 60 of the Employees' Provident Fund Scheme, 1972 due to lower returns on investments or any other reason, the resultant shortfall is required to be made good by the Company. Accordingly, the provident fund is treated as a defined benefit plan to the extent of the interest rate guarantee.

The Company has obtained an actuarial valuation of the plan. Based on the valuation and underlying assumptions, the plan assets exceed the present value of the defined benefit obligation as at the reporting date and no contribution shortfall exists. Accordingly, the Company's liability is restricted to its contributions.

The surplus in the trust is not recognised as an asset in the financial statements, as it is neither refundable to the Company nor available for set-off against future contributions.

₹/Lacs

Particulars	As at 31st March, 2026	As at 31st March, 2025
Present value of Defined Benefit Obligation	12,288	12,367
Fair value of Plan Assets	13,505	(12,367)
Surplus/(Deficit) available	1,217	-

Following are the Principal Actuarial Assumptions used as at the balance sheet date:

Rate %

Particulars	As at 31st March, 2026	As at 31st March, 2025
Discount Rate	6.75%	6.55%
Expected rate of return on Plan Assets	6.75%	6.55%
Discount Rate for the remaining term to Maturity of the Investment Portfolio	7.05%	6.71%
Average Historic Yield on the Investment Portfolio	7.79%	7.86%
Guaranteed Rate of Return	8.25%	8.25%
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14
Attrition Rate	6.00%	6.00%

C) Amount recognised as an expense in respect of Compensated Absences is ₹ 294 lacs (Previous year ₹ 232 lacs).

Notes

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42 RELATED PARTY DISCLOSURES (IND AS 24):

(A) Related Parties with whom there were transactions during the year:

Parties	Relationship
Mrs. Rajashree Birla	Non-Executive Director
Ms. Krupa R. Gandhi	Independent Director
Mr. Jayant Vasant Dhobley	Non-Executive Director
Mr. Ashish Razdan	Independent Director
Mr. Ravindra Kastia	Independent Director
Mr. Suresh Sodani	Managing Director & CEO (Key Managerial Personnel)
Mr. Yogesh R. Shah	Chief Financial Officer (Key Managerial Personnel)
Mr. Rahul Dubey	Vice President – Legal & Company Secretary (Key Managerial Personnel)
Century Enka Ltd Employee's Provident Fund	Post-Employment Benefit Plan
ABReL Century Energy Limited	Associate

(a) The following transactions were carried out with the related parties in the ordinary course of business:

₹/Lacs

Nature of Transaction/Relationship	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Services received from:		
Non-Executive Director's Sitting Fees and Commission	46	48

Compensation of Key Managerial Personnel of The Parent Company:

₹/Lacs

Nature of Transaction/Relationship	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Short-term employee benefits	441	413
Other long-term benefits [#]	79	73
Total compensation paid to Key Management Personnel	520	486

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of The Parent Company, in accordance with shareholders' approval, wherever necessary.

[#] Includes Employer Contribution to Provident Fund, Superannuation, NPS and Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall company basis at the end of each year. difference of opening and closing of Actuarial Valuation liability pertaining to Gratuity and compensated absences as per Ind AS 19.

Contribution to:

₹/Lacs

Nature of Transaction	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Post-Employment Benefit Plan - Century Enka Employees Provident Fund	213	238



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Transactions with Associate – ABReL Century Energy Ltd:

₹/Lacs

Nature of Transaction	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Share Application Money Pending Allotment of Right Issue	380	-
Power Purchase	1,841	1,906
Balance Receivable / (Payable)	(137)	(139)

43 EARNINGS PER SHARE (EPS) (IND AS 33):

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Basic/Diluted EPS:		
(i) Net Profit attributable to Equity Shareholders	10,084	6,647
(ii) Weighted average number of Equity Shares outstanding (Nos.) [For Basic & Diluted EPS]	2,18,50,589	2,18,50,589
Basic/ Diluted EPS in ₹ Per share (Face Value ₹10 per share) (i)/(ii)	46.15	30.42

44 OTHER STATUTORY INFORMATION

- No proceedings have been initiated on or are pending against The Parent Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- The Parent Company and its Associate have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of The Parent Company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Parent Company has no transactions with The Parent Companies struck off under Companies Act, 2013 during the current year.
- The Parent Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- The Parent Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- The Parent Company and its Associate 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 Parent Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Notes

to the Consolidated Financial Statement

45 CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR) (IND AS 37):

(a) Claims against The Parent Company not acknowledged as debt:

₹/Lacs

Particulars	Brief Description	As at 31 st March, 2026	As at 31 st March, 2025
(i) Excise, Service Tax & Custom Matters	Matters related to valuation, disallowances of input tax credit	180	250

The above amount of contingencies does not include applicable interest, if any. Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

- (b) Excise Department had issued an order dated 31st December 2013 denying the applicability of Notification No. 6/2000 dated 1st March 2000 and raised a demand of ₹22,927 lacs plus interest thereon and penalty equivalent to duty demand amount. In this matter, CESTAT in its order dated 20th December 2019, upheld the denial of aforesaid notification and remanded back the matter to Central Excise Department to redetermine quantum of duty short paid, imposition of equal amount of penalty on redetermined amount of duty demand and applicable interest. The Commissioner, CGST & Central Excise, Raigad has re-determined assessable value pursuant to order of CESTAT and confirmed the demand amounting to ₹730 lacs (as against above demand of ₹22,927 lacs), interest at appropriate rate on the duty and equal amount of penalty vide its order dated 8th September 2020. Against the said order of the Commissioner, CGST & Central Excise, Raigad, Department has filed an appeal before the Appellate Tribunal.

The Parent Company's appeal in the matter is pending before the hon'ble Supreme Court of India. The Parent Company has deposited the amount of duty of ₹730 Lacs under protest. The Parent Company has been advised by legal experts that it has a fair chance of ultimately succeeding in the matter and accordingly no provision is required to be made in the accounts.

- (c) Foreseeable Losses: The Parent Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, The Parent Company has reviewed and ensured that adequate provision as required under any law/ applicable accounting standards for material foreseeable losses on such long-term contracts has been made in the books of account.
- (d) Pending litigations: The Parent Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Parent Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

46 CAPITAL AND OTHER COMMITMENTS:

- (a) Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances) as on 31st March 2026 is ₹3,285 Lacs. (31st March 2025- ₹1,044 Lacs).
- (b) Other Commitments: The Parent Company has non-cancellable agreements with Gas Utilities Company for purchase of LNG. Under this agreement, The Parent Company is committed to purchase certain annual minimum quantity of LNG failing which it will pay the seller for any shortfall in offtake of LNG based on an agreed formula. The cost of the minimum committed quantity as at 31st March 2026 for the remaining period of the contract at current market prices approximates ₹3,305 Lacs (Previous Year ₹5,051 Lacs). Based on the current projection Company does not expect shortfall in offtake of minimum committed quantity and therefore no material foreseeable losses are expected.



Notes

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47 CORPORATE SOCIAL RESPONSIBILITY:

₹/Lacs

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Total amount excess / shortfall pertaining to previous year	Nil	Nil
Gross amount required to be spent under section 135 of The Parent Companies Act, 2013	179	288
Total amount spent during the year (Refer Note- 35)		
(i) Construction/ acquisition of any asset	-	-
(ii) On purpose other than (i) above	179	288
Total amount excess / shortfall at the end of year out of the required amount to be spent	Nil	Nil

Amount of Corporate Social Responsibility is spent towards:

₹/Lacs

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Vocational Training	24	28
Promotion of School Education	68	136
Health Care, Medical facility and drinking water	41	47
Gender equality, women empowerment and support to Old age homes & orphanages	10	19
Environmental sustainability and ecological balance	6	6
Rural Infrastructure Development other than mentioned above	30	52
Total	179	288

48 DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

Amounts due to Micro and Small Enterprises disclosed on the basis of information available with The Parent Company regarding status of the suppliers are as follows:

₹/Lacs

Particulars	2025-26		2024-25	
	Principal	Interest	Principal	Interest
Principal Amount and Interest due thereon remaining unpaid at the end of the year	66	4	117	2
The amount of interest paid as per terms of section 16 of the MSMED Act along with the amount of payment made beyond the due date	928	-	1,565	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the act	-	6	-	11
Interest amount due and unpaid as at the end of the year	-	6	-	11
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	14	-	4

The above information has been determined to the extent such parties have been identified on the basis of information available with The Parent Company and the same has been relied upon by the auditors.

Notes

to the Consolidated Financial Statement

49 AUDITORS' REMUNERATION (EXCLUDING TAXES) AND EXPENSES:

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(a) Statutory Auditors:		
Audit fees (including quarterly Limited Review)	54	51
Tax audit fees	8	8
Fees for other services	-	-
Expenses reimbursed	3	2
	65	61
(b) Cost Auditors:		
Audit fees	4	4

50 REVENUE FROM CONTRACTS (IND AS 115):

The Parent Company is primarily in the business of manufacture and sale of Synthetic Yarn. Sales are made at a point in time and revenue from contract with customer is recognized when goods are dispatched and the control over the goods sold is transferred to customers. The Parent Company does not expect to have any contracts where the period between the transfer of goods and payment by customer exceeds one year. Hence, The Parent Company does not adjust revenue for the time value of money.

a) Revenue recognised from Contract liability (Advances from Customers):

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Closing Contract liability	682	913

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31st, 2026.

b) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

₹/Lacs

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Revenue as per Contract Price	1,73,881	2,03,820
Less: Discounts	4,283	4,791
Revenue as per statement of profit and loss	1,69,598	1,99,029

51 INTEREST IN ASSOCIATES:

Details of Associate of The Parent Company is set out below. The country of incorporation is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held. The Parent Company's interests in this entity are accounted for using equity method in the Consolidated Financial statements.

Name of Entity	Country of Incorporation	Proportion of Ownership Interest %	Carrying Amount (₹/Lacs)	Proportion of Ownership Interest %	Carrying Amount (₹/Lacs)
		31/03/2026	31/03/2026	31/03/2025	31/03/2025
ABReL Century Energy Limited	India	26%	411	26%	496



Notes

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52 SUMMARIZED FINANCIAL INFORMATION OF INDIVIDUALLY IMMATERIAL ASSOCIATE:

The Parent Company also has interest in immaterial Associates that are accounted for using equity method of accounting. Below is the combined financial information with respect **ABReL Century Energy Limited**

₹/Lacs

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Aggregate Carrying Amount of individually immaterial Associate	411	496
Profit or (Loss) before Tax	(85)	(63)
Profit or (Loss) after Tax	(85)	(63)
Other Comprehensive Income	-	-
Total Comprehensive Income/(Loss)	(85)	(63)

53 ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF PART III - GENERAL INSTRUCTION FOR PREPARATION OF CFS OF SCHEDULE III OF THE COMPANIES ACT, 2013.

S No.	Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or (loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of consolidated net assets	Amount (₹/Lacs)	As % of consolidated profit / (loss)	Amount (₹/Lacs)	As % of consolidated OCI	Amount (₹/Lacs)	As % of consolidated TCI	Amount (₹/Lacs)
1	Parent								
	Century Enka Limited	99.73%	1,49,174	100.84%	10,169	100%	(52)	100.84%	10,117
2	Associate - Indian								
(i)	ABReL Century Energy Limited	0.27%	411	(0.84%)	(85)	0%	0	(0.84%)	(85)
	Total	100%	1,49,585	100%	10,084	100%	(52)	100%	10,032

54 ROUNDING OFF: Figures have been rounded off to the nearest Rs. Lacs. Accordingly, minor differences in totals may arise due to casting/rounding adjustments.

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)
Chartered Accountants
FRN: 105146W/W100621

For and on behalf of the Board of Directors

Kamlesh R Jagetia
Partner
Membership No. 139585

Jayant Vasant Dhobley
Non-executive Director
DIN: 02402556

Suresh Sodani
Managing Director & CEO
DIN: 08789604

Yogesh R Shah
Chief Financial Officer

Rahul Dubey
Vice President - Legal & Company Secretary

Place: Mumbai
Date: 21/05/2026

Place: Mumbai
Date: 21/05/2026

FINANCIAL HIGHLIGHTS

OPERATING RESULTS

₹/Lacs

FINANCIAL YEAR	CONSOLIDATED			STANDALONE		
	2025-26	2024-25	2023-24	2025-26	2024-25	2023-24
INCOME						
Revenue from Operations (Net)	170541	200169	174415	170541	200169	174415
Other Income	4192	3732	3349	4192	3732	3349
	174733	203901	177764	174733	203901	177764
EXPENDITURE						
Materials & Overheads (+ / - Stock Adj.)	155,765	188693	166136	1,55,765	188693	166136
Share in Loss of associate (net of tax)	(85)	(63)	(314)	-	-	-
PROFIT BEFORE EXCEPTIONAL ITEM, FINANCE COST, DEPRECIATION AND TAX	18883	15145	11314	18969	15208	11628
Exceptional Item	(186)	-	-	(186)	0	-
PROFIT BEFORE FINANCE COST, DEPRECIATION AND TAX	18698	15145	11314	18783	15208	11628
Less : Finance Cost	289	454	535	289	454	535
PROFIT BEFORE DEPRECIATION AND TAX	18409	14691	10779	18494	14754	11093
Less : Depreciation / Amortisation	5542	5497	5026	5542	5497	5026
Less : Tax Expenses	2783	2547	1478	2783	2547	1478
NET PROFIT	10084	6647	4275	10169	6710	4589
DIVIDEND (%)	110%	100%	100%	110%	100%	100%
EARNING PER SHARE (Rs.)	46.15	30.42	19.56	46.54	30.71	21.00
CASH EARNINGS PER SHARE (Rs.)	71.05	59.10	46.82	71.44	59.39	48.26
BOOK VALUE PER SHARE (Rs.)	684.60	648.76	624.43	686.77	650.54	625.92

STATEMENT OF ASSETS AND LIABILITIES

₹/Lacs

	CONSOLIDATED			STANDALONE		
	As on 31.03.2026	As on 31.03.2025	As on 31.03.2024	As on 31.03.2026	As on 31.03.2025	As on 31.03.2024
A. ASSETS						
Property Plant Equipment and Intangible Assets	77461	80157	80995	77461	80157	80995
Non-Current Investments	14029	7114	6759	14503	7503	7085
Long Term Loans and Advances	208	208	233	208	208	233
Other Non-Current Assets	1558	911	979	1558	911	979
Current Assets	91884	89692	79459	91884	89692	79459
Non-Current Assets Classified as held for sale		92			92	
(A)	185140	178174	168425	185614	178563	168751
B. EQUITY AND LIABILITIES						
Equity						
Share Capital	2185	2185	2185	2185	2185	2185
Other Equity	147400	139570	134253	147874	139959	134579
	149585	141755	136438	150059	142144	136764
Non-Current Liabilities						
Long Term Borrowings	600	1990	3380	600	1990	3380
Deferred Tax Liabilities (Net)	9317	9203	8180	9317	9203	8180
Long Term Liabilities & Provisions	3892	3142	3025	3,892	3142	3025
	13809	14335	14585	13809	14335	14585
Current Liabilities						
Short Term Borrowings	1390	1400	1493	1390	1400	1493
Trade Payables, Liabilities and Provisions	20,356	20684	15909	20356	20684	15909
	21746	22084	17402	21746	22084	17402
(B)	185140	178174	168425	185614	178563	168751



Century Enka Limited

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