ester

Innovating
Sustainable
Solutions

Annual Report
2025 - 2026

CORPORATE INFORMATION

Board of Directors	Mr. Arvind Singhania	Chairman
	Mr. Ayush Vardhan Singhania	Whole-Time Director
	Mr. Pradeep Kumar Rustagi	Executive Director - Corporate Affairs
	Mrs. Padmaja Shailen Ruparel	Independent Director
	Mr. Atul Agarwal	Independent Director
	Mr. Abhay Anant Gupte	Independent Director
Chief Executive Officer	Mr. Vaibhav Jha	
Chief Financial Officer	Mr. Sourabh Agarwal	
Company Secretary & Compliance Officer	Ms. Poornima Gupta	
Statutory Auditors	M/s Walker Chandiok & Co. LLP, Gurgaon	
Lenders	Bank of India Bank of Baroda Canara Bank HDFC Bank Limited Tata Capital Limited IDFC First Bank Limited Bajaj Finance Limited	
Corporate/Head Office	Plot No. 11, Block-A, Infocity-I, Sector - 34, Gurgaon - 122001, Haryana	
Registered Office	Sohan Nagar, P.O. Charubeta, Khatima - 262 308, District Udham Singh Nagar, Uttarakhand	
Registrar & Share Transfer Agent	MAS Services Limited T-34, Okhla Industrial Area, Phase-II, New Delhi - 110 020	
Listing of Securities	BSE Limited National Stock Exchange of India Limited	

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MESSAGE FROM THE CHAIRMAN

Navigating Cycles, Building Resilience

The financial year 2025-26 was a period that tested our resilience while validating our long-term strategic direction. Globally, the industrial landscape faced ongoing macroeconomic adjustments, volatile input costs, and persistent supply imbalances within the commodity polyester sector. Yet, even against this challenging backdrop, Ester Industries delivered a consolidated total income growth of 7.2%, reaching ₹1,392.7 crores.

More significant than the top-line growth itself is how it was achieved. This performance was anchored by a deliberate, structural shift toward our high-margin Specialty Polymers, value-added packaging films, and advanced recycling capabilities. Your Company is transitioning from an enterprise exposed to cyclical commodity variations to a technology-led, specialized materials player.

The Structural Transformation: Beyond the Cycle

For several years, the Board's primary strategic objective has been to de-risk Ester's earnings profile. The global packaging film market remains subject to structural demand-supply mismatches. While we expect near-term domestic corrections—aided by evolving trade remedies and regulatory changes providing tailwind to growth in BOPET films and rPET demand—our long-term value creation cannot rely on market cycles alone.

True sustainability lies in differentiation. The high-performance VAS films portfolio continued to expand despite the tariff setback in the US market growing 14.5% year on year in terms of volume. Our Specialty Polymers business, which achieved a remarkable 32.7% EBIT margin this year, stands as a testament to our internal R&D capabilities, proprietary intellectual property, and deeply integrated customer partnerships. By engineering bespoke solutions for global markets, we are creating sticky, high-barrier revenue streams that are insulated from broader market volatility.

Pioneering the Circular Economy

A defining pillar of Ester's future is our commitment to circularity. The enforcement of India's Extended Producer Responsibility (EPR) framework is no longer just a compliance mandate; it is a fundamental shift in how global brand owners approach packaging.

We have responded aggressively to this structural shift. By multiplying our recycled PET (rPET) sales volumes 3.6 times this year and commercializing our new 20,000 MT/annum facility in Hyderabad, we are rapidly building scale in mechanical recycling. Our total recycling capacity now stands at 28000 MT/annum.

Concurrently, our joint venture framework via Ester Loop Infinite Technologies (ELITe) represents a bold, forward-looking commitment to chemical recycling. By exploring

technologies that can transform complex polyester textile waste into virgin-quality materials, we aim to position Ester at the absolute forefront of the global circular economy. The JV continues to move forward steadily. FEED study has been completed by Tata Consulting Engineers and detailed engineering contract has been awarded to Toyo Engineering, a firm of international repute. Land acquisition is progressing and is likely to be closed in next two to three months. That the JV has already secured volume offtake contracts from global brands like Nike and Taroplast goes to show the strength of products manufactured by our JV.

Capital Discipline and Governance

Growth without discipline is unsustainable. The Board remains acutely focused on maintaining a robust balance sheet and exercising stringent capital allocation. We view this capital not merely as a resource for expansion, but as a trust to be deployed with absolute precision. Every rupee allocated toward our greenfield ambitions, manufacturing footprints, or R&D pipelines is subjected to rigorous risk-reward benchmarks. In alignment with our commitment to rewarding our long-term investors while preserving growth capital, the Board has recommended a dividend of ₹ 0.25 per share for FY 2025-26.

We also secured ₹165.25 crores against the ₹175 crores share warrant issue. This will be deployed in our Joint Venture company ELITe. The warrant raise further reinforces the trust our investors have in the future of our Company.

Looking Ahead

As we enter FY 2026-27, the macro environment is showing signs of equilibrium. Our focus remains on having the right corporate governance architecture, a highly competent management team executing on the ground, and a clear blueprint for a differentiated product portfolio. We are intent on heavily investing in our people and R&D capabilities to provide our customers with innovative and sustainable solutions. ELITe will continue to remain a core area of focus and the board will remain engaged to ensure seamless execution of the project.

Warm Regards,
Arvind Singhania
Chairman

MESSAGE FROM THE CEO

Dear Shareholders,

Financial Year 2025-26 was a year of strategic progress amid continued pressure in the global BOPET Films industry. We strengthened the businesses that will shape Ester's next phase and sharpened our priorities for sustainable, differentiated growth.

Performance in Perspective

Consolidated total income for FY 26 increased by 7.2% to ₹1,392.7 crores, supported by growth in Specialty Polymers, value-added films and recycled PET. FY 26 EBITDA was ₹110.6 crores (7.9%) compared to ₹163.9 crores (12.6%) in FY 25. Excluding MTM and reinstatement losses of ₹37.4 crores on foreign currency term loans EBITDA would have been ₹147.93 crores (10.6%) showing that the operating performance would have looked better without the non cash losses.

Polyester Films revenue increased by 6.1% to ₹1,196 crores in FY 2025-26 from ₹1,127 crores in FY 2024-25. EBIT, however, declined to ₹47 crores from ₹93 crores. The business was affected by soft global BOPET markets and ₹37.4 crores of non-cash mark-to-market losses on foreign currency loans. While market conditions began to improve towards the end of the year, performance reinforces the need to improve product mix and strengthen the business beyond a cyclical recovery.

Our focus in Polyester Films is to increase the contribution of high margin value-added products (VAS) and to improve operating efficiency. The focus resulted in double digit growth in VAS films sales and significant cost savings which translated into the bottom-line gains. We protected overall volumes through the difficult part of the cycle and are preparing to benefit overall as domestic industry utilization and global spreads improve.

Domestic BOPET film industry had sought trade remedies from the government. The Directorate General of Trade Remedies recommended provisional anti-dumping duties on specified PET Films imported from Bangladesh, China and Thailand. Once notified by the Central Government, this will bring further stability in domestic margins. Any benefit, however, remains contingent upon notification by the Central Government and completion of the investigation.

Specialty Polymers remained the strongest profit contributor to the Company. Revenue grew by approximately 16% to ₹179.3 crores from ₹155.2 crores, while EBIT increased to ₹58.7 crores from ₹57.1 crores. The business delivered an EBIT margin of 32.7%, reflecting the value created through technology, application expertise, intellectual property and close customer engagement.

We will build on this position by scaling high-margin specialty and also rapidly scaling the value-added products to consolidate operating leverage in the business. The business development gestation is typically large in this business. However, the business development pipeline is quite healthy and we will see many project maturing and translating into volume and profitability growth in next two to three quarters. We will continue to deepen technical service-led customer engagement and expanding domestic and international partnerships. The priority is to convert our product pipeline into repeat orders, stronger operating leverage and durable customer relationships.

Our recycling business made substantial progress. rPET revenue increased to ₹59.3 crores from ₹17.7 crores, while sales volumes increased 3.6 times to 5,325 MT from 1,486 MT. The Hyderabad rPET line became operational during the year and is being ramped up alongside our existing Sitarganj facility.

India's Extended Producer Responsibility framework is increasing the relevance of recycled-content packaging. Our immediate priorities are to stabilise and scale Hyderabad operations, deepen brand-owner approvals and expand our range of certified recycled-content film solutions. This will allow us to serve growing demand while building a commercially sustainable recycling platform.

Building a More Differentiated Business

Our strategy is to reduce dependence on commodity film cycles by increasing the contribution of Specialty Polymers, value-added films and recycling. Each of these businesses is supported by a different capability: technology and application development in Specialty Polymers, customer-led product innovation in films, and certified circular solutions in rPET. Together, they provide a stronger foundation for profitable growth.

Our partnership with Loop Industries through Ester Loop Infinite Technologies Private Limited, or ELITe, forms part of this longer-term circularity agenda. Mechanical recycling addresses current market requirements, while chemical recycling can potentially convert polyester textile waste and other difficult feedstocks into virgin-quality recycled materials. We will continue to evaluate progress against technical, commercial and capital-allocation milestones.

We enter FY 2026-27 with an improving industry environment, a more differentiated portfolio and a clear understanding of the work ahead. Our confidence comes not from the market cycle alone, but from the capabilities we have built, the opportunities we are converting and the discipline with which we intend to execute.

I thank every member of the Ester team for their commitment through a challenging year. I also thank our customers, partners, lenders and institutions for their continued support, and my colleagues on the Board for their counsel and guidance.

To our shareholders, thank you for your trust and patience. We remain focused on building a stronger, more differentiated and sustainable Ester that can create enduring value for all stakeholders.

Warm Regards,
Vaibhav Jha
CEO

NOTICE OF AGM

NOTICE is hereby given that the **40th ANNUAL GENERAL MEETING ("AGM")** of ESTER INDUSTRIES LIMITED will be held on **Thursday, 24th September 2026 at 12:00 Noon (IST)** through Video Conferencing ("VC")/Other Audio-Visual Means ("**OAVM**"), to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at Sohan Nagar, P.O. Charubeta, Khatima- 262308, Distt. Udham Singh Nagar, Uttarakhand.

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March 2026 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare the final dividend of ₹0.25/- per Equity Share of ₹5/- each for the financial year ended 31st March 2026.
3. To appoint a director in place of Mr. Ayush Vardhan Singhania (DIN: 05176205), Whole Time Director of the Company who retires by rotation and being eligible, offers his candidature for re-appointment.

SPECIAL BUSINESS

4. Ratification of Remuneration to Cost Auditors for the financial year ending 31st March 2027

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to M/s. R. J. Goel & Co., Cost Accountants (Firm Registration No. 00026), appointed by the Board of Directors on the recommendation of the Audit Committee as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the Financial Year ending 31st March 2027 amounting to ₹4,00,000/- (Rupees Four Lakh only) plus applicable taxes and re-imbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified."

By Order of the Board of Directors
For Ester Industries Limited

Sd/-
Poornima Gupta
Company Secretary and Compliance Officer
Membership No.: A49876

Place: New Delhi
Date: 11th August 2026

NOTES

Explanatory Statement

1. The relevant Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 **("Act")**, relating to the Special Business to be transacted at this AGM, and details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended **("Listing Regulations")** and Secretarial Standard 2 on General Meetings issued by The Institute of Company Secretaries of India in respect of Item No. 3 i.e. Director seeking re-appointment at the AGM, is annexed hereto and forms part of the Notice.

Virtual Meeting

2. The Ministry of Corporate Affairs **('MCA')** has vide its General Circular No. 20/2020 dated 5th May 2020 read with the subsequent circulars issued from time to time, the latest one being General Circular No. 03/2025 dated 22nd September 2025 ("**MCA Circulars**"), has allowed the Companies to conduct the AGM through VC/OAVM. In compliance with the provisions of Act, Listing Regulations and MCA Circulars, the 40th AGM of the Company shall be conducted through VC/OAVM. National Securities Depository Limited (NSDL), will be providing facilities in respect of:
   (a) voting through remote e-voting;
   (b) participation in the 40th AGM through VC/OAVM facility; and
   (c) e-voting during the AGM.
3. As per SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 which came into effect from 13th December 2024, the requirement to send proxy forms is not applicable to general meetings held only through electronic mode. As this AGM would be conducted through VC / OAVM, the requirement to provide facility for appointment of Proxy by the Members is not applicable. Hence, the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

Authorised Representative

4. Pursuant to the provisions of Section 113 of the Act, Institutional/Corporate Members are entitled to appoint authorized representative(s) to attend, participate at the AGM through VC / OAVM and cast their votes through e-voting. In this regard, the Institutional/Corporate Members are required to send the latest certified copy of the Board Resolution/Authorization Letter/Power of Attorney authorising their representative(s) to attend the meeting and vote on their behalf through e-voting, together with attested specimen signature(s) of the duly authorized representative(s). The said Resolution/ Authorization Letter/Power of Attorney shall be sent by the Body Corporate through its registered e-mail address to the Scrutinizer at **cs.akashjain@yahoo.com** with a copy marked to **investor@ester.in**.

Dispatch of Annual Report and process for Registration of E-mail Addresses:

5. In accordance with the circulars issued by MCA & SEBI and Regulation 36(1)(a) of the Listing Regulations, the Notice of the 40th AGM along with the Annual Report for the financial year 2025-26 is being sent by electronic mode to those Members whose e-mail ids are registered with the Company/Registrar & Share Transfer Agent (RTA) or the Depository Participants (DPs). Additionally, in accordance with Regulation 36(1)(b) of the Listing Regulations, the Company is also sending a letter to Members whose e-mail ids are not registered with Company/RTA/DP providing the weblink of Company's Website from where the Annual Report for financial year 2025-26 can be accessed.

6. Members who have not registered their e-mail addresses and wish to receive the AGM Notice and Annual Report, or participate in the AGM, or cast their votes through remote e-voting or e-voting during the meeting, are requested to get their e-mail addresses and mobile numbers registered with the Company by following the guidelines as stated below:

   ➢ **In case of Physical Holding**: Members holding shares in physical mode and who have not registered/updated their email addresses and mobile numbers with the Company, are requested to register/update their email addresses and mobile numbers at the earliest by submitting duly filled and signed Form ISR-1, available on the Company's website at **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/shareholder-information/iepf/unclaimed-dividend/request-for-registering-pan-kyc-details-or-changes-updation-thereof-Form-ISR-1.pdf** along with self-attested copy of the PAN Card, and self-attested copy of any document (e.g. Driving License, Voter Identity Card, Passport) in support of the address of the Member, to the Company/RTA at **investor@ester.in** or **investor@masserv.com**.

   ➢ **In case of Demat Holding**: Members holding shares in dematerialized form are requested to register/update their e-mail addresses and mobile numbers with the relevant Depository Participant. In case of any queries/difficulties in registering the e-mail ids with their DPs, Members may write to the Company's RTA at **investor@masserv.com**.

Process for obtaining physical copy of Annual Report

7. As per Listing Regulations, physical copy of the Annual Report is required to be sent only to those Members who specifically request for the same. Accordingly, Members who wish to obtain a physical copy of the Annual Report for the financial year 2025-26, may write to the Company at **investor@ester.in** requesting for the same by providing their holding details.

8. The Notice of the 40th AGM along with the Annual Report for the Financial Year 2025-26 is available on the website of the Company at **https://www.esterindustries.com** and can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at **www.bseindia.com** and **www.nseindia.com** respectively, and on the website of NSDL i.e. **https://www.evoting.nsdl.com/**.

Procedure for inspection of documents

9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and Certificate from Secretarial Auditors of the Company certifying that ESOP schemes of the Company are being implemented in accordance with the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 shall be available for inspection by the members upon login at NSDL e-voting page at **http://www.evoting.nsdl.com** during the AGM. Further, all documents referred to in the Notice will also be available at the Registered Office of the Company for inspection without any fee on all working days except Saturday, Sunday and National Holiday, during normal business hours (9:00 A.M. to 5:00 P.M. IST) from the date of circulation of this Notice up to the date of AGM.

Procedure for remote e-voting and e-voting during the AGM

10. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the Listing Regulations and applicable circulars, the Company is pleased to provide to its Members, the facility to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. For this purpose, the Company has engaged the services of National Securities Depository Limited (NSDL) as the authorised agency for facilitating voting through electronic means. The facility of casting votes by Members using remote e-voting system (i.e. the facility of casting votes by a Member by using an electronic voting system from a place other than the venue of the General Meeting) as well as e-voting on the date of the AGM will be provided by NSDL.

11. The Company has appointed Mr. Akash Jain, Practicing Company Secretary (FCS: 9617 and COP No. 9432), to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.

12. Remote e-voting - Key Dates:

Cut-off date The date for determining the Members who are entitled to vote on the resolutions set forth in this Notice	Thursday, 17th September 2026
Remote e-voting period Period during which Members, as on the cut-off date, may cast their votes on electronic voting system from any location	
Start Date and Time	Monday, 21st September 2026, 9:00 A.M. (IST)
End Date and Time	Wednesday, 23rd September 2026, 5:00 P.M. (IST)

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by NSDL upon expiry of the aforesaid period.

13. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

15. The facility for voting through e-voting system shall also be made available during the AGM. Members attending the AGM, who have not cast their vote by remote e-voting, shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote during the AGM. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at **www.evoting.nsdl.com/**.

16. The detailed instructions and the process for accessing and participating in the 40th AGM through VC/OAVM facility and voting through electronic means including remote e-voting are explained herein below:

Step I- Access to NSDL e-voting system

(A) For Individual Members holding shares in demat mode

Steps	For Members holding shares with DP registered with NSDL:
A	**For Members holding shares in demat mode with NSDL**
	1. The NSDL e-voting facility can be accessed either on Laptop or Mobile by typing the URL **https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp**.
	2. For logging in enter the 16-digit NSDL demat account number, PAN, Verification Code. The system will authenticate the Member by sending OTP on registered Mobile Number & E-mail ID.
	3. After successful authentication, it will be redirected to e-Voting page.
	4. Click on link placed under 'Actions' against the Company for which the Member wishes to exercise e-voting for casting the vote during the remote e-voting period or for voting during the AGM.
B	**For Members registered on NSDL IDeAS facility**
	1. The NSDL IDeAS facility can be accessed either on Laptop or Mobile by typing the URL https://eservices.nsdl.com/.
	2. Once the e-Services home page appears, click on 'Beneficial Owner' under the IDeAS Section.
	3. User ID and Password are required to be entered. The system will authenticate the Member by sending OTP on registered Mobile Number & e-mail id.
	4. After successful authentication, click on 'Access to e-voting' under e-voting services.
	5. Click on link placed under 'Actions' against the Company for which the Member wishes to exercise e-voting for casting the vote during the remote e-voting period or for voting during the AGM.
	Members who are not already registered and wish to register for NSDL IDeAS facility Option of Direct Registration for IDeAS facility is available at **https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp**.
C	**For Members not registered on NSDL IDeAS facility**
	1. The NSDL e-voting website can be accessed either on Laptop or Mobile by typing the URL **https://www.evoting.nsdl.com/**.
	2. Once the e-voting page appears, click on 'Login' under the 'Shareholder/Member' Section.
	3. For logging in, User ID (i.e. 16-digit NSDL demat account number) and Password / OTP and a Verification Code, are required to be entered. The system will authenticate the Member by sending OTP on registered Mobile Number & e-mail id.
	4. After successful authentication, the Member will be redirected to the IDeAS e-voting page.
	5. Click on link placed under 'Actions' against the Company for which the Member wishes to exercise e-voting for casting the vote during the remote e-voting period or voting during the AGM.

	'NSDL Speede' Mobile App for e-voting **For a seamless e-voting experience, Members can also download the 'NSDL Speede' App by scanning the below QR code:** NSDL Mobile App is available on App Store Google Play
Steps	**For Members holding shares with DP registered with CDSL**
A	**For Members registered on CDSL Easi/Easiest**
	1. The CDSL e-voting facility, viz. Easi / Easiest, can be accessed either on Laptop or Mobile by typing the URL https://web.cdslindia.com/myeasitoken/Home/Login.
	2. User ID and Password are required to be entered. The system will authenticate the Member by sending OTP on registered Mobile Number & E-mail id.
	3. After successful authentication, Members are required to click on NSDL, being the e-voting service provider, and choose the Company for which they wish to cast their vote.
	Members who are not already registered and wish to register for CDSL Easi/ Easiest facility Option of Direct Registration for Easi/Easiest facility is available at **https://web.cdslindia.com/myeasitoken/Home/EasiRegistration** or **https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration**.
B	**For Members not registered on CDSL Easi / Easiest facility**
	1. Members can directly access the e-voting page by typing the URL **https://www.evotingindia.com/** either on Laptop or Mobile.
	2. Members are required to provide their demat account number and PAN. The system will authenticate the Member by sending OTP on registered Mobile Number & e-mail id.
	3. After successful authentication, click on link for e-voting against the Company for which the Member wishes to cast their vote.
Steps	**For Members holding Securities in demat mode- login through DPs**
	1. Members can also login using the login credentials of their demat account through their DP registered with NSDL / CDSL for e-voting facility. After logging in, the e-voting option will appear.
	2. Once Members click on the e-voting option, they will be redirected to the website of NSDL/CDSL. After successful authentication, they can click on options available against the Company for which the Member wishes to exercise e-voting for casting the vote during the remote e-voting period or for voting during the AGM.

Important Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID/Password option.

Advisory for Members

In order to access e-voting facility, Members are requested to update their Mobile Number and E-Mail Id in their demat accounts through their DPs.

For Technical assistance

Members facing any technical issues related to e-voting may reach out to helpdesk of the respective depositories at the contacts given hereinafter.

NSDL	CDSL
E-mail ID: evoting@nsdl.com	E-mail ID: helpdesk.evoting@cdslindia.com
Phone No.: 022 - 4886 7000	Phone No.: 1800 21 09911

Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider.

(B) For other than Individual Members holding securities in demat mode and for Members holding securities in physical mode.

Steps	
For Members registered on NSDL IDeAS facility	
1	Members who have registered for NSDL e-services i.e. IDeAS, can log-in using the URL **https://eservices.nsdl.com/** with their existing IDeAS login.
2	Once Members log-in to NSDL e-services with their log-in credentials, they can click on e-voting and select the Company for which they wish to cast their vote during the remote e-voting period or for voting during the AGM.
For Members not registered on NSDL IDeAS facility	
1	The NSDL e-voting website can be accessed either on Laptop or Mobile by typing the URL **www.evoting.nsdl.com/**.
2	Once the e-voting page appears, click on 'Login' under the 'Shareholder/ Member' Section.
3	For logging in, User ID (i.e. 16-digit NSDL demat account number) and Password / OTP and a Verification Code, are required to be entered. The system will authenticate the Member by sending OTP on registered Mobile Number & E-mail ID.

User ID details:

Manner of holding shares	User ID
a. For Members holding shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b. For Members holding shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c. For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 141082 then user ID is 141082001***

Password details for Members other than individual Members are given below:

Manner of holding shares	User ID
a. Members already registered for e-voting.	Existing password can be used for logging-in and casting vote.
b. Members using NSDL e-voting system for the first time.	Initial password' communicated to Members is required to be entered. Once entered, the system will prompt to change the password.

How to retrieve the 'Initial Password'?

Members holding shares in demat mode would have received an E-mail from NSDL with the Initial Password in a pdf attachment, on their registered E-mail IDs.

The password to open the pdf:

- for shares held in NSDL account: 8 digit client ID;
- for shares held in CDSL account: last 8 digits of client ID; and
- for shares held in physical mode: folio number

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

Members who are not able to retrieve the password, can send a request at **evoting@nsdl.com** mentioning their demat account number / folio number, PAN, name and registered address.

Note: It is strongly recommended that Members take utmost care to keep their password confidential and not to share their password with any other person. Login to the e-voting system shall be disabled upon five unsuccessful attempts to key in the correct password. In such an event, Members are advised to use the 'Forgot User Details/Password' or Physical User Reset Password' option available on **www.evoting.nsdl.com** to reset the password.

Step 2: Cast your vote electronically on NSDL e-voting system:

a. Upon successful login at Step 1, the Members will be able to view all the companies "EVENs" in which the Member holds shares and whose voting cycle and General Meeting are in active status.

b. The Member shall select the "EVEN", i.e. 141082, of the Company for which the vote is to be cast during the remote e-Voting period or during the General Meeting.

c. Upon selection of the relevant EVEN, the e-Voting page will open and the Member may proceed with casting the vote.

d. After selecting appropriate options i.e. assent or dissent and after verifying/modifying the number of shares for which the votes are to be cast, click on 'Submit' and also 'Confirm' when prompted.

e. Upon confirmation, the message 'Vote cast successfully' will be displayed.

f. Once Members confirm their votes on the resolution(s), they will not be allowed to modify their votes.

Procedure to join the AGM on NSDL e-voting system

17. After successful login, Members need to click on 'VC/OAVM' link placed under 'Join Meeting' for joining virtual meeting.

18. Members are encouraged to join the Meeting through Laptops for better experience.

19. Please note that Members connecting from mobile devices, tablets or laptops via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate such glitches.

20. For convenience of the Members and proper conduct of AGM, Members can login and join at least 30 minutes before the time scheduled for the AGM. The joining link shall be kept open throughout the proceedings of AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 shareholders on a first-come-first-served basis. However, the large members i.e. members holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. can attend the 40th AGM without any restriction on account of first-come-first-served basis.

21. Members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

22. Members, who need assistance before or during the AGM, may send a request at **evoting@nsdl.com** or use Contact no.: 022 - 4886 7000.

Procedure for e-voting during the AGM

23. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

24. It is re-iterated that only those Members who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting, and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

25. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote during the AGM.

26. In case of any queries, Members may refer the 'Frequently Asked Questions (FAQs) for Shareholders' and e-voting user manual for Shareholders available at the download section of **www.evoting.nsdl.com** or call on Toll free no.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, NSDL at **evoting@nsdl.com.**

Process for Members whose e-mail ids are not registered with the DPs for procuring User ID and Password and registration of e-mail Id for e-voting

27. Members whose shares are held in physical mode are requested to send the following details/documents at **evoting@nsdl.com** or **investor@ester.in**
    - Name of the Shareholder
    - Folio No.
    - Self-attested copy of PAN and address proof
    - Copy of Share Certificate (front and back)

28. Members whose shares are held in demat mode are requested to send the following details/documents at **evoting@nsdl.com** or **investor@ester.in**
    - Name of the Shareholder
    - 16-digit DP ID Client ID or beneficiary ID
    - Self-attested copy of PAN and address proof
    - Copy of Client Master List or Consolidated Account Statement

Speaker Registration- Procedure to raise questions or seek clarifications with respect to Annual Report

29. Members who would like to express their views or ask questions may register themselves as a speaker by sending the request along with their queries in advance mentioning their name, demat account number/folio number, e-mail id and mobile number at **investor@ester.in**. Only those speaker registration requests received till 05:00 P.M. (IST) on Thursday, 17th September 2026 shall be considered and allowed as speakers during the AGM.

30. The Company reserves the right to restrict the number of questions and speakers, as appropriate for smooth conduct of the AGM.

SEBI mandate on KYC Compliance

31. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021 as amended, has mandated registration of PAN, KYC details (viz., i. Contact Details, ii. Mobile Number, iii. Bank Account Details, iv. Signature) and Choice of Nomination, by holders of physical securities. Further, Members who hold shares in physical form and whose folios are not updated with any of the above details, shall be eligible to get dividend only in electronic mode with effect from 1st April 2024.

32. Accordingly, payment of final dividend, subject to approval by the Members in the AGM, shall be paid to physical holders only after the above details are updated in their folios. Members may refer to FAQs issued by SEBI in this regard available on their website at **https://www.sebi.gov.in/sebi_data/faqfiles/jan-2026/1767611333081.pdf**(FAQ Nos. 47 & 48)

33. Communication in this regard has been sent to all physical holders whose folios are not KYC compliant at the latest available address/email-id. Members are once again requested to update their KYC details by submitting the Investor Service Request (ISR) Forms, viz. ISR-1, ISR-2, ISR-3/SH-13, as applicable, duly executed by the registered holder(s) to the Company's RTA, on or before Monday, 7th September 2026 so that the KYC details can be updated in the folios before the cut-off date of Thursday, 17th September 2026. ISR Forms can be accessed from Company's website at **https://www.esterindustries.com/important-information-physical-shareholders/**.

SEBI Mandate on issuance of securities only in demat mode

34. Regulation 40 of Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its Circular dated 25th January 2022, has clarified that listed companies, with immediate effect, shall issue the securities only in demat mode while processing any investor service requests including transmission, issuance of duplicate shares, deletion of name, exchange of shares, endorsement, sub-division/consolidation of share certificates, etc. In view of this and also to eliminate all risks associated with physical shares and for ease of portfolio management, the Members holding shares in physical form are requested to consider converting their holdings to demat mode. Members can contact the Company or RTA for assistance in this regard.

35. Members may note that pursuant to SEBI Circulars dated 2nd July 2025 and 6th January 2026 read with SEBI Master Circular issued to RTAs dated 6th February 2026, Members who had submitted transfer deeds for physical shares before 1st April 2019, and whose requests were rejected, returned, or remained unprocessed due to deficiencies, have been provided a special re-lodgment window till 4th February 2027, to re-lodge the transfer requests.

    Transfers would be approved if all the requisite documents are in place. Transfer of shares under this window will be credited only in dematerialised form and will carry a one-year lock in period from the date of transfer registration. Members are requested to contact the Company or the RTA for assistance in this regard.

E-voting Results

36. The Scrutinizer shall after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated Scrutinizer's Report of the total votes cast in favour or against, invalid votes, if any, and submit it to the Chairperson of the Company or in his absence to his duly authorised Director/officer, who shall countersign the Scrutinizer's Report and declare the result.

37. The results of the e-voting along with Scrutinizer's Report shall be declared to the Stock Exchanges within the timeframe prescribed under the Act and Listing Regulations and shall also be placed on the website of the Company at **https://www.esterindustries.com/** and on the website of NSDL at **www.evoting.nsdl.com**.

38. Resolutions will be deemed to be passed on the AGM date, subject to receipt of the requisite number of votes in favour of the resolutions.

Dividend related information

39. **Dividend - Key Dates:**

Record Date for Final Dividend (for determining the Members eligible for dividend)	Thursday 17th September 2026
Date of payment for Final Dividend	On or before 24th October, 2026

40. Members holding shares in demat form are hereby informed that bank particulars registered with their respective DPs, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. Members holding shares in demat form are requested to intimate any change in their address and/or bank mandate to their DPs only, as the Company or its RTA cannot act on any request received directly on the same.

Note: *As per SEBI requirements, effective 1st April 2024, Companies are allowed to make dividend payments only in electronic mode. Hence, it is reiterated that Members, whose folios are not updated with PAN, KYC details or Choice of Nomination, are requested to update the above details by submitting the relevant ISR Forms before the cut-off date to ensure timely credit of dividends.*

TDS related Information

41. Members may note that as per the Income Tax Act, 1961, as amended by the Finance Act, 2020 and as re-enacted under the Income Tax Act, 2025 (**IT Act**), dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source (TDS) from the dividend paid to the Members at the rates prescribed in the IT Act. In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the IT Act and Rules thereunder.

    a. **For Resident Members:** Tax shall be deducted at source under Section 393(1), Table Sr. No. 7 of the IT Act at 10% on the amount of dividend declared and paid by the Company during FY 2026-27, subject to PAN details registered/updated by the Member. If PAN is not registered/ updated in the demat account/ folio as on the cut-off date, TDS would be deducted @20% as per Section 397 of the IT Act.

       No tax at source is required to be deducted, if aggregate dividend paid or likely to be paid during the Financial Year to an individual Member does not exceed ₹10,000/- (Rupees Ten Thousand Only).

       In case of individual shareholders, who are mandatorily required to have their PAN-Aadhaar linked and have not done so, their PAN would be considered as inoperative. Such inoperative PANs would be considered as invalid and a higher TDS rate as per Section 397 of the IT Act would be applied. The Company will rely on the reports downloaded from the reporting portal of the income tax department for checking the validity of PANs/inoperative PANs under Section 397 of the IT Act. Further, in cases where the Shareholder provides declaration in Form 121 (applicable to an Individual above the age of 60 years or any person other than a Company or a Firm), provided that the eligibility conditions are being met, no tax at source shall be deducted subject to the PAN of the member not having an 'In-operative' status as per the provisions of Section 262 of the IT Act.

In case PAN of any Member falls under the category of 'In-operative', the Company shall deduct TDS @ 20% as per Section 262 read with Section 397 of the IT Act.

Further, in case of resident member having Order under Section 395 of the IT Act, TDS will be deducted at the rate mentioned in the Order; provided the Member submits copy of the Order obtained from the income-tax authorities.

b. **For Non-Resident Members:** Tax at source shall be deducted under Section 393 of the IT Act at the applicable rates. As per the relevant provisions of the IT Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to Non-Resident Members.

As per Section 159 of the IT Act, Non-Resident Members can avail the beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 41 and any other document which may be required to avail the tax treaty benefits by sending an email to Company at **investor@ester.in**; Registrar and Transfer Agent at **investor@masserv.com** The aforesaid declarations and documents need to be submitted by the Members latest by Thursday, 10th September 2026. Incomplete and/or unsigned forms and declarations will not be considered by the Company.

Application of TDS rate is subject to necessary verification by the Company of the Members details as available in Register of Members as on the Record Date, and other documents available with the Company/ Registrar and Transfer Agent.

Members may note that in case the tax on said dividend is deducted at a higher rate, there would still be an option available with the Members to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax compliances and consequences in the matter of dividend payment. Members should consult their tax advisors for requisite action to be taken by them.

Any communication/document as stated aforesaid received after Thursday, 10th September 2026 shall not be considered for the purpose of tax deduction. In case of any query regarding this, you may contact to Registrar and Transfer Agent viz MAS Services Limited at T-34, Okhla Industrial Area, Phase- II, New Delhi-110020; Email id- **investor@masserv.com**.

Information relating to unpaid or unclaimed dividends (Investor Education and Protection Fund)

42. As per Sections 124 and 125 of the Act and Investor Education and Protection Fund Authority (Accounting Audit, Transfer and Refund) Rules, 2016, as amended, (**IEPF Rules**) dividends which remain unpaid or unclaimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF). Further, the said provisions mandate companies to transfer the shares of shareholders whose dividends remain unpaid or unclaimed for a period of seven consecutive years, to the demat account of IEPF Authority.

Members who have not yet encashed their dividend for the financial year 2018-19 (final dividend), 2019-20 (final dividend), 2020-21 (interim dividend) 2020-21 (final dividend), 2021-22 (Interim dividend), 2021-22 (final dividend), 2022-23 (final dividend) and 2024-25 (final dividend) are requested to make their claims to the Company immediately. Members may note that no claim shall lie against the Company in respect of dividend which remain unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account and no payment shall be made in respect of such claims.

The details of the unpaid/unclaimed amounts lying with the Company as on 31st March 2026 are available on the website of the Company at the weblink: https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/shareholder-information/iepf/unclaimed-dividend/list-of-unpaid-and-unclaimed-dividend-2025-26.pdf. The Members may kindly check the said information and if any dividend amount is appearing as unpaid against their name, they may lodge their claim, duly supported by relevant documents to the Company.

The IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid/unclaimed for a period of seven consecutive years or more to the demat account of IEPF Authority. Upon transfer of such shares, all benefits (like bonus etc.), if any, accruing on such shares shall also be credited to the Demat Account of IEPF Authority and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

In view of the above, Members are requested to claim their dividends from the Company, within the stipulated timeline to avoid transfer of the underlying shares to the IEPF Account.

The Member(s) whose dividend/shares are transferred to the IEPF Authority may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on **www.iepf.gov.in** or contact Company's RTA for lodging claim for refund of shares and/or dividend from the IEPF Authority.

Saksham Niveshak: Second 100 Days Campaign

43. Pursuant to the directions issued by the Investor Education and Protection Fund Authority (IEPFA), the Company has launched the Second 100 Days Campaign – "Saksham Niveshak" from 1st April 2026 to 9th July 2026 to facilitate updation of shareholder's KYC particulars, bank mandate details, nomination and contact information. The shareholders are also encouraged to claim their unpaid/unclaimed dividends in order to safeguard their entitlements and avoid transfer of such dividends and the underlying shares to IEPFA in accordance with applicable statutory provisions.

As a part of this campaign the company urges all its shareholders to take necessary steps for updating their KYC and other details to prevent transfer of unpaid/unclaimed dividends to IEPF.

For assistance or queries relating to unpaid/unclaimed dividend and shares, shareholders may contact the Company's RTA – MAS Services Limited, T-34, Okhla Industrial Area, Phase-II, New Delhi-110020 or email at investor@masserv.com.

Online Dispute Resolution

44. SEBI has made available an Online Dispute Resolution ("ODR") mechanism through the SMART ODR Portal for investors to raise disputes arising in the Indian securities market. Members are encouraged to first approach the Company or its Registrar and Share Transfer Agent, (MAS Services Limited) for resolution of any grievance.

    If the grievance is not resolved satisfactorily, the same may be escalated through the SEBI Complaints Redress System ("SCORES") platform in accordance with the applicable SEBI guidelines.

    After exhausting the options to resolve the grievance directly with the Company/RTA and through the SCORES platform, members may initiate dispute resolution through the SMART ODR Portal at https://smartodr.in/login.

    This facility is available in accordance with SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated 6th February 2026.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s. R.J. Goel & Co., Cost Accountants (Firm Registration No. 00026) as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027 at a remuneration of ₹4,00,000/- (Rupees Four Lakh only) excluding payment of applicable taxes and reimbursement of out-of-pocket expenses incurred by the Cost Auditors in connection with the aforesaid audit.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, approval of the Members is sought for ratification of remuneration payable to M/s. R.J. Goel & Co. for the cost audit to be conducted for the financial year ending 31st March 2027.

None of the Directors and Key Managerial Personnel of the Company, or their relatives are in any way concerned or interested (financially or otherwise) in the resolution as set out at Item No. 4 of the Notice, except to the extent of their shareholding, if any, in the Company.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for the approval of Members of the Company.

By Order of the Board of Directors
For Ester Industries Limited

Sd/-
Poornima Gupta
Company Secretary and Compliance Officer
M. No.: A49876

Place: New Delhi
Date: 11th August 2026

ANNEXURE TO ITEM NO.3

Details of Director seeking re-appointment pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India

Name of the Director	**Mr. Ayush Vardhan Singhania**
Director's Identification Number (DIN)	05176205
Date of Birth	10th July 1987
Age (in years)	39
Qualification	Graduate from Bentley University and MBA from IE Business School, Madrid, Spain
Expertise and experience in specific functional areas	Mr. Ayush Vardhan Singhania has previously served as the Head – Business Development and Marketing of the Company, where he was responsible for overseeing the Business Development and Marketing functions. He has experience in business development, marketing, strategic planning and business expansion. During his tenure with the Company, he has held various positions of responsibility and has contributed to the Company's growth and strategic objectives.
Terms and conditions for appointment/ re-appointment and proposed remuneration	As per existing terms approved by the members of the Company.
Remuneration last drawn (including sitting fee, if any)	As mentioned in the Corporate Governance Report forming part of the Annual Report for FY 2025-26
Date of first appointment on the Board of Company	1st June 2021
Date of appointment under current term on the Board of Company	1st June 2024
Shareholding in the Company as on 31.03.2026	9,34,318 equity shares
Relationship with other Directors and KMPs of the Company	Mr. Ayush Vardhan Singhania is the son of Mr. Arvind Singhania Chairman & Promoter of the Company. Other than this, he is not related to any other Director and Key Managerial Personnel of the Company.
Number of Board meetings attended during the year	5 (Five)
Directorship in other Companies	1. Ester Filmtech Limited 2. ACME Investments Limited 3. Fenton Investments Private Limited 4. Ester Loop Infinite Technologies Private Limited
Name of Listed Companies from which the Director has resigned in the past three years	NIL
Chairmanship/Membership of Board Committees in other Companies	NIL

By Order of the Board of Directors
For Ester Industries Limited

Sd/-
Poornima Gupta
Company Secretary and Compliance Officer
M. No.: A49876

Place: New Delhi
Date: 11th August 2026

BOARD'S REPORT

To The Members,

Your Directors are pleased to present the 40th Annual Report of Ester Industries Limited ("the Company" or "EIL") along with the Audited Financial Statements of the Company for the financial year ended 31st March 2026.

FINANCIAL HIGHLIGHTS

The Audited Financial Statements of your Company as on 31st March 2026, are prepared in accordance with the relevant applicable Indian Accounting Standards ("Ind AS"), Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations")** and the provisions of the Companies Act, 2013 ("**Act**").

The summarized financial highlight is depicted below:

(₹ in Crores)

Particulars	Year Ended	
	31st March 2026	31st March 2025
Net Sales Revenue	1033.31	1056.74
Other Operating Revenue	11.82	13.72
Other Income	14.44	14.47
Profit before Financial Expenses, Depreciation and Tax	85.88	133.70
Less: Interest & Other Financial Expenses	35.09	35.68
Profit / (Loss) before Depreciation and Tax	50.79	98.02
Depreciation and amortization expenses	43.23	43.38
Profit / (Loss) before Tax	7.56	54.64
Current & Deferred Tax expense / (credit)	3.19	14.11
Profit / (Loss) after Tax	4.37	40.53
Other Comprehensive Income (net of income tax effect)	0.44	(3.65)
Total Comprehensive Income	4.81	36.88
Basic & diluted EPS (Rupees)	0.45	4.31

OPERATIONS REVIEW

During the year under review, total Revenue from Operations of the Company on standalone basis reduced by 2.37% from ₹1,070.46 crores to ₹1,045.13 crores.

The reduction was primarily caused by lower revenue from operations of Polyester Film by 13.11% (from ₹734.06 crores to ₹637.82 crores). In volumetric terms, the reduction was by 9.92% (from 49,798 MT to 44,861 MT), indicating shrinkage in per unit realization. Though Polyester Films witnessed reduction in revenue, it continues to drive the bulk of revenue for the Company.

Despite degrowth in revenue from Polyester Films in volumetric terms, the proportion of Value Added & Specialty products increased from 31% to 36% and in value terms, the proportion increased from 43% to 50%. The volume of Value Added & Specialty products increased by 5.81%.

Drop in revenue from Polyester Films was largely compensated with increased revenue from Specialty Polymers & rPET.

Revenue from Specialty Polymers increased by 23.31% in volumetric terms (from 3376 MT to 4163 MT) and by 11.71% in value terms (from ₹158.79 crores to ₹185.96 crores).

During the year under review, revenue from rPET increased significantly by 259.36% in volumetric terms (from 1486 MT to 5340 MT) and by 266.93% in value terms (from ₹16.21 crores to ₹59.48 crores). rPET is reported as part of Polyester Films segment.

Revenue from Polyester Chips both in volumetric and value terms remained almost same as last year. The sales in volumetric terms increased by 9.34% (from 18556 MT to 20288 MT) and by 0.37% in value terms (from ₹161.14 crores to ₹161.74 crores). Polyester Chips is reported as part of Polyester Films segment.

Profit before interest, depreciation and tax (PBIDT) including 'Other Income' on a standalone basis reduced significantly from ₹133.70 crores in FY 2024-25 to ₹85.88 crores in FY 2025-26. The company earned net profit after tax of ₹4.37 crores during the year under review as against net profit after tax of ₹40.53 crores earned during FY 2024-25.

Performance in terms of EBIT of Polyester Film business was significantly lower than last year. EBIT of Polyester Film SBU (including rPET & Polyester Chips) reduced from 9.73% to 5.88% (from ₹88.71 crores to ₹50.53 crores) mainly on account of adverse impact of huge Reciprocal & Punitive Trade Tariff imposed by US on exports originating from India. US Trade Tariffs were also imposed on various other countries. As a result, there was aggravated competition in Rest of the World & domestic territory. This led to dumping of Polyester Films into India by China & few other countries which exerted pressure on margins in domestic market.

However, discriminatory Trade Tariffs imposed by US were held to be illegal by Supreme Court of US and hence these Trade Tariffs were withdrawn in February 2026. This immediately resulted in better market scenario for Polyester Films SBU with significantly better performance during the quarter ending March 2026.

Polyester Films industry continues to witness robust double-digit growth in domestic demand. Growth in demand coupled with higher proportion of sales of Value Added & Specialty products will ensure further improvement in operating & financial performance of Polyester Film SBU.

Implementation of Plastics Waste Management Rules (PWMR) with effect from 1st April 2025 (mandating utilization of 10% recycled content in the flexible packaging laminate), triggered strong demand acceleration for BOPET Films featuring Post-

Consumer Recycled (PCR) content and recycled PET (rPET). It is expected to further increase demand for Polyester Film with conversion taking place from other substrates to Polyester.

Though EBIT of Specialty Polymers SBU reduced from 36.16% to 31.70% (from ₹57.42 crores to ₹58.95 crores), it still remained at very healthy levels. Imposition of US Trade Tariffs also impacted performance of Specialty Polymers SBU.

Geo-political disturbance & war in West Asia caused prices of Crude Oil to rise significantly. Increase in Crude Oil prices coupled with other internal & external factors caused devaluation of Indian Rupee against USD, Euro & other major currencies. This resulted in significant Mark-To-Mark and Reinstatement losses for the company and its Wholly Owned Subsidiary, Ester Filmtech Limited.

Production of Polyester Chips was marginally lower (by 0.72%). Production of Specialty Polymers and rPET increased by 7.59% and 103.46% respectively. Production of Polyester Film reduced by 9.44% (from 50,323 MT to 45,570 MT) with capacity utilization standing at 75.95%.

On a consolidated basis, revenue from operations increased by 7.26% [from ₹1,282.14 crores to ₹1,375.20 crores]. Revenue from operations in Polyester Film SBU (including Polyester Chips & rPET) increased by 6.12% (from ₹1,126.95 crores to ₹1,195.90 crores). Performance in terms of EBITDA, PBT and PAT was significantly lower in Polyester Film due to margin shrinkage caused by reasons explained above.

In the month of November 2024, the Company raised ₹43.75 crores under Share Warrants issue of ₹174.99 crores. Within the statutory time limit of 18 months, subscribers to Share Warrants have further made payment of ₹121.50 crores. Thus, an amount of ₹165.25 crores have been received against issue of Share Warrants. 1,02,53,153 Share Warrants have now been converted into 1,02,53,153 Equity Shares while the balance Share Warrants (8,22,788) amounting to ₹9.75 Crores have remained unsubscribed. Raising Equity (against Share Warrants) from promoters & other investors was possible because of positive medium to long term prospects of the Company.

During the year under review, the wholly owned subsidiary, Ester Filmtech Limited commenced commercial production of rPET from a plant set up for production of 20 KTPA of rPET in its existing factory in Hyderabad.

Your company and its Wholly Owned Subsidiary, Ester Filmtech Limited have been regular with servicing of both interest on debt and repayment of due installments of term debt. Both companies continue to enjoy comfortable liquidity position.

Your Company continues to make investments in modernization, technical upgrade and debottlenecking initiatives in all the business segments to improve productivity, production efficiency and reduce wastages.

On 1st May 2024, your company entered into a Joint Venture Agreement with Loop Industries Inc., Canada. This partnership with Loop is aligned with the objective of moving from commodity products to innovative & specialty products through the use of new technologies. Loop's patented technology to convert all types of Polyester waste into monomers, namely rDMT and rMEG combined with Ester's decades of experience in Polymerization will help us achieve circularity in the true sense and a sustainable future as we move ahead. The execution of joint venture plans with Loop Industries is progressing well albeit with some delay. We are diligently pursuing various activities related to the project's implementation.

Looking ahead, management remains optimistic regarding our medium-to-long-term performance prospects. Sustained regulatory shifts like the PWMR mandate will continue to push brand owners toward sustainable packaging film solutions. The Company is actively collaborating with ecosystem partners to capture this demand. By aggressively focusing on a premium specialty product mix, embedding sustainable innovation, and optimizing operational efficiencies, we are securely positioned to deliver sustainable, profitable growth.

DIVIDEND

Your Directors have recommended a dividend of ₹0.25/- per Equity Share of face value of ₹5/- each on the fully paid-up Equity Shares of the Company for the financial year ended 31st March 2026, out of the accumulated profit of the Company, pursuant to Section 123 of the Act, subject to the approval of the Members at the ensuing Annual General Meeting.

Mr. Arvind Singhania, Promoter of the Company, has voluntarily waived his entitlement to receive dividend on his entire shareholding in the Company.

The dividend payment is based on the parameters outlined in the Dividend Distribution Policy of the Company which is in accordance with Regulation 43A of Listing Regulations.

The said Policy is available on the Company's website at **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Dividend-Distribution-Policy.pdf**.

TRANSFER TO RESERVES

Your Company has not transferred any amount to the General Reserves during the financial year 2025-26.

SHARE CAPITAL

Preferential issue of Share Warrants

During the period under review, the company has allotted 3544302 equity shares of face value of ₹5/- each fully paid-up, at an issue price of ₹158/- per equity share (including premium of ₹153/- each), for an aggregate amount of ₹55,99,99,716/- pursuant to the conversion of 35,44,302 fully convertible warrants issued on Preferential Basis to the 'Promoter & Promoter Group' and 'Non-Promoter Category' via Board Resolution dated 30th April 2025. As a result of such allotment, the issued, subscribed and paid-up share capital increased from ₹47,02,09,445/- (comprising 94041889 equity shares of ₹5/- each) to ₹48,79,30,955/- (comprising 97586191 equity shares of ₹5/- each). The equity shares so allotted rank pari-passu with the existing equity shares of the Company.

Except as mentioned above, the Company has not issued any other shares or instruments convertible into equity shares of the Company or with differential voting rights nor has granted any sweat equity.

After the closure of financial year, the company has further allotted 67,08,851 equity shares of face value of ₹5/- each fully paid-up, at an issue price of ₹158/- per equity share (including premium of ₹153/- each), for an aggregate amount of ₹105,99,98,458/- pursuant to the conversion of 67,08,851 fully convertible warrants issued on Preferential Basis to the 'Promoter & Promoter Group' and 'Non-Promoter Category' via Board Resolution dated 12th May 2026. As a result of such allotment, the issued, subscribed and paid-up share capital increased from ₹48,79,30,955/- (comprising 97586191 equity shares of ₹5/- each) to ₹52,14,75,210/- (comprising 104295042 equity shares of ₹5/- each). The equity shares so allotted rank pari-passu with the existing equity shares of the Company.

PUBLIC DEPOSIT

During the year under review, your Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Act, read with the Companies (Acceptance of Deposit) Rules, 2014. There are no outstanding deposits at the end of the financial year 2025-26. Hence, the requirement for furnishing details relating to deposits covered under Chapter V of the Act and the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, investments, guarantees and securities provided by the Company during the year under review are given in the notes forming part of the Standalone Financial Statements of the Company as per section 186 of the Act.

ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Act, the Annual Return as on 31st March 2026 prepared in accordance with Section 92(3) of the Act will be made available on the Company's website and can be accessed at the following link: **https://www.esterindustries.com/annual-return/**.

SUBSIDIARY AND JOINT VENTURE

As on 31st March 2026, the Company has:

- One (1) unlisted wholly owned material subsidiary, namely Ester Filmtech Limited; and
- One (1) Joint Venture Company, namely Ester Loop Infinite Technologies Private Limited.

Mr. Abhay Anant Gupte, Independent Director of the Company, also serves as a Director on the Board of the material subsidiary, Ester Filmtech Limited.

There has been no material change in the nature of business of the material subsidiary during the year under review.

Your Company has formulated a Policy for determining Material Subsidiaries. The said policy is available on the Company's website and can be accessed at **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Policy-on-Material-Subsidiary.pdf**.

In compliance with Section 129(3) of the Act, read with applicable rules, a statement containing the salient features of the financial statements of the Company's subsidiary and joint venture is provided in the prescribed Form AOC-1, which forms part of the Consolidated Financial Statements.

Further, in accordance with Section 136 of the Act, the Audited Standalone and Consolidated Financial Statements, along with other related documents and the audited accounts of the subsidiary, are available on the Company's website at **https://www.esterindustries.com/financial-information/**.

EMPLOYEE STOCK OPTION SCHEMES ADOPTED BY THE COMPANY

The Company has implemented employee stock option schemes in compliance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time **("SEBI (SBEB and SE) Regulations")**, with the objective of attracting, retaining, and motivating employees by providing them an opportunity to share in the growth of the Company.

a. Ester Employee Stock Option Plan-2021 ("ESOP-2021")

ESOP–2021 was formulated by the Nomination and Remuneration Committee and approved by the Board of Directors at its meeting held on 25th February 2021. The scheme was subsequently approved by the Members by way of a Special Resolution passed at the Extra-Ordinary General Meeting held on 26th March 2021, in accordance with the SEBI (SBEB and SE) Regulations.

➢ **Grants during FY 2025–26**

During the financial year under review, no stock options were granted under ESOP–2021.

➢ **Cumulative Status as on 31st March 2026**:

As at 31st March 2026, an aggregate of 2,48,179 stock options had been granted under ESOP–2021 to eligible employees and an Executive Director, including 1,01,713 stock options granted to Mr. Pradeep Kumar Rustagi, Executive Director – Corporate Affairs.

Out of the aforesaid stock options, 87,880 stock options were exercised and 87,880 equity shares of face value of ₹5/- each were allotted to eligible grantee during FY 2024–25 in accordance with the terms of ESOP–2021 and applicable laws. Further, 58,586 stock options granted to an eligible employee lapsed upon cessation of his employment, as the said options had not vested as on the date of cessation.

Accordingly, after giving effect to the aforesaid exercises and lapses, 1,01,713 stock options remained outstanding as at 31st March 2026.

Each vested stock option entitles the eligible grantee to apply for one equity share of the Company at the applicable exercise price, subject to the terms and conditions of ESOP–2021.

➢ **Allotment during FY 2025–26**

During the financial year under review, no equity shares were allotted upon exercise of stock options under ESOP–2021.

b. Ester Employee Stock Option Plan-2024 ("ESOP-2024")

The **ESOP–2024** was introduced with a similar objective of providing competitive remuneration through equity-based incentives. The scheme was approved by the Board of Directors at its meeting held on 14th September 2024 subsequently approved by the Members by way of Postal Ballot on 16th October 2024, in accordance with the SEBI (SBEB and SE) Regulations.

- **Grant during FY 25-26**

  During the financial year under review, the Nomination and Remuneration Committee, by way of a resolution passed through circulation, granted 19,188 stock options to eligible employees under ESOP–2024.

- **Cumulative Status as on 31st March 2026**

  As at 31st March 2026, an aggregate of 1,62,930 stock options had been granted under ESOP–2024 to eligible employees and an Executive Director, including 27,437 stock options granted to Mr. Pradeep Kumar Rustagi, Executive Director – Corporate Affairs.

- **Allotment during FY 2025–26**

  During the financial year under review, no equity shares were allotted upon exercise of stock options under ESOP-2024.

The certificate from the Secretarial Auditors confirming that ESOP Schemes have been implemented in accordance with the SEBI (SBEB and SE) Regulations and Shareholder's resolutions will be available for inspection.

The Nomination and Remuneration Committee monitors the compliance of these Schemes. In terms of Regulation 14 of SEBI (SBEB and SE) Regulations , the disclosures for financial year 2025-26 with respect to all the ESOP Schemes are available on the Company's website and can be accessed at **https://www.esterindustries.com/esop/**.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

As on 31st March 2026, your Company's Board of Directors ("the Board"), consists of Six Directors comprising of two Executive Directors, one Non-Executive Non-Independent Director and three Independent Directors including one Woman Independent Director. The details of the Board and Committee composition, tenure of Directors and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

Appointment/Re-appointment/Re-designation/Cessation

The following changes took place in the Directorships during the financial year ended 31st March 2026, and post closure of financial year, till the date of this Report:

Appointment/Re-appointment

1. Mrs. Padmaja Shailen Ruparel (DIN: 01383513) was re-appointed as an Independent Director of the Company for a second term of 5 (Five) years, w.e.f. 1st April 2025.
2. Mr. Abhay Anant Gupte (DIN: 00389288) was appointed as an Independent Director of the Company for a first term of 5 (Five) years, w.e.f. 6th May 2025.

The aforesaid re-appointment and appointment were duly approved by the shareholders vide Special resolutions passed by way of Postal Ballot on 26th June 2025.

3. Mr. Arvind Singhania was re-appointed as Managing Director (designated as Chairman & Chief Executive Officer) of the Company for a further term of 3 (three) years effective from 1st April 2026.
4. Mr. Pradeep Kumar Rustagi was re-appointed as Whole Time Director (designated as Executive Director-Corporate Affairs) of the Company for a further term of 3 (three) years effective from 1st April 2026.

The aforesaid re-appointments were regularized and duly approved by the shareholders vide Special resolutions passed by way of Postal Ballot on 21st March 2026.

Re-designation

1. Mr. Arvind Singhania (DIN: 00934017) was re-designated from the position of Managing Director (designated as Chairman & Chief Executive Officer) to Non-Executive Non-Independent Director and Chairman of the Board, w.e.f. closing of business hours on 26th March 2026.

The aforesaid re-designation was duly approved by the shareholders vide ordinary resolution passed by Postal Ballot on 23rd May 2026.

Cessation

1. Mrs. Archana Singhania (DIN: 01096776), has resigned from the position of Non-Executive Non-Independent Director of the Company w.e.f. 30th April 2025.
2. Mr. Alok Dhir (DIN: 00034335), has resigned from the position of Non-Executive Independent Director of the Company w.e.f. 26th August 2025.

The Board of Directors place on record their deep appreciation for the wisdom, knowledge and guidance provided by the aforementioned Directors during their tenure.

Re-appointment of Director retiring by rotation

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of the Company, Mr. Ayush Vardhan Singhania (DIN: 05176205), Whole Time Director is liable to retire by rotation at the ensuing Annual General Meeting ("AGM") and being eligible, offers himself for re-appointment.

An appropriate resolution for his re-appointment is being placed for the approval of the Members of the Company at the ensuing AGM. The brief resume of the Director and other related information as stipulated under Secretarial Standard-2 and Regulation 36 of the Listing Regulations, is appended as an Annexure to the Notice of the ensuing AGM.

Declaration by Independent Directors

The Company has, inter alia, received the following declarations from all the Independent Directors confirming that:

- they meet the criteria of independence as prescribed under section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and there has been no change in the circumstances which may affect their status as Independent Directors of the Company;
- they have complied with the Code for Independent Directors prescribed under Schedule IV to the Act; and
- they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, all Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity required to discharge their duties with an objective independent judgment and without any external influence. Details of key skills, expertise and core competencies of the Board, including the Independent

Directors, are available in the Corporate Governance Report, which forms part of this Annual Report.

During the year under review, a separate meeting of the Independent Directors was held on 6th February 2026.

Key Managerial Personnel (KMP)

During the year under review, pursuant to the recommendation of Nomination and Remuneration Committee, Mr. Vaibhav Jha, who was serving as the Deputy Chief Executive Officer of the Company, was appointed as the Chief Executive Officer (designated as Key Managerial Personnel) of the Company w.e.f. 27th March 2026.

As on 31st March 2026, the following persons were the Key Managerial Personnel of the Company in terms of Sections 2(51) and 203 of the Act:

- Mr. Vaibhav Jha, Chief Executive Officer
- Mr. Pradeep Kumar Rustagi, Whole-Time Director (designated Executive Director-Corporate Affairs)
- Mr. Ayush Vardhan Singhania, Whole-time Director
- Mr. Sourabh Agarwal, Chief Financial Officer
- Ms. Poornima Gupta, Company Secretary

MEETINGS OF THE BOARD

The Board of Directors met 6 (Six) times during the year under review. The intervening gap between the meetings did not exceed 120 days, as prescribed under the Act and the Listing Regulations. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Annual Report.

COMMITTEES OF THE BOARD

As on 31st March 2026, the Board has constituted the following Statutory Committees pursuant to the applicable provisions of the Act and the Listing Regulations:

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

Details of all the Committees constituted by the Board, are given in the Corporate Governance Report, which forms part of this Annual Report.

PERFORMANCE EVALUATION

The Company has a Policy for performance evaluation of all the Directors, Chairperson of Board as a whole and Committees of the Board.

An annual evaluation was carried out of the performance of the Board, Board's committees, all the directors and Chairperson pursuant to the provisions of the Act as well as Listing Regulations.

The following evaluation process has been adopted by the Company–

1. Independent Directors at their separate meeting without the presence of Non-Independent Director, had reviewed the performance of the Chairperson, Non-Independent Directors and the Board. While evaluating the performance of the Chairperson, the views of Executive Directors and Non-Executive Directors were also taken into account.
2. Nomination and Remuneration Committee carried out the performance evaluation of all the Directors, Committees of the Board and the Board as a whole.
3. The Board had evaluated its own performance, performance of its Committees and each Director.

The process of performance evaluation was based on the criteria prescribed in the Policy on Performance Evaluation which is available on the Company's website at **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Performance-Evaluation-Policy.pdf**.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

Pursuant to the provisions of Section 139 of the Act read with rules made thereunder, M/s Walker Chandiok & Co. LLP, Chartered Accountants (FRN: 001076N/N500013), were appointed as the Statutory Auditors of the Company at the 36th Annual General Meeting (AGM) held on 28th September 2022, for a period of five (5) years to hold office till the conclusion of the 41st AGM of the Company, to be held in the year 2027.

Statutory Auditors have expressed their unmodified opinion on the Standalone and Consolidated Financial Statements and their reports do not contain any qualifications, reservations, adverse remarks or disclaimers. The notes to the financial statements referred in the Auditor's Report are self-explanatory.

Cost Auditors

During the year under review, the Board of Directors, based on the recommendation of the Audit Committee, re-appointed M/s. R. J. Goel & Co., Cost Accountants, as the Cost Auditors of the Company to audit the cost records for the financial year 2026-27.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹4,00,000/- (Rupees Four Lacs only), excluding applicable taxes and reimbursement of out-of-pocket expenses, as payable to the Cost Auditors for the financial year 2026-27, is required to be ratified by the members at the ensuing Annual General Meeting. Accordingly, a resolution for ratification of the said remuneration is being placed before the members for their approval at the ensuing AGM.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Dhananjay Shukla & Associates, Company Secretaries (ICSI Unique Code: P2025HR323300), were appointed as the Secretarial Auditors of the Company at the 39th Annual General Meeting (AGM) held on 26th September 2025, to hold office for a term of 5 (Five) consecutive years i.e. from financial year 2025-26 to financial year 2029-30.

The Secretarial Audit Report of the Company is appended as **Annexure I**. The observations made by the Secretarial Auditor in his report in Form MR-3, when read with the relevant notes and explanations provided by the management, are self-explanatory and do not require any further clarifications or comments from the Board.

Secretarial Audit of Material Unlisted Indian Subsidiary

As per the provisions of Regulation 24A of the Listing Regulations, Ester Filmtech Limited ("EFTL"), which is a material unlisted subsidiary of the Company, has appointed Mr. Akash Jain, Company Secretaries in Practice, to undertake the secretarial audit for FY 2025-26. The secretarial audit report confirms that the material subsidiary has complied with the provisions of the Act, rules, regulations and guidelines and that there were no deviations or non- compliances. The secretarial audit report of the material subsidiary is appended as **Annexure II**.

Reporting of frauds by Auditors

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported to the Audit Committee or to the Board, any instances of fraud committed in the Company by its officers or employees under Section 143(12) of the Act.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to provisions of Section 135 of the Act and rules made thereunder, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee and framed a CSR Policy. The details of the CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report. The CSR Policy is available on the Company's website at **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Corporate-Social-Responsibility-Policy.pdf**.

The Annual Report on CSR activities is appended as **Annexure-III** to the Board's Report. Further, the Executive Director - Corporate Affairs and Chief Financial Officer of the Company have certified that the amount spent on CSR for the financial year 2025-26 has been utilized for the purposes and in the manner approved by the Board.

CORPORATE GOVERNANCE

Your Company has been practicing the principles of good Corporate Governance over the years, and it is a continuous and ongoing process. A detailed Report on Corporate Governance practices followed by your Company in terms of the Listing Regulations, together with a Certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance are provided separately in this Annual Report.

Code of Conduct

In compliance with corporate governance requirements as per the Listing Regulations, your Company has formulated and implemented a Code of Conduct which is applicable to all Directors and Senior Management of the Company, who have affirmed the compliance thereto. A declaration to this effect duly signed by Mr. Vaibhav Jha, Chief Executive Officer is enclosed as a part of the Corporate Governance Report which forms part of this Annual Report.

The said Code of Conduct is available on the Company's website at **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Code-of-Conduct-new.pdf**.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis (MDA) Report for the year under review, as stipulated under the Listing Regulations, is presented in a separate section forming part of this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

In accordance with Regulation 34(2)(f) of the Listing Regulations, the BRSR is applicable to the top 1,000 listed entities based on market capitalisation.

Further, pursuant to Regulation 3(2A) read with Regulation 3(2B) of the Listing Regulations, the provisions applicable to a listed entity on the basis of market capitalisation continue to apply unless the listed entity remains outside the applicable threshold for three consecutive years, following which such provisions cease to apply in accordance with the prescribed sunset mechanism.

As the Company has remained outside the applicable threshold for three consecutive years, the requirement to prepare and include the BRSR under Regulation 34(2)(f) of the Listing Regulations is not applicable to the Company for the financial year under review.

INTERNAL FINANCIAL CONTROLS

Your Company maintains a comprehensive, well-documented Internal Financial Controls (IFC) framework. This framework extends across the Company and its wholly owned subsidiary, Ester Filmtech Limited.

Designed to ensure strict adherence to regulatory standards, internal policies, and operational ethics, these controls provide reasonable assurance on the following parameters:

- **Efficient Operations:** Ensuring transparent, streamlined, and value-driven business operations.
- **Asset Protection:** Safeguarding corporate assets against unauthorized use, loss, or disposition.
- **Risk Mitigation:** Preventing and promptly detecting fraud, errors, and financial misstatements.
- **Data Integrity:** Ensuring the accuracy, completeness, and reliability of accounting records.
- **Information Security:** Enforcing stringent IT and cybersecurity controls across all systems.
- **Financial Reporting:** Ensuring timely, fair, and reliable preparation of financial statements.

During the year under review, the Company proactively updated specific controls to align with changing market dynamics and operational requirements.

The Company follows accounting policies consistent with the Accounting Standards prescribed under the Companies (Accounting Standards) Rules, 2006, as applicable under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. These policies strictly align with Generally Accepted Accounting Principles (GAAP) in India. To maintain transparency, any modifications to accounting policies are independently reviewed and approved by the Audit Committee before implementation.

Independent Internal Auditors conduct regular audits to evaluate the strength and effectiveness of your Company's control ecosystem. The Internal Auditors report all significant findings directly to the Audit Committee. The Committee rigorously monitors the implementation of corrective actions, ensuring that business processes remain fully aligned with established corporate policies.

To minimize manual intervention and secure financial data, the Company leverages an advanced ERP platform (**SAP S/4 HANA 2021**). Integrating this platform into the IFC framework automates critical system checks, leading to high-integrity financial reporting.

Furthermore, a structured compliance mechanism is in place to track statutory requirements. Functional heads provide regular confirmations regarding compliance with laws relevant to their operations. These inputs are consolidated and presented to the Audit Committee & Board of Directors for rigorous oversight, safeguarding shareholder interests.

In accordance with applicable provisions of the Act, the Board confirms that the internal financial controls laid down by the Company are adequate and operated effectively throughout the year.

This internal assessment is further validated by the Company's Statutory Auditors. In their independent report, the Statutory Auditors have evaluated the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting, providing objective assurance to our stakeholders.

RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions with related parties, entered into during the financial year under review, were on an arm's length basis and in the ordinary course of business. All such contracts or arrangements, wherever required, have been approved by the Audit Committee and the Board.

During the year under review, your Company has not entered into any transaction with a related party which could be considered material in terms of Section 188 of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2, is not applicable.

The details of the related party transactions as required under IND AS 24 have been disclosed in Note no. 37 to the standalone financial statements forming part of this Annual Report.

The Policy on Related Party Transactions, is available on the Company's website at **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/RPT_Policy.pdf**.

POLICIES ADOPTED BY THE COMPANY

a) Vigil Mechanism/Whistle Blower Policy

The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has a Vigil Mechanism/Whistle Blower Policy with a view to provide a mechanism for employees of the Company to raise concerns of suspected frauds, instances for leakage or suspected leakage of Unpublished Price Sensitive Information, any violations of legal/regulatory requirements or code of conduct/policy of the Company, incorrect or misrepresentation of any financial statements and reports, etc. The policy aims to provide an avenue for employees and directors to raise concerns and reassure them that they will be protected from reprisals or victimization for whistle blowing in good faith. The practice of the Whistle Blower Policy is overseen by the Audit Committee of the Board and no employee has been denied access to the Committee.

The Whistle Blower Policy of the Company is also available on the Company's website at **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Whistle-Blower-Policy.pdf**.

b) Nomination and Remuneration Policy

Nomination and Remuneration Committee has framed a Nomination and Remuneration policy for determining criteria of selection and appointment of Directors, Key Managerial Personnel, Senior Management Personnel including determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of the Act and Listing Regulations. The salient aspects covered in the Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors and other matters have been outlined in the Corporate Governance Report which forms part of this Annual Report.

The Policy is available on the Company's website at **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Nomination-and-Remuneration-Policy.pdf**.

c) Risk Management Policy

The Company has a structured Risk Management Framework, designed to identify, assess and mitigate risks appropriately. The Board has constituted the Risk Management Committee (RMC) to frame, implement and monitor the risk mitigation plan and ensuring its effectiveness. The Audit Committee has an additional oversight in the area of financial risks and controls.

The constitution and the terms and reference of the RMC are given in the Report on Corporate Governance which forms part of this Annual report.

A detailed note on Risk Management System has been provided in the MDA Report, which forms part of this Annual Report.

The Risk Management Policy is available on the Company's website at **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/risk-management-policy.pdf**.

d) Prevention of Sexual Harassment (POSH) at workplace

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, the Company has laid down an Anti-Sexual Harassment Policy and has constituted Internal Complaints Committees (ICC), to consider and resolve the complaints related to sexual harassment. The ICC includes external member with relevant experience. The Company has zero tolerance on sexual harassment at the workplace. The ICC also work extensively on creating awareness on relevance of sexual harassment issues including while working remotely. The employees are required to undergo mandatory training on POSH to sensitize themselves and strengthen their awareness.

e) **Maternity Benefit Act, 1961**

The Company is in compliance with the applicable provisions relating to the Maternity Benefit Act, 1961.

OTHER DISCLOSURES

i) **Secretarial Standards**

During the year under review, your Company has complied with all the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

ii) **Change in Registered Office and Nature of Business**

There was no change in the Registered Office and nature of business of the Company during the year under review.

iii) **Material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statement relates and the date of this Report except as stated above in this Report.

iv) **Disclosure under section 197(12) and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure-IV** to the Board's Report.

Other information on compensation of employees as required under section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. However, in terms of Section 136 of the Act, the Annual Report is being sent to the shareholders and others entitled thereto, excluding the said annexure which is available for inspection by the shareholders at the registered office of the Company during business hours on working days upto the date of ensuing Annual General Meeting. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary at **investor@ester.in**.

v) **Significant and material orders passed by the Regulators or Courts**

There are no significant and material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status of the Company and its future operations.

vi) Details of unclaimed dividends and equity shares transferred to the Investor Education and Protection Fund authority are available in the Corporate Governance Report, which forms part of this Annual Report.

vii) Neither the Chairman nor the Whole-Time Directors was in receipt of any remuneration or commission from any holding/ subsidiary company of your Company for the financial year 2025-26.

viii) No application has been made and no proceedings are pending under the Insolvency and Bankruptcy Code, 2016 and there is no instance of one-time settlement with any Bank or Financial Institution.

ix) The requirement to disclose the details of difference between the amount of valuation done at the time of a one-time settlement and the valuation done while taking loan from banks or financial institutions, along with the reasons thereof, is not applicable for the year under review.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as prescribed under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is appended as **Annexure–V** to the Board's Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) read with Section 134(5) of the Act [including any statutory modification(s) or re-enactment(s) for the time being in force], the Directors of your Company, to the best of their knowledge and ability, state that:-

1. in the preparation of annual financial statements for the financial year ended 31st March 2026, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;

2. they have selected appropriate accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent, so as to give a true and fair view of the state of the affairs of the Company at the end of the financial year and of the Profit and Loss of the Company for that period;

3. proper and sufficient care has been taken 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;

4. the annual financial statements of the Company for the financial year ended on 31st March 2026 have been prepared on a going concern basis;

5. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

6. proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the co-operation and assistance received from various departments of the Central & State Government, Banks and Non-banking finance companies. Your Directors also express their gratitude and thanks to Customers, Suppliers and other Business Associates for their continued co-operation and patronage.

Your Directors also wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the workmen, staff and executives of the Company at all levels to ensure that your Company continues to grow and excel. Your Directors also thank the shareholders for their continued support.

For and on behalf of the Board

Sd/-
Arvind Singhania
Chairman
(DIN: 00934017)

Place: New Delhi
Date: 11th August 2026

ANNEXURE-I

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
(For the financial year ended on 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,
Ester Industries Limited
(CIN: L24111UR1985PLC015063)
Regd. Office: Sohan Nagar, P.O. Charubeta,
Khatima - 262308, Distt. Udham Singh Nagar
Uttarakhand, India

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ester Industries Limited** (hereinafter called "the Company"). The 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 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 31st March 2026 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the Rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. The 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 Borrowing;

v. 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**;**

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(No event took place under this Regulation during Audit period)**;

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(No event took place under this Regulation during Audit period)**; and

   h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **(No event took place under this Regulation during Audit period).**

vi. The company has been carrying on the business of manufacturing of Polyester Chips, BOPET Films, Specialty Polymers and rPET and its Manufacturing Plant is located at Sohan Nagar, P.O-Charubeta, Khatima-262308, Distt.: Udham Singh Nagar, Uttarakhand and also at Sitarganj, Distt.: Udham Singh Nagar, Uttarakhand. As informed and confirmed by the management of the company, following are the laws specifically applicable to the company: -

   a. The Indian Boiler Act, 1923 and regulations made thereunder;

   b. The Legal Metrology Act, 2009 and rules made thereunder;

   c. The Petroleum Act, 1934 and rules & regulations made thereunder.

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

I. Secretarial Standards issued by The Institute of Company Secretaries of India on Board Meetings (SS-1) and General Meetings (SS-2);

II. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Listing Agreements as entered by the company with the Stock Exchanges.

III. Applicable provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, with respect to maintenance and compliance of Structural Digital Database (SDD).

During the period under audit, the Company has generally complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above to the extent applicable.

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 Women Directors except reported hereunder: -

The second term of Mr. Sandeep Dinodia as Non-Executive Independent Director of the Company concluded on 31st March 2025. The Company appointed Mr. Abhay Anant Gupte as Non-Executive Independent Director, effective 6th May 2025. For the period of contravention from 1st April to 5th May 2025 pursuant to Regulation 17(1)(b) of the SEBI (LODR) Regulations, 2015, with respect to the minimum number of Independent Directors, the BSE and NSE had levied a penalty of ₹1,77,000.00 each and the company has paid the same to both stock exchanges within the permitted timelines of 15 days.

Further, during the period under review, there were following changes made in the composition of the Board / Key Managerial Personnel and were carried out in compliance with the applicable provisions of the Act, the rules made thereunder and the Listing Regulations.

- Mrs. Padmaja Shailen Ruparel was re-appointed, as an Independent Director of the Company by Board in its meeting held on 28th March 2025, for a second term of 5 (Five) years, w.e.f. 1st April 2025 and her re-appointment was subsequently approved by the Members on 26th June 2025 as a Non-Executive, Independent Director.

- Ms. Archana Singhania resigned from the position of Non-Executive Director of the Company with effect from 30th April 2025.

- Mr. Abhay Anant Gupte was appointed, as abovesaid, as an Additional Director in the capacity of Non-Executive, Independent Director of the Board by way of a Resolution passed by circulation on 6th May 2025 and his appointment was subsequently approved by the Members on 26th June 2025 as a Non-Executive, Independent Director.

- Mr. Alok Dhir resigned from the position of Independent Director of the Company with effect from 26th August 2025.

- The tenure of Mr. Arvind Singhania as Managing Director (designated as Chairman & CEO) of the Company concluded on 31st March 2026. Prior to the expiry of his tenure, his reappointment was recommended by the Nomination and Remuneration Committee and approved by the Board of Directors at its meeting held on 6th February, 2026 and was subsequently approved by the Members on 21st March 2026.

  Further, pursuant to the approval of the Board of Directors at its meeting held on 26th March 2026, Mr. Arvind Singhania was re-designated from Managing Director (designated as Chairman & Chief Executive Officer) to Non-Executive Non-Independent Director and Chairman of the Board, with effect from the close of business hours on 26th March 2026. The aforesaid re-designation was subsequently approved by the Members on 23rd May 2026.

- Similarly, the tenure of Mr. Pradeep Kumar Rustagi as Whole time Director (designated as Executive Director- Corporate Affairs) of the Company concluded on 31st March, 2026. Prior to the expiry of his tenure, his reappointment was recommended by the Nomination and Remuneration Committee and approved by the Board of Directors at its meeting held on 6th February, 2026 and was subsequently approved by the Members on 21st March, 2026.

- Further, Mr. Vaibhav Jha who was earlier appointed as Deputy Chief Executive Officer, and was already designated as a Key Managerial Personnel (KMP) in accordance with the applicable provisions of the Act, was subsequently appointed as the Chief Executive Officer of the Company with effect from 27th March 2026. Accordingly, his appointment as Chief Executive Officer constituted a change in his designation, with his status as KMP continuing thereafter.

  Adequate notice is given to all Directors to schedule the Board Meetings and committee meetings. Agenda and detailed notes on agenda were sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meetings.

  All decisions at Board Meetings and Committee Meetings are carried out unanimously as per the minutes, as duly recorded and signed by the Chairman of the meeting of the Board of Directors or committees of the Board, therefore no dissenting views were required to be recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company and also on the basis of the compliance software installed and maintained by the company and the quarterly compliance reports placed by the Company Secretary before the Board of Directors at their meeting(s), in our opinion, the adequate systems, processes and control mechanism exist in the Company to monitor and ensure compliances with applicable General Laws like Labour Laws and Environmental Laws and all other applicable laws, rules, regulations and guidelines etc.

We further report that, during the audit period the Company has not undertaken any activity having a major bearing on the Company's Affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. except given hereunder: -

1. The company made an allotment of 35,44,302 Equity Shares pursuant to the conversion of 35,44,302 fully convertible warrants issued on preferential basis to the persons belonging to "Promoter & Promoter Group' and 'Non-Promoter" category.
2. The Company, through Postal Ballot held on 21st March 2026, passed Ordinary Resolutions pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), approving the following Material Related Party Transactions for the financial year 2026-27:
   a. transactions with Ester Loop Infinite Technologies Private Limited for an aggregate value of up to ₹1,463 Crores;
   b. transactions with Wilemina Finance Corporation for an aggregate value of up to ₹380 Crores; and
   c. transactions with Mr. Arvind Singhania for an aggregate value of up to ₹380 Crores, up to 31st March 2027.

We further report that, during the audit period the Company has undertaken the following important decision/actions in pursuance of the above referred laws, rules, regulations, guidelines, etc.: -

1. The Board at its meeting held on 21st May 2025 approved an additional investment of ₹50 crores (in addition to the earlier approved investment of ₹450 crores at its Meeting held on 22nd May 2024) in its Wholly Owned Subsidiary viz. Ester Filmtech Limited, pursuant to the provisions of the Companies Act 2013.
2. The Board of Directors, at its meeting held on 12th September 2025, approved the incorporation of a wholly owned subsidiary in the United States of America. Pursuant to the said approval, the Company can make an Overseas Direct Investment (ODI) of USD 1,500,000 by way of equity contribution.

We further report that during the audit period there has been no instance of -

1. Public/Right issue of Shares/debentures/sweat equity.
2. Redemption/Buyback of Securities.
3. There were no major decisions taken by members in pursuance of Section 180 of the Companies Act, 2013.
4. Merger/Amalgamation/Reconstruction etc.
5. Foreign Technical Collaborations.

For Dhananjay Shukla & Associates
Company Secretaries

Sd/-
Dhananjay Shukla
Managing Partner
FCS-5886, CP No.8271
Peer Review No.2057/2022
UDIN: F005886H001077649

Place: Gurugram
Date: 11th August 2026

This report is to be read with our letter of even date which is annexed as 'Annexure –A' and forms integral part of this report.

Enclosure: Annexure-A

'Annexure-A'

To,
The Members,
Ester Industries Limited
(CIN: L24111UR1985PLC015063)
Regd. Office: Sohan Nagar, P.O. Charubeta,
Khatima - 262308, Distt. Udham Singh Nagar
Uttarakhand, India

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record 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 and other relevant records as maintained by the Company. Further, the verification was done on test basis to ensure that correct facts are reflected in secretarial records and other relevant records. We believe that the processes and practices we followed and the audit evidences we have obtained are sufficient and appropriate to 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. We have not examined the compliance by the company with applicable financial laws like Direct tax and Indirect Tax Laws, since the same has been subject to review by the Statutory Financial Auditor or by other designated professionals.
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 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 efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Dhananjay Shukla & Associates
Company Secretaries

Sd/-
Dhananjay Shukla
Managing Partner
FCS-5886, CP No. 8271
Peer Review No.2057/2022
UDIN: F005886H001077649

Place: Gurugram
Date: 11th August 2026

ANNEXURE II

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
(For the Financial Year ended on 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
Ester Filmtech Limited
CIN: U36900HR2020PLC08774l
Plot No 11, Block-A, lnfocity-1, Sector - 34, Gurgaon
Haryana 122001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to corporate practices by **Ester Filmtech Limited ("the Company")** for the audit period covering the financial year ended on **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 the verification of the 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 ended on Financial year ended **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** in accordance with the provisions of:

i. The Companies Act, 2013 **(the Act)** and the Rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; ***(Not applicable to the Company during the audit period)***

iii. The Depositories *Act,* 1996 and the Regulations and Bye-laws framed thereunder;

iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of External Commercial Borrowing;

v. The following Acts, Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBl Act'):

- **a)** The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; ***(Not applicable to the Company during the audit period)***
- **b)** The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; ***(applicable as an unlisted material subsidiary of a listed entity).***
- **c)** The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; ***(Not applicable to the Company during the audit period)***
- **d)** The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021; ***(Not applicable to the Company during the audit period)***
- **e)** The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; *(Not applicable to the Company during the audit period)*
- **f)** The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; ***(Not applicable to the Company during the audit period)***
- **g)** The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ***(Not applicable to the Company during the audit period)***
- **h)** The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; ***(Not applicable to the Company during the audit period)***
- **i)** The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; ***(Not applicable to the Company during the audit period)***
- **j)** The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, *2015;* ***(applicable as an unlisted material subsidiary of a listed entity).***

vi. as informed and confirmed by the management of the company, following are the laws specifically applicable to the company:

a) The Legal Metrology Act, 2009 and rules made thereunder;

b) The Petroleum Act, 1934 and rules & regulations made thereunder;

c) The Indian Boiler Act, 1923 and rules framed thereunder.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India i.e. SS-1 on Board Meeting and SS-2 on General Meeting.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above.

We have not examined compliance by the company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by the statutory auditors and other designated professionals.

During the period under review, we have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of the information and according to explanations given to us, we believe that the compliance management system of the Company is adequate to ensure compliance of laws, rules, regulations and guidelines etc. specifically applicable to the Company.

We further report that:

The Board of Directors of the Company is duly constituted, and its composition is in compliance with the applicable provisions of the Companies Act, 2013. Changes took place in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meetings.

All decisions at Board Meetings are carried out unanimously as per the minutes, as duly recorded and signed by the Chairman of the meeting of the Board of Directors. Accordingly, there were no dissenting views required to be recorded in the minutes.

We further report that there are adequate systems and processes 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, the Company had not undertaken any activity having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. except the following:

a) The Board of Directors vide board meetings had allotted equity shares having face value of ₹10 each at par as per the provisions of the Companies Act, 2013:

Date of Allotment	No. of Equity Shares	Face Value per share	Nominal Value (₹)
07.07.2025	1,50,00,000	10	15,00,00,000
12.12.2025	1,00,00,000	10	10,00,00,000
24.12.2025	50,00,000	10	5,00,00,000

For Akash Jain
Company Secretaries

Sd/-
Akash Jain
FCS: 9617 CP: 9432
PR: 6945/2025
ICSI UDIN: F009617H000958444

Place: Agra
Date: 28th July 2026

This report is to be read with our letter of even date which is annexed as 'Annexure -A' and forms integral part of this report.

Enclosure: Annexure-A

'Annexure-A'

To,
The Members
Ester Filmtech Limited
CIN: U36900HR2020PLC087741
Plot No 11, Block-A, Infocity-L, Sector - 34, Gurgaon
Haryana 122001

Our report of even date is to be read along with this letter:

a) Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

b) We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records and other relevant records as maintained by the company. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records and other relevant records. We believe that the processes and practices we followed and the audit evidences we have obtained are sufficient and appropriate to provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. We have not examined the compliance by the company with applicable financial laws like Direct tax and Indirect Tax Laws, since the same has been subject to review by the Statutory Financial Auditor or by other designated professionals. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

d) The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

e) 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 Akash Jain
Company Secretaries

Sd/-
Akash Jain
FCS: 9617 CP: 9432
PR: 6945/2025
ICSI UDIN: F009617H000958444

Place: Agra
Date: 28th July 2026

ANNEXURE-III

ANNUAL REPORT ON CSR

[*Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014*]

1. Brief outline on CSR Policy of the of the Company:

Ester Corporate Social Responsibility (CSR) Policy outlines continuing commitment by the business to contribute towards economic, environmental and social development (a Triple Bottom Line approach) in the vicinity of our facilities/ operations with a view to improving the quality of life and fostering sustainable development of the communities as well as our workforce and their families.

Ester intends to pursue its CSR program in a structured manner, making this an integral part of the business to minimize risks and build reputation and competitive advantage, whilst pursuing initiatives covering the following platforms- community, environment, work place & market place.

Through this structured approach, Ester intends to enhance involvement of employees in progressing its CSR program, whilst addressing the needs of various stakeholders.

2. Composition of the CSR Committee:

Sr. No.	Name of Director	Designation/ Nature of Directorship	No. of Meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Arvind Singhania	Non-Executive Director -Chairman	3	3
2	Mr. Atul Aggarwal	Independent Director- Member	3	3
3	Mr. Ayush Vardhan Singhania	Whole Time Director-Member	3	3

- *Upon completion of the second consecutive term of Mr. Sandeep Dinodia as an Independent Director at the close of business hours on 31st March 2025, the CSR Committee was re-constituted w.e.f. 1st April 2025 by re-designating Mr. Arvind Singhania as Chairman of the Committee.*
- *Subsequently, the Committee was further re-constituted w.e.f. 6th May 2025 by appointing Mr. Atul Aggarwal as a Member of the CSR Committee in place of Mr. Alok Dhir.*

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

a. Composition of CSR Committee: **https://www.esterindustries.com/committees-of-the-board/**

b. CSR Policy and CSR Projects: **https://www.esterindustries.com/corporate-social-responsibility/**

4. 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.

Sr. No.	Particulars	Amount (in ₹)
a)	Average net profit of the company as per sub-section (5) of section 135.	19,93,07,666.68
b)	Two percent of average net profit of the company as per section 135(5).	39,86,153.33
c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	-
d)	Amount required to be set off for the financial year, if any	3,48,083.82
e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	36,38,069.51

6.

Sr. No.	Particulars	Amount (in ₹)
a)	Amount spent on CSR Projects- including actual spent (₹29,62,917/-) and amount transferred to unspent CSR account for ongoing projects (₹11,22,812/-) (both Ongoing Project and other than Ongoing Project)	40,85,729
b)	Amount spent in administrative overheads	-
c)	Amount spent on Impact Assessment, if applicable	-
d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	40,85,729

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 sub-section (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
29,62,917	11,22,812	24th April 2026	-		

f) **Excess amount for set off, if any:**

Sr. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	36,38,069.51*
(ii)	Total amount spent for the Financial Year	40,85,729**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	4,47,659.49
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)+(iv)]	4,47,659.49

**It Includes the effect of the set-off of excess CSR expenditure amounting to ₹3,48,083.82/- carried forward from the previous financial year.*

***It includes ₹11,22,812/- which has been transferred to Unspent CSR account pertaining to ongoing projects as per section 135(6)*

7. **Details of Unspent CSR amount for the preceding three financial years**:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (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 sub-section (5) of section 135, if any			Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Name of the Fund	Amount (in ₹)	Date of transfer		
1	2024-25	29,15,360	29,15,360	26,26,550	-	-	-	-*	-
2	2023-24	2,19,71,250	98,01,633	46,96,123	Prime Minister National Relief Fund (PMNRF)	7,77,865	23rd September 2024	51,05,510	-
3	2022-23	1,93,28,213	63,42,352	63,42,352	N.A.			-	-

**An amount of ₹29,15,360 was transferred to the Unspent CSR Account under Section 135(6) of the Companies Act, 2013, in respect of an ongoing CSR project pertaining to FY 2024-25. During the financial year, an amount of ₹26,26,550 was spent towards the said ongoing project. After completion of the approved project period of two years on 31st March 2026, the balance unspent amount of ₹2,88,810 was transferred to the Prime Minister's National Relief Fund (PMNRF) on 28th April 2026 in accordance with the provisions of Section 135(6) of the Companies Act, 2013. Accordingly, no amount remained to be spent in succeeding financial years.*

8. **Whether any capital assets have been created or acquired through CSR amount spent in the financial year:** Yes

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

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, If applicable	**Name**	**Registered Address**
1.	Water Coolers with RO	262308	20-03-2026	89,680	NA	Police Station Khatima	Sitarganj Road Khatima Dist. Udham Singh Nagar (Uttrakhand)
2	Water Coolers with RO	262308	20-03-2026	89,680	NA	ESI Hospital Khatima	Old BSNL Building Khatima-Distt. Udham Singh Nagar (Uttrakhand)
3	Solar Street Lights with 7 Meter poles	262308	25-03-2026	1,22,693	NA	Village Charubeta-Khatima	Village Charubeta-Khatima Dist. Udham Singh Nagar (Uttrakhand)
4	Tin Shed on the School Ground	262308	17-03-2026	3,48,100	NA	Nosegay Public School, Khatima	Village Charubeta-Khatima Dist. Udham Singh Nagar (Uttrakhand)

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable

For and on behalf of the Board

Sd/-
Arvind Singhania
Chairman
Chairman-CSR Committee

Sd/-
Ayush Vardhan Singhania
Whole Time Director
Member-CSR Committee

Place: New Delhi
Date: 11th August 2026

ANNEXURE – IV

Details of Remuneration under section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year ended 31st March 2026:

i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year along with percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary.

Sr. No.	Name of Director/KMP	Ratio of remuneration of each Director to median remuneration of employees	% increase in Remuneration in the Financial Year 2025-26
Non- Executive Non-Independent Director			
1	Mr. Arvind Singhania*	68:1	30% *
Executive Directors			
2	Mr. Pradeep Kumar Rustagi	29:1	22%
3	Mr. Ayush Vardhan Singhania	22:1	No Change
Non-Executive Independent Directors			
4	Mrs. Padmaja Shailen Ruparel	NA	NA
5	Mr. Atul Aggarwal	NA	NA
6	Mr. Alok Dhir**	NA	NA
7	Mr. Abhay Anant Gupte	NA	NA
Key Managerial Personnel			
8	Sourabh Agarwal	21:1	28%
9	Poornima Gupta	4:1	20%
10	Vaibhav Jha***	32:1	Not Comparable***

** The percentage increase in remuneration of Mr. Arvind Singhania is primarily attributable to the one-time impact of gratuity paid in accordance with the definition of "wages" under the Code on Social Security, 2020. Mr. Singhania was paid remuneration as Managing Director (designated as Chairman & Chief Executive Officer) up to the close of business hours on 26th March 2026. With effect from closing of business hours of 26th March 2026, he was re-designated as Non-Executive Non-Independent Director and Chairman of the Board. Accordingly, the remuneration and percentage increase disclosed above relate to the period during which he served as Managing Director.*

*** Mr. Alok Dhir ceased to be a Non-Executive Independent Director of the Company with effect from the close of business hours of 26th August 2025.*

****Mr. Vaibhav Jha was appointed during the previous year. Since the details are only for a part of the year, the same are not comparable.*

***Note**: The Company has not paid any remuneration to its Non-Executive Directors except sitting fees for attending Board and Committees meetings and details of sitting fee paid to Non-Executive Director have been given in Corporate Governance Report which forms part of this Annual Report.*

ii) The percentage Increase in the median remuneration of employees in the financial year – 10%

iii) The number of permanent employees on the rolls of company – 446 employees

iv) Average percentage increases already made in the remuneration of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration.

Category	Average Increase
Employees' remuneration (other than Directors)	9%
Managerial remuneration (Directors)	3%

There are various factors to ensure fair remuneration to the employee and managerial personnel including industry trend, individual and company performance, profitability of the Company, existing remuneration, increase given in past etc.

v) It is hereby affirmed that the remuneration is as per the remuneration policy of the company.

For and on behalf of the Board

Sd/-
Arvind Singhania
Chairman
(DIN: 00934017)

Place: New Delhi
Date: 11th August 2026

ANNEXURE – V

Details as per Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

i) Steps taken or impact on conservation of energy - Energy Conservation Initiatives taken:

- In Metallizer-2, existing low-efficiency Process Cooling pump was replaced with new energy-efficient Grundfos pump equipped with IE5 motor and Variable Speed Drive (VSD), resulting in annualized savings of 64,860 kWh (₹5.51 Lacs).
- In Film Line-1, existing 55 kW centrifugal AHU blower was replaced with 31 kW energy efficient EC axial fan, resulting in annualized savings of 56,232 kWh (₹4.78 Lacs).
- Replaced three 37 kW Cooling Water Pumps with three energy efficient 30 kW Cooling Water Pumps, resulting in annualised savings of 2,97,360 kWh (₹25.27 Lacs).
- Replaced three 55 kW Chilled Water Pumps (Retrofit) with three energy-efficient 45 kW Chilled Water Pumps, resulting in annualised savings of 2,51,244 kWh (₹21.36 Lacs).
- Replaced the existing 440 TR VAM-3 chiller with a new energy-efficient unit, reducing steam consumption from 4.19 kg/TR to 3.60 kg/TR, resulting in annualized savings of 1,883 MT of Steam (₹33.90 Lacs).

ii) Steps taken for utilizing alternate sources of energy:

As detailed below, since Company is already meeting significant portion of its requirement of energy through alternate sources, it has not taken any additional step during the FY 2025-26 for utilizing alternate sources of energy:

- Power Requirement - Mostly met through Hydroelectric power supplied by UPCL.
- Steam Requirement - Mostly met through a Bio-Mass (Rice Husk) fueled Steam Boiler.
- Heating Requirement - Mostly met through a Bio-mass (Rice Husk) fueled Thermic Fluid Heater.
- Out of the total spend of ₹10,039.73 Lacs on Power & Fuel during the FY 2025-26, only ₹683.43 Lacs is on fossil fuels - Coal, HSD, Furnace Oil & LSHS.

iii) The capital investment on energy conservation during FY 2025-26:

During the year under review, the Company has incurred capital investment of about ₹50.39 Lacs on energy conservation equipment.

B. TECHNOLOGY ABSORPTION

i) Efforts made towards technology absorption

- Installed Plant & Machinery to produce Master Batch for Film Plants having a capacity of ~2400 MT per annum.
- To improve reliability of operations, 33kV MOCB Type HT panel was replaced with a VCB Type HT panel.
- To improve operational reliability of Film Plant # 2, replaced DC drives with AC drives.
- To improve operational reliability of Metallizer # 1, Motors and Drives were upgraded.

ii) Benefits derived like product improvement, cost reduction, product development or import substitution.

Development of new products, improved productivity & quality, operational efficiency and cost reduction.

iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) - Not Applicable

iv) Research and Development –

Amount (₹ in Lacs)

Particulars	2025-26
Sales revenue from products manufactured during R & D	4,152.54
Expenditure incurred on R & D for production of aforesaid products	1,272.44
Net Revenue earned from R & D activities	**2,880.10**

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows are as follows:

Amount (₹ in Lacs)

Sr. No.	Particulars	2025-26	2024-25
1	Earnings – FOB Value of Exports	34,095.85	37,384.30
2	Outgo – CIF Value of Imports	11,842.82	8,322.50

For and on behalf of the Board

Sd/-
Arvind Singhania
Chairman
(DIN: 00934017)

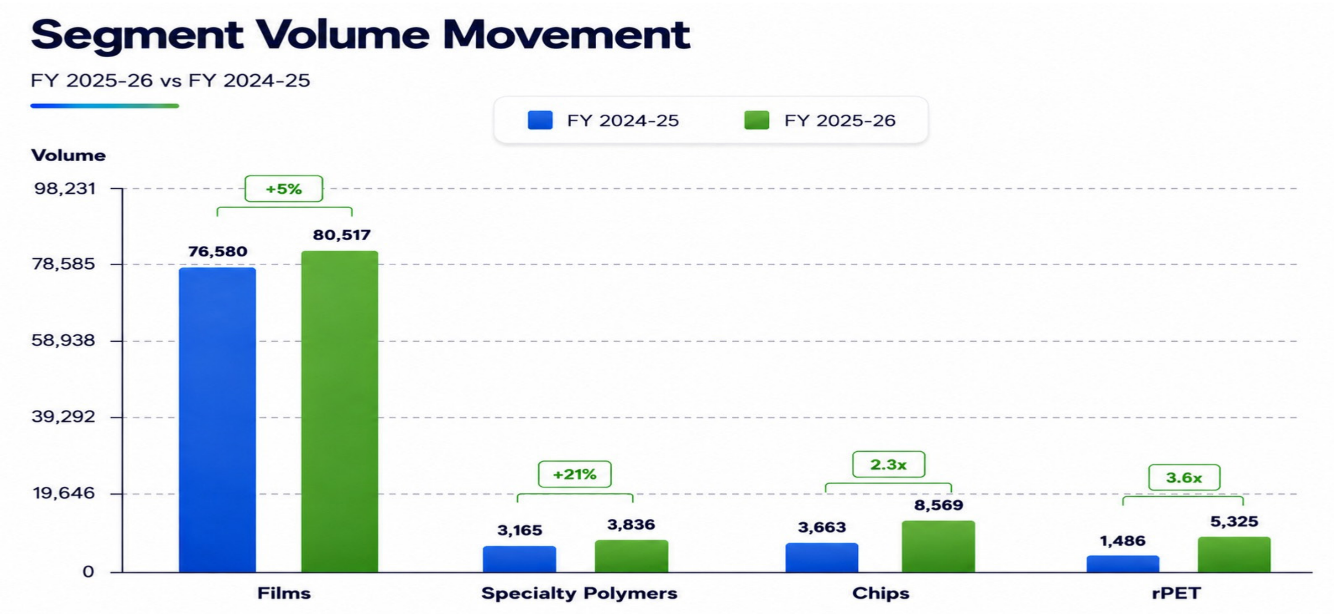
Place: New Delhi
Date: 11th August 2026

MANAGEMENT DISCUSSION & ANALYSIS

Financial Year 2025-26 reflected a mixed operating environment. The Company's performance was supported by growth in specialty polymer, specialty films and recycled PET (rPET), even as commodity film margins remained under pressure.

Polyester Films operated through a weak global BOPET cycle, with oversupply and pricing pressure affecting margins. Additionally high US tariffs and dumping of cheap Chinese imports for most part of the year adversely affected industry economics in India. Specialty Polymer delivered strong profitability, while rPET revenue scaled sharply.

Management focused on protecting core film volumes, improving the value-added product mix, maintaining cost discipline, and supporting growth in specialty products and recycling. These priorities are reflected in the business performance and outlook discussed below.



Executive Snapshot

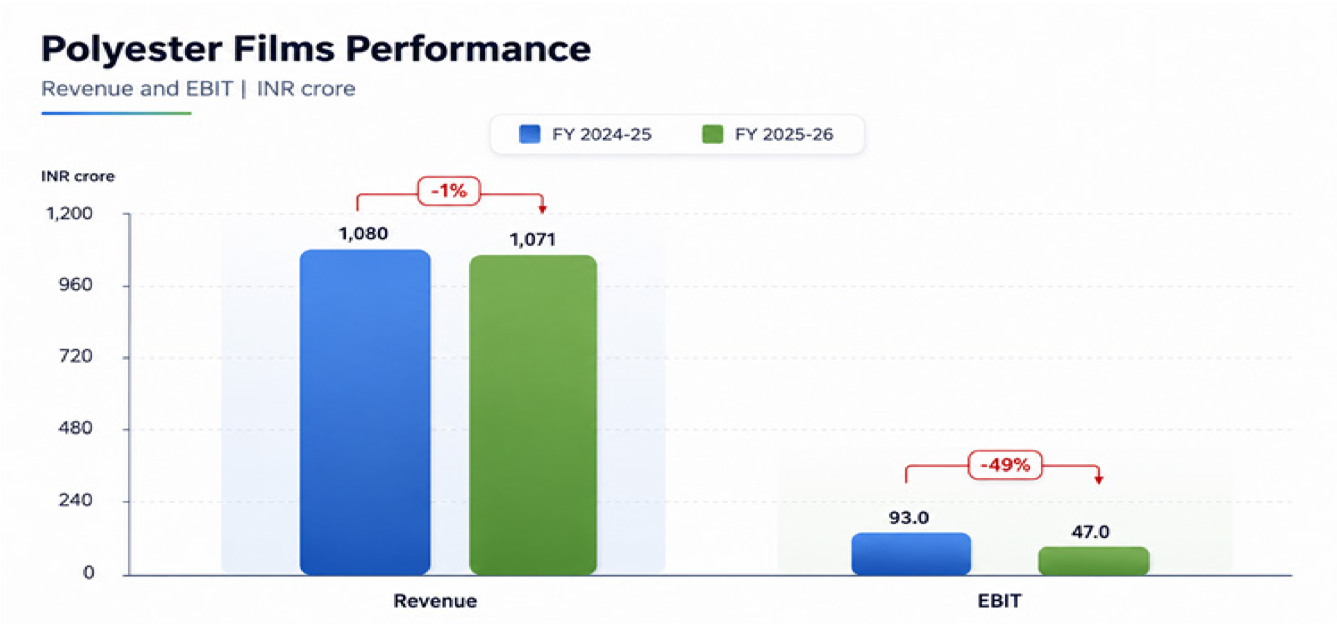
Area	FY 2025-26 position	Management focus
Polyester Films	Revenue increased 6.1% to ₹1,196 crores in FY 2025-26 from ₹1,127 crores in FY 2024-25, while EBIT declined to ₹47.0 crores in FY 2025-26 from ₹93.0 crores in FY 2024-25 due to soft global BOPET markets and also because of noncash MTM losses on foreign currency loans to the tune of ₹37.4 crores in FY 2025-26	Improve VAS mix, reprice export markets and prepare for recovery as industry utilisation improves.
Specialty Polymers	Revenue grew about 16% to ₹179.3 crores in FY 2025-26 from ₹155.2 crores in FY 2024-25 and EBIT increased to ₹58.7 crores in FY 2025-26 from ₹57.1 crores in FY 2024-25	Scale high margin specialty products and value-added products to improve profitability and operating leverage, deepen technical service-led customer engagement and expand domestic and global partnership to deliver growth
rPET	Revenue increased to ₹59.3 crores (FY 25-26) from ₹17.7 crores. (FY 24-25) Volume increased to 5,325 MT from 1,486 MT (FY 25-26 vs FY 24-25), a 3.6x increase	Scale up Hyderabad operations, deepen brand approvals for recycled-content packaging demand

A. BUSINESS PERFORMANCE

I. Polyester Films

Polyester Films revenue increased 6.1% to ₹1,196 crores (FY 25-26) from ₹1,127 crores in FY 2024-25.

1. Films EBIT for FY 2025-26 stood at ₹47.0 crores against ₹93.0 crores in FY 2024-25, a decline of approximately 49% that was driven almost entirely by the industry-wide margin pressure rather than by any deterioration in volumes or operating performance. Volume increased to 80,517 MT in FY 2025 - 2026 from 76,580 MT in FY 2024-25.
2. With the Plastic Waste Management Rules mandating recycled content in flexible plastic packaging, Category II flexible packaging is expected to carry a 10% recycled-content requirement for FY 2025-26 and FY 2026-27, rising to 20% from FY 2027-28. Demand for value added PCR BOPET film has been on the rise, and compliance enforcement by the government is expected to tighten progressively. The Company is fully equipped with technology and certifications in place to supply BOPET films across varied PCR content levels and is well positioned to capture this growing demand.
3. During the year, the Company scaled its PCR films to an monthly run rate of 200 MT, up from an average of around 20 MT in the previous year.



Operational Measures

1. The organization focused on cost-saving initiatives driving production efficiency optimization and procurement cost savings. These resulted in significant and sustainable cost savings.
2. The export book was proactively redirected through FY 2025-26 to absorb the impact of changes in US tariffs.
3. Production lines continued to be progressively repositioned toward value-added specifications. New VAS grades developed and ramped through the year included Seal Peel, Ultra High Heat Seal, Silicone Release Liner, Black Film and a flame-retardant (FR) grade.

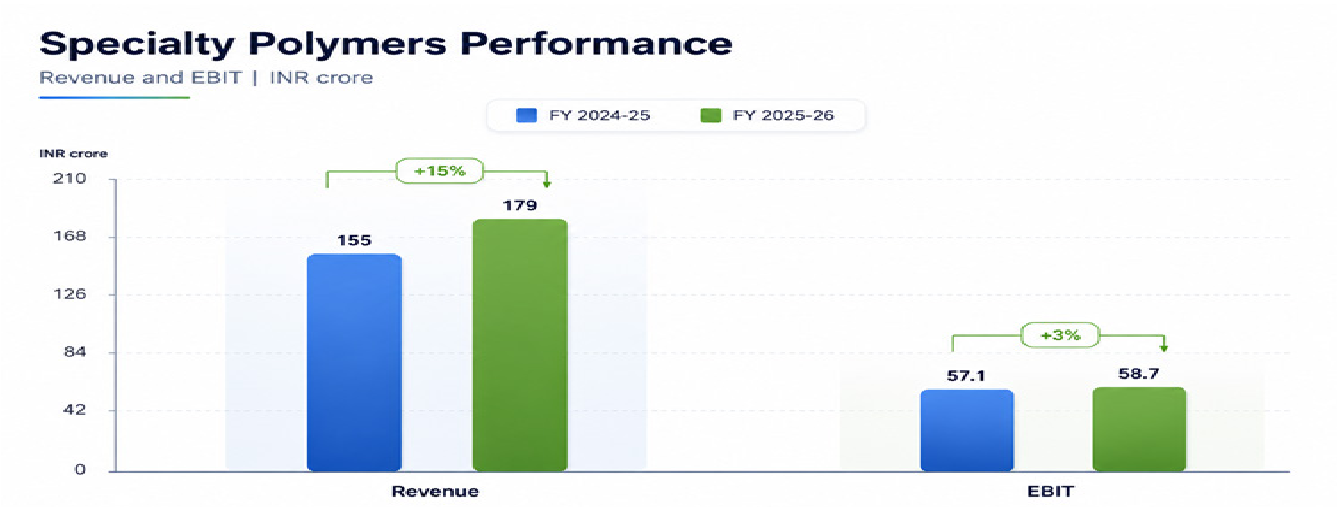
Product Pipeline and Innovation Excellence

1. A robust value added and specialty product pipeline is in place across both export and domestic markets.
2. The Company is engaged with multiple brands in exports and domestic markets to accelerate adoption of value added sustainable, recycled-content packaging.
3. Value-added product volumes increased to 19,779 MT in FY 2025-26 from 17,481 MT in FY 2024-25, an increase of 13% year on year despite loss of US market.

II. Specialty Polymer

Specialty Polymer delivered strong performance across both topline and profitability metrics, supported by patented products and application-led customer engagement.

Specialty Polymer remained the strongest profit contributor. Revenue increased by approximately 16% to ₹179.3 crores in FY 2025-26 from ₹155.2 crores in FY 2024-25. EBIT increased to ₹58.7 crores in FY 2025-26 from ₹57.1 crores in FY 2024-25, with EBIT margin at 32.7% in FY 2025-26.



The focus for Specialty Polymer is to scale high margin specialty products while also focusing on increasing value-added products to improve capacity utilization and operating leverage.

Overall the volume increased from 3165 MT in FY 2024-25 to 3836 MT in FY 2025-26 a growth of 21% Y-O-Y.

The high-margin specialty grades continued to scale, with volumes increasing to 3,121 MT in FY 2025-26 from 2,808 MT in FY 2024-25, a growth of 11% year on year

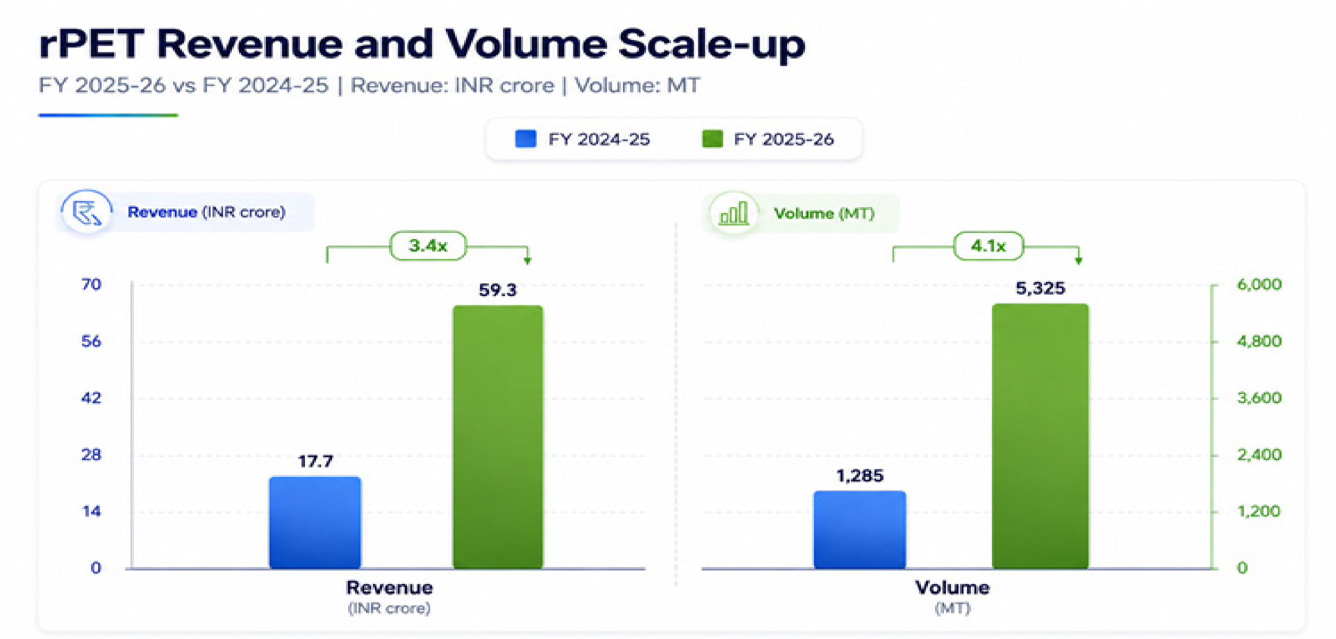
Value-added product volumes increased to 715 MT in FY 2025-26 from 357 MT in FY 2024-25 almost a 2x jump.

International Partnerships: Selected international partnerships are being pursued to improve market penetration in export markets.

III. Recycled PET

The new Hyderabad rPET line became operational during the year and is currently focused on volume ramp-up, complementing the Sitarganj recycling operations. Built at a capex of ₹50 crores with an annual capacity of approximately 20,000 MT the line uses state-of-the-art European recycling technology.

The Sitarganj line delivered consistent throughput and cost efficiency through operational and capital-expenditure initiatives.



rPET supports the Company's sustainability-linked packaging offering. It also strengthens the Company's ability to serve customer seeking circular packaging solutions across films and polymer.

The Company has established itself as a preferred supplier of bottle grade rPET chips to leading consumer brands in India. This rigid packaging offering complements the flexible packaging offering that Ester has been providing to these brands for year.

IV. Conclusion

The Company enter Financial Year 2026-27 with a materially more diversified earnings base. The Films business sustained stable revenue through the soft global markets and geopolitical turbulence.

Specialty Polymer continued to grow its premium-margin portfolio while scaling value added products, and rPET revenue and volumes increased sharply.

The VAS films portfolio saw a significant jump despite tariff induced market loss in USA. The robust portfolio of new VAS products in films and specialty polymer are in place to further increase the growth of high margin products.

Together with the supply-side recovery now building within the BOPET cycle, these developments position the business for improved returns in the year ahead.

B. BOPET FILMS: MARKET OUTLOOK

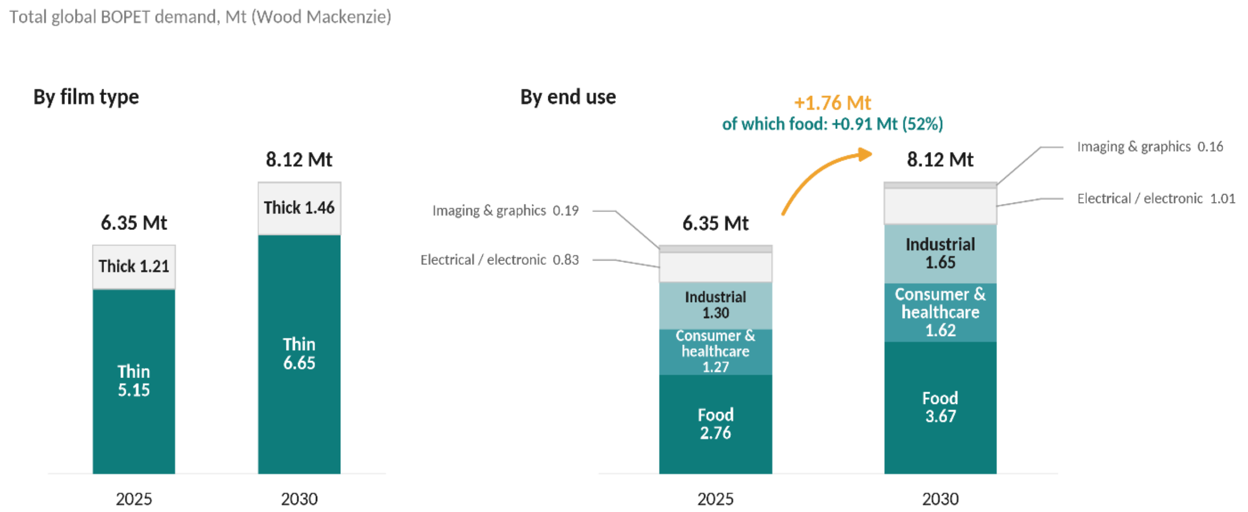
Forward-Looking Statement

This market outlook is based on current industry estimates and publicly available information. Actual outcomes may differ because of changes in demand, capacity additions, raw-material economics, trade policy, freight and geopolitical conditions.

1. **Demand Growth remains resilient**

Global BOPET demand is forecasted to grow from 6.35 million tonnes in 2025 to 8.12 million tonnes in 2030, an addition of 1.76 million tonnes at 5.0% annually (Wood Mackenzie). The addition concentrates in thin film by film type, in food packaging by end use, and in Asia by region, and Ester operates at the intersection of all three.

<u>Breakup by film type and end use:</u>



1.1 **By film type: thin film takes 86% of the growth**

The market splits into thin film (below 50 microns) and thick film. Thin film grows from 5.15 to 6.65 million tonnes, at 5.3% a year. Thick films grow at 3.9%.

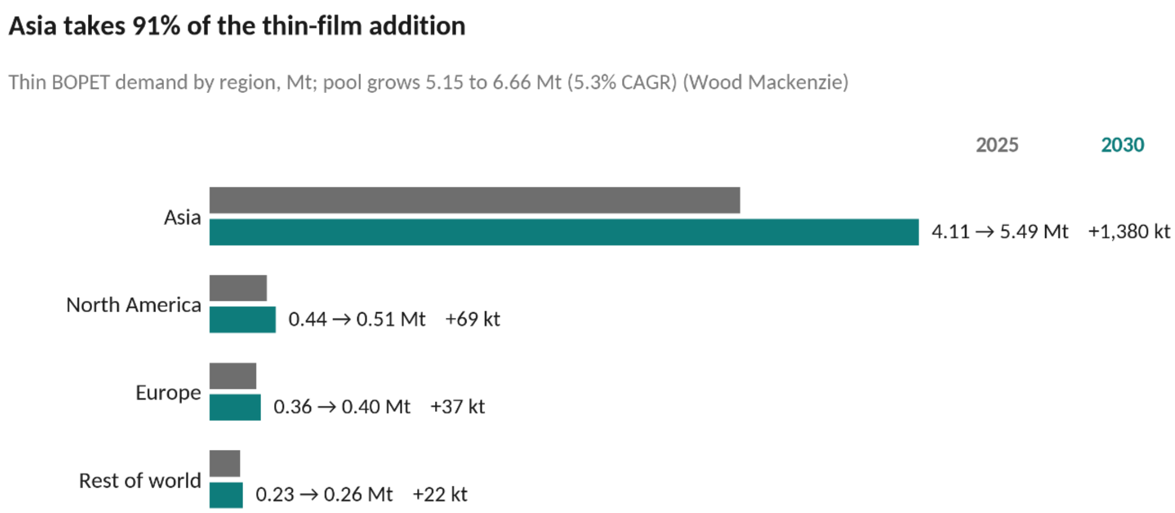
Thin film is 81% of the market today and accounts for 1,509 kt of the total global demand addition of 1,764 kt between 2025 and 2030, or 86% of the growth.

1.2 **By end use: food packaging takes 52% of the growth**

Food packaging is the largest of the pie, at 2.76 million tonnes in 2025. It is also the fastest growing, at 5.9% a year. It adds 912 kt by 2030, or 52% of the total market addition of 1,764 kt.

Food is a recurring-consumption pool. Its needs for barrier, sealing and shelf life keep rising. The value of film therefore comes less from tonnage and more from the work the film does inside the laminate.

2. **Geography: Where Thin-Film Demand Grows**



Asia grows from 4.11 to 5.49 million tonnes, contributing 1,380 kt of the 1,509 kt pool addition, or 91%; North America, Europe and other regions together add the remaining 129 kt. Within Asia, India leads all regions at 8–10% a year, driven majorly by FMCG expansion (Wood Mackenzie, Internal Estimates).

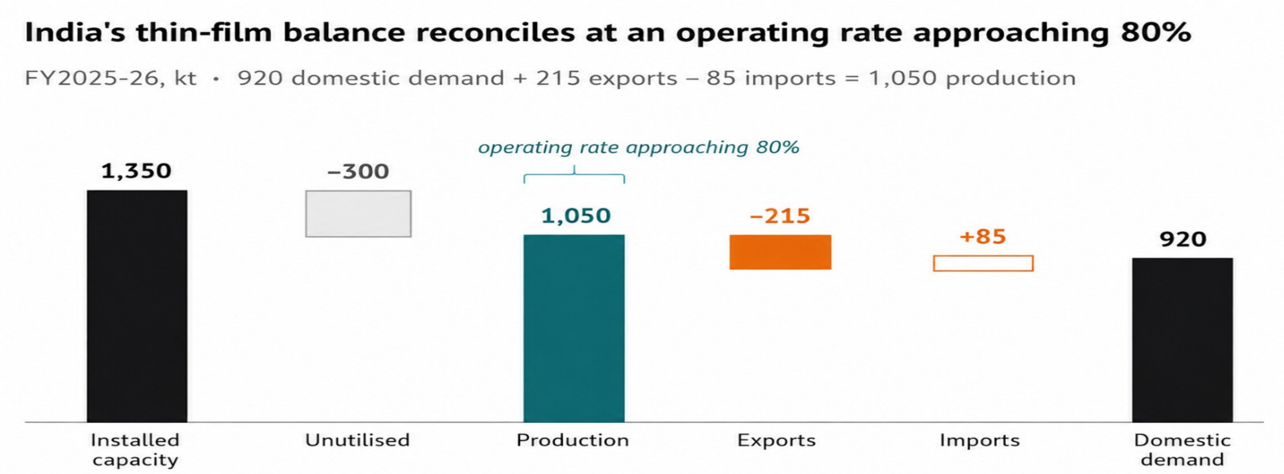
Overall Asia's growth is driven by rising packaged-food penetration, higher household consumption and manufacturing scale – and because a large share of both demand and capacity is concentrated in the region, Asian operating rates and export flows set standard-film pricing. North America and Europe, by contrast, grow slowly in tonnage but reward different attributes: differentiation, food-contact compliance, overall delivered cost, traceability and security of supply carry greater weight in the buying decision, and competition there is won through application approval and service.

3. India: The Fastest Growing Market is also the best absorbed

3.1 The film balance: capacity is well absorbed

India's thin-film BOPET balance for Financial Year 2025–26 reconciles in one line. Domestic demand of 920 kt, plus exports of 215 kt, less imports of 85 kt, equals production of 1,050 kt. Installed capacity is about 1,350 kt. Production against capacity gives an operating rate approaching 80%.

The global thin-film industry runs at an implied rate of about 52% (Wood Mackenzie). India runs far tighter. A high operating rate does not by itself assure margins; those also depend on regional pricing, trade flows and product mix. It does show that Indian capacity is being absorbed, by domestic consumption and by exports.



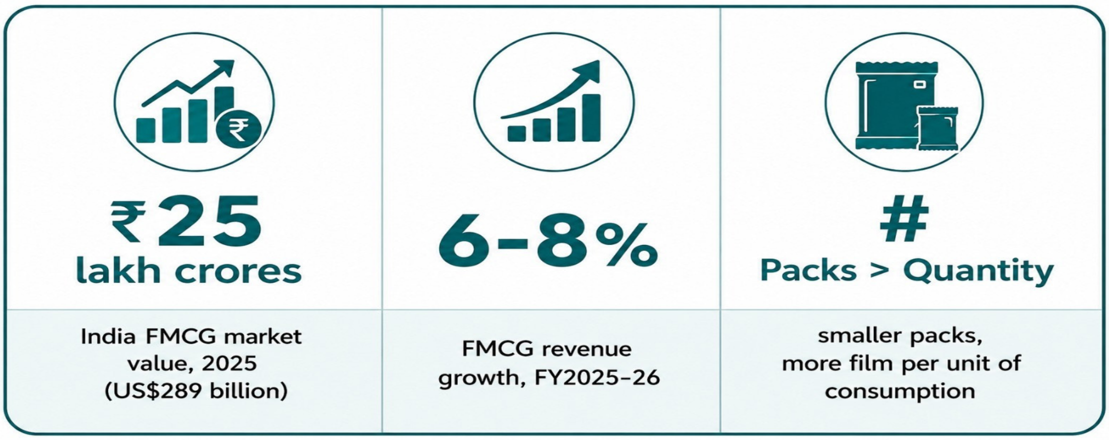
3.2 The demand pull: a large FMCG market shifting to smaller packs

India's FMCG market reached approximately ₹25 lakh crores (US$289 billion) in 2025, with revenue growth estimated at 6 to 8% for FY 2025–26 (IBEF). Underlying volumes grew 5 to 6 % through 2025. (NielsenIQ, India FMCG Quarterly Snapshot). The market is large, growing, and inflating; the question for film is which part of that growth converts into demand.

Three structural shifts convert this growth into film demand. All three point the same way.

- **Smaller packs:** unit growth ran ahead of volume growth in every reported quarter of 2025 (Nielsen IQ). This indicates consumer shift to smaller pack sizes. More packs means more film.
- **Rural leadership:** rural markets have outpaced urban for the past 2 year. Rural demand runs on affordable price points, served by sachets and small formats.
- **Channel shift:** e-commerce holds only 11 to 13% of FMCG value in the metros, although small in size but disproportionately important for growth. Because online assortments are far wider than in-store ranges, e-commerce multiplies SKUs and pack formats; more formats mean more film.

The reading for film demand is direct. Film follows packs, not rupees. Each of the three shifts raises the number of packs, the packaging surface area and the converting runs required for a given quantity of consumption. The film intensity of Indian FMCG is therefore rising.

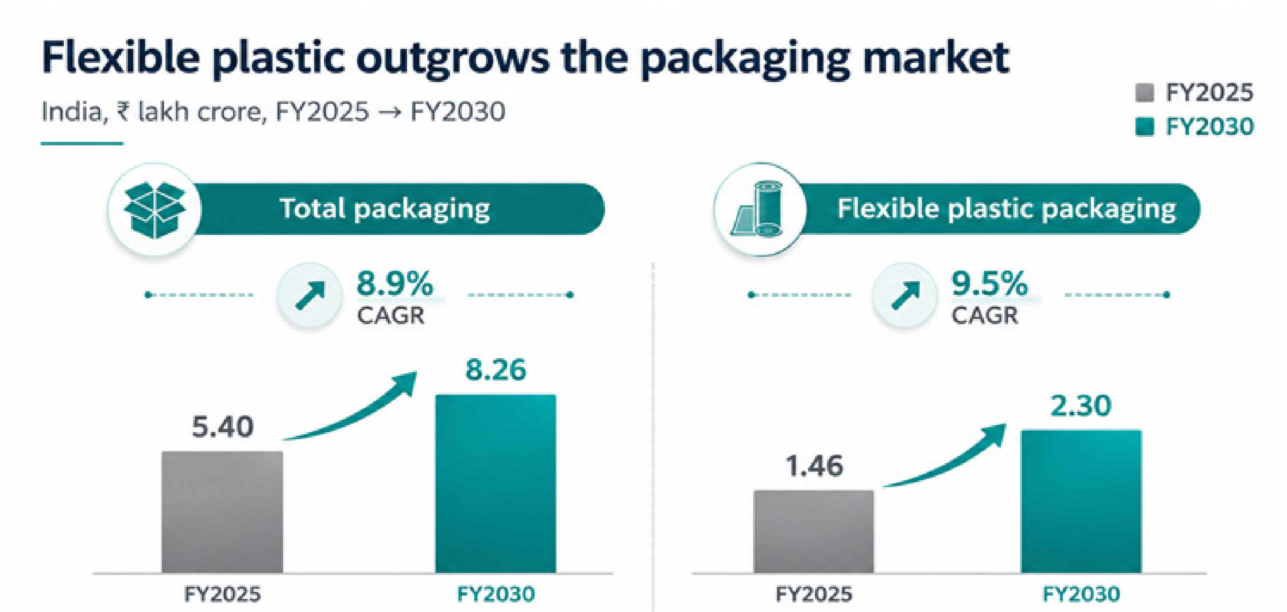


3.3 **The runway: FMCG growth supports packaging demand**

India's FMCG market is growing, creating demand for more packaging. This is reflected in the wider packaging market, which is expected to increase from ₹5.40 lakh crores in FY2025 to ₹8.26 lakh crores by FY 2030, growing at 8.9% a year.

Within this market, flexible plastic packaging is growing even faster. Its value is expected to rise from ₹1.46 lakh crores to ₹2.30 lakh crores over the same period, representing annual growth of 9.5% (Avendus Capital). This adds about ₹0.84 lakh crores in five year—an increase of nearly 60%.

The runway also has structural depth. Per-capita plastic packaging consumption in India is approximately 16 kg (vs 70-100 Kg in developed markets) indicating an early stage of the consumption cycle with considerable headroom (Avendus Capital).



This makes the direction of the market very clear: FMCG is growing, the packaging market is expanding and flexible formats are gaining share. Together with the shift towards smaller packs this creates a positive demand environment for packaging film and supports the absorption of new Indian capacity.

4. **Global Supply: Utilization rises as capacity additions slow**

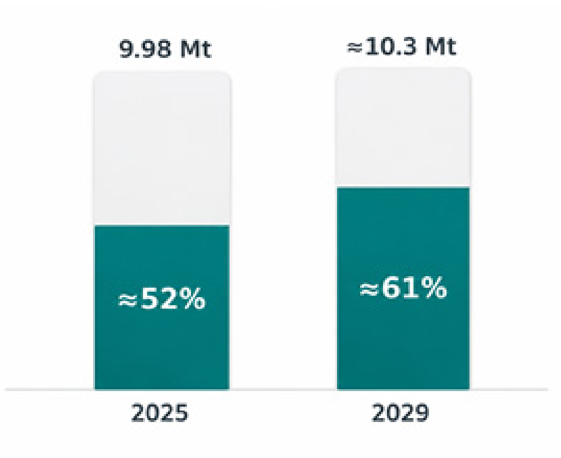
4.1 **Global film supply**

Global nameplate capacity for thin BOPET film was approximately 9.98 million tonnes in 2025, compared with demand of 5.15 million tonnes. This implies industry utilisation of about 52% (Wood Mackenzie).

Capacity additions slow from here. Thin-film capacity is expected to reach only about 10.3 million tonnes by 2030, while demand continues to grow. As a result, utilisation rises above 60% by the end of the decade.

The industry therefore has enough capacity to meet medium-term demand, and a broad shortage of standard film is unlikely. However, slower capacity additions should gradually reduce spare capacity and improve the balance between supply and demand. This will support better pricing and margins.

Nameplate capacity and it's utilization %



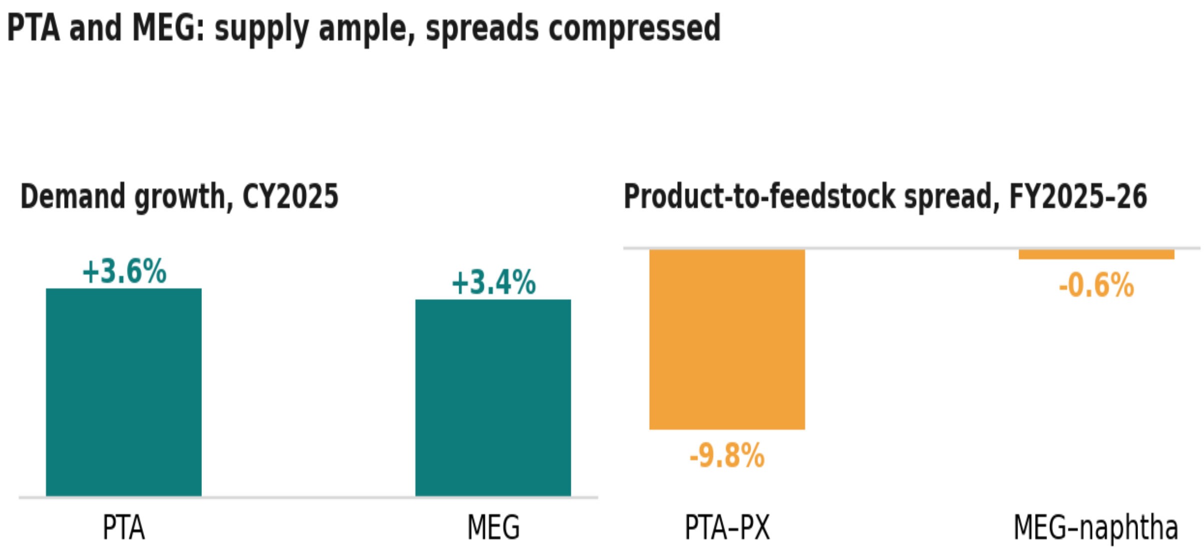
With China accounting for about 59% and India about 14% of global thin BOPET capacity, Asian operating discipline and export behaviour remain central to the cycle for commodity film margins .

4.2 Feedstock supply: PTA and MEG availability supports film growth

PET resin, the primary raw material for BOPET films, is derived from PTA and MEG, both of which are linked to global crude-oil prices as well as their own supply-demand dynamics. Resin cost remains the single largest component of film production cost; on most occasions, the industry has been able to pass through fluctuations in PET resin costs to customer.

PTA demand grew 3.6% and MEG demand 3.4% in FY2025-26, while capacity additions grew faster still — and the clearest evidence of that oversupply lies in producer economics. The product-to-feedstock spread, a directional measure of what an intermediate producer earns over its principal feedstock, narrowed by 9.8% for PTA–paraxylene and by 0.6% for MEG–naphtha during FY2025–26 (Wood Mackenzie; annual disclosures of a leading integrated oil-to-chemicals producer). For the film industry, compressed upstream spreads carry two messages:

- Feedstock is a buyer' market: availability is secure and resin pricing competitive through the outlook period.
- The compression sits upstream of film — weak intermediate margins should not be read across into film economics, where returns are determined by operating rates, trade flows and product mix.



For BOPET, feedstock availability is not the base-case constraint. The margin implications differ by product tier:

- **Standard films:** margins are shaped more by industry demand-supply balance than by raw-material swings; film prices generally adjust to reflect movements in resin costs and the value addition the market will bear.
- **Specialty and downstream-coated products:** silicone-coated, extrusion-coated and holography films carry higher and more stable margins, as customer pay for performance, qualification and application reliability rather than commodity conversion alone.

5. Specialty Films: Growth shifts from capacity to capability

Specialty-film markets reward innovation, application development and technical expertise. Ester has strong R&D capabilities, supported by its experience in coating, metallising, holography and functional-film development. These capabilities allow the company to develop films for specific customer applications rather than compete only on capacity and price.

Specialty BOPET films include barrier and metallised films, sealable films, coated and holographic films, release liners, electronic films and recycled-content structures. These products perform functions that standard films cannot.

Transparent-barrier and metallised films are growing at 6.4% and 7.5% annually, compared with 5.3% for thin BOPET. Demand is also rising for coated films, release liners, electronic films and PCR structures (Wood Mackenzie; Grand View Research).

The table below shows how competition changes across these segments. Moving down the table, growth increases, effective supply narrows and competition shifts from capacity to capability.

Film Segment	Growth or demand signal	What limits effective supply
Standard transparent	5.3% thin BOPET	Many lines can produce it; competition is based mainly on cost and scale
Metallised / high barrier	6.4–7.5% broader pools	Requires consistent barrier performance, adhesion and process control
Coated / sealable / functional surface	Converter-approval led	Must perform consistently on customer packaging and converting lines
PCR / circular structures	Regulation-led adoption	Resin variability, traceability, certification and compliance requirements

The next phase of the BOPET industry will be shaped by how quickly new capacity is absorbed and how responsibly producers manage operating rates, product mix and regional trade flows. Demand conditions remain constructive, particularly in Asia and India, but sustainable improvement in industry profitability will also depend on operating discipline, freight economics and the quality of FMCG growth—especially changes in pack count, pack sizes and distribution channels. Within this broader market environment, Ester's strategy is to increase its focus on specialty and value-added films, where technical capability, application development and customer approvals can provide greater differentiation from standard products. These industry and company-specific factors together will determine the pace and quality of improvement over the coming year.

C. SPECIALTY POLYMERS OUTLOOK

Segment Positioning

Specialty Polymers is anchored by an IP-protected portfolio of marquee products and a deep R&D pipeline. The product and customer base is now far more diversified across geographies. High-specialty products are being scaled alongside value-added products (VAP). VAP builds operating leverage on existing assets and de-risks the segment from dependence on few products and customers. The franchise operates across four end-use domains: BOPET film resins, consumer electronics, carpets and technical textiles.

1. BOPET Films

The growth of value-added specialty films is creating demand for specialty resins and masterbatches. Lidding, barrier, metallised, coated, PCR-compatible and recycle-ready films require better sealability, clarity, heat resistance, barrier performance and processing stability.

These requirements are often built into the resin or masterbatch stage. This creates an opportunity for specialty resin solutions linked to the BOPET film value chain. The detailed market outlook for specialty films has been covered in the Films section. For Specialty Polymers, the key point is that growth in value-added films supports demand for specialty resin solutions

2. Consumer Electronics

Demand for compact, connected and heat-sensitive electronic devices is rising across consumer electronics, AI-enabled equipment, 5G infrastructure, connectors and wearables. As devices become smaller and more power-dense, standard plastics are increasingly inadequate for applications that need heat resistance, flame retardancy, dimensional stability and long-term reliability.

This is increasing the need for engineering polymers such as PBT and allied polyester co-polymers. The global consumer electronics market is projected to grow at around 6% CAGR, while India's consumer electronics market is expected to grow at around 6.8% CAGR, supported by digital adoption, rising disposable incomes, localisation of electronics manufacturing and growth in connected devices [Source: Grand View Research].

Ester's Specialty Polymers portfolio includes PBT and allied co-polymers. These materials are positioned for applications where thermal stability, flame safety and reliability are critical. As electronics manufacturing grows and device designs become more demanding, the need for such engineering polyester grades is expected to increase.

3. Carpets

Demand for durable, stain-resistant and sustainable flooring is rising. Nylon continues to be used in premium residential and commercial carpets because of its durability. Polyester is also gaining relevance because of its dyeability, stain resistance and cost advantage.

The global carpet and rug market, valued at approximately USD 60 billion in 2025, is projected to reach USD 114 billion by 2033, growing at a CAGR of around 7.1% (2026–33) [Source: Grand View Research]. Nylon remains the largest fibre segment, accounting for over 41% of market revenue, while polyester is the fastest-growing material.

Ester supplies polyester raw materials for use in nylon-based and polyester based commercial carpets, enabling hybrid constructions that combine durability with sustainability. Ester's customizable polymers offer multiple benefit: regulatory compliance and performance enhancement for both backing and fiber systems.

4. **Technical Textiles**

Demand for functional textiles is rising across industrial fabrics, protective textiles and non-wovens. These applications need tenacity, flame safety, barrier properties, dyeability and durability. Polyester remains an important platform because it is scalable, cost-effective and adaptable.

India's technical textiles market has grown at approximately 8–10% annually in recent years and, at around USD 25 billion, is among the five largest globally. The global technical textiles market, estimated at approximately USD 206 billion in 2024, is projected to reach USD 272 billion by 2030, representing a CAGR of around 4.8% during 2025–30.

The sector is also supported by government initiatives such as the National Technical Textiles Mission and the Production Linked Incentive Scheme for Textiles, which has an outlay of ₹10,683 crores and covers man-made fibre apparel, fabrics and technical textiles. Guided by the Government's "5F" vision—Farm to Fibre to Factory to Fashion to Foreign—India's overall textile and apparel sector, estimated at nearly USD 190 billion in FY2025–26, is targeted to reach USD 350 billion by 2030. This broader expansion, together with the shift towards higher-performance applications, is expected to support demand for specialty polymers that build functionality into fibres and textile materials and enable consistent performance in demanding applications.

[Sources: Ministry of Textiles; Grand View Research]

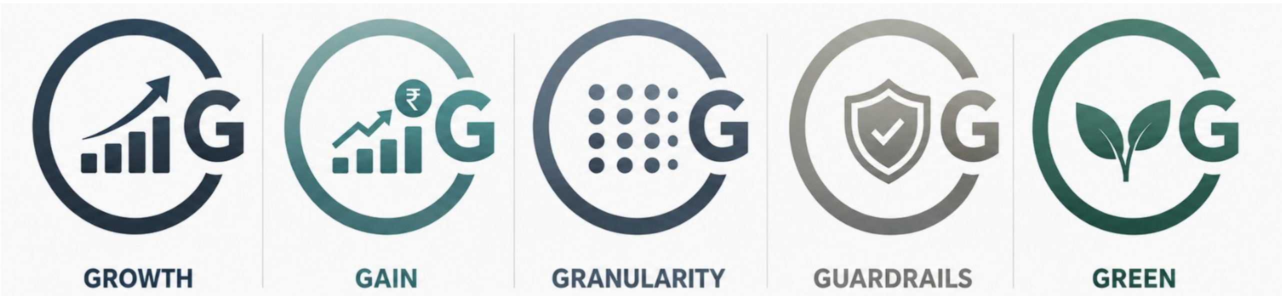
Outlook

Four structural forces underpin a multi-year demand runway across all domains: Premiumisation, the carpet growth and textile functionalisation. The Company will scale both high-specialty and value-added products, recognising their longer gestation. This is consistent with its ambition of becoming a diversified, IP-led specialty producer.

D. STRATEGY AND EXECUTION PRIORITIES

Strategy and Execution Priorities: The 5G Model

The Company's strategic framework is built around the **5G Model:**



This framework aligns Ester's long-term ambition with its key execution priorities across value-added products, Specialty Polymers, innovation, cost discipline, manufacturing reliability, people, digital transformation and sustainability.

The priority is to improve margins and business resilience through a higher share of specialty products, better Specialty Polymer utilisation, tighter cost control, stronger manufacturing reliability, faster product commercialisation and a deeper circular-economy offering.

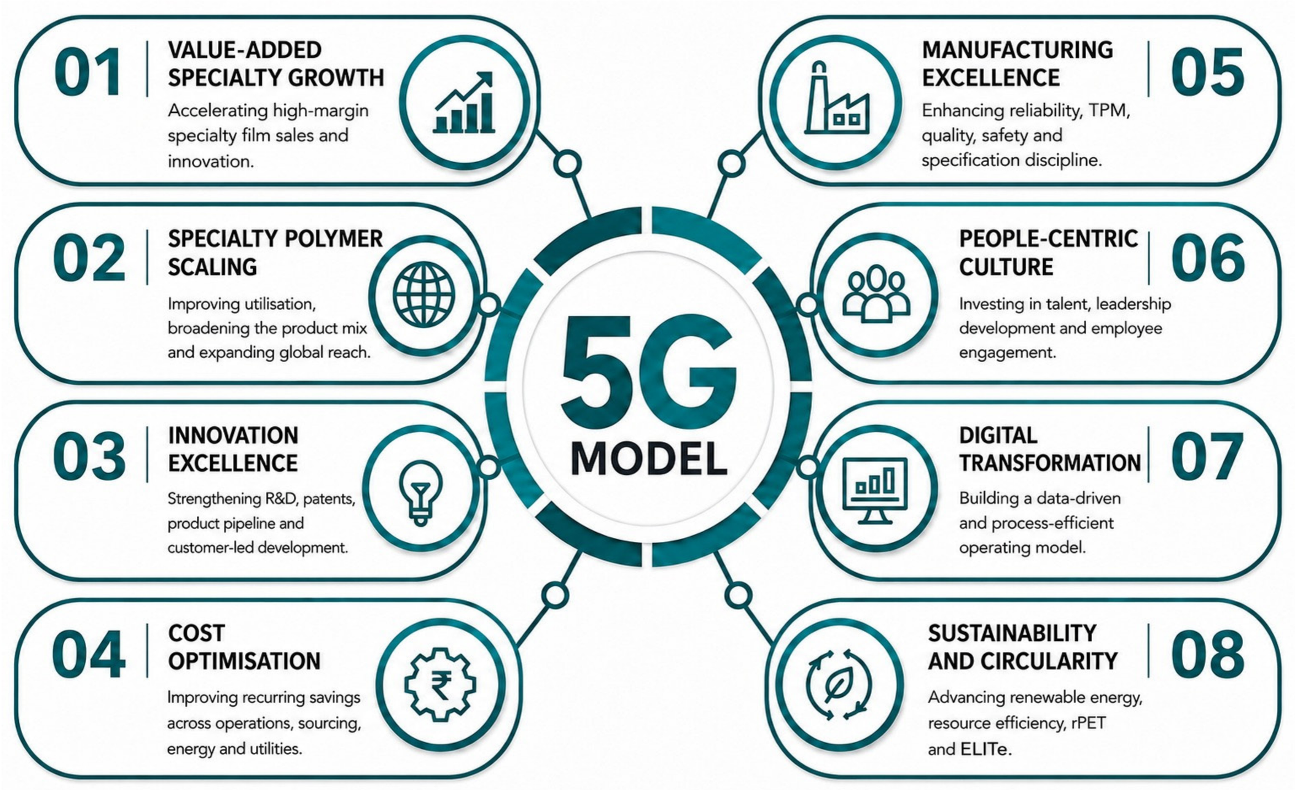
Long-Term Ambition

To build sustainable higher EBITDA margins, increase customer stickiness and strengthen Ester's global competitiveness.

5G Pillar	Strategic Focus
Growth	Ramp-up of high-potential businesses
Gain	Higher-margin and value-added product mix
Granularity	Innovation excellence, technical services and customer-specific solutions
Guardrails	Cost discipline and manufacturing reliability
Green	Sustainability-led growth and circular economy

Execution Priorities

The 5G Model is supported by the following execution priorities:



1. Value-Added Specialty Growth

Shifting toward value-added specialty films is central to Ester's strategy to reduce cyclicality in the films business and enhance margins. The Company is leveraging its established expertise in specialty polyester films to increase the share of high-value-added products in its films portfolio.

Value-added specialty products currently account for approximately 25% of film volumes. Over the next 2-3 years, the Company aims to increase this share to 60%+, thereby reducing dependence on commodity film cycles and positioning Ester as a more specialty-led film producer.

To achieve this transition, we plan to build around three priorities:

Building a Strong Domestic and Export Pipeline: Ester has developed a strong opportunity pipeline across both domestic and export markets. The Company has also strengthened its sales, marketing and application development teams across key geographies to identify, develop and convert these opportunities. This expanded market reach is expected to support faster scale-up of specialty film products and improve Ester's participation in higher-value applications.

Accelerating Product Innovation: Product innovation remains at the core of the value-added films strategy. Ester's R&D pipeline is focused on next-generation specialty films for industrial, packaging and functional applications. Current and planned development areas include Seal Peel films, Ultra High Heat Seal films, Silicone Release Liners, Black Films, flame-retardant films, AlOx high-barrier films and Shrink PET sleeve-label films.

Expanding Downstream Capabilities: The Company is investing in downstream assets to widen its specialty film portfolio and capture more value from the films business. Planned and ongoing investments in metallizing and other downstream capabilities will enable Ester to offer more differentiated products, improve customer stickiness and participate in applications where functionality, consistency and technical support are critical.

These products are targeted at applications where customers require enhanced sealing performance, barrier properties, release characteristics, heat resistance, flame retardancy, aesthetics or converting efficiency. As the portfolio scales, value-added specialty films are expected to become a larger contributor to film margins and improve the resilience of the overall business.

2. Specialty Polymer Scaling and Maximizing Asset Utilisation

Parallel to our films business, we continue to scale our Specialty Polymers segment as a differentiated, innovation-led growth platform. The segment is built on deep polyester chemistry expertise, customer-specific product development, patented technologies and a broad portfolio of application-led products.

Our strategy for Specialty Polymers is two-fold: first, to scale high-barrier specialty products where Ester has strong technical capabilities and limited competition; and second, to broaden the product mix with value-added polymer products that improve asset utilisation, strengthen cash flows and expand the customer base.

Scaling High-Barrier Specialty Products

High-barrier specialty products remain the core focus of the business. These products require long development cycles, customer validation, technical service support and consistent quality, creating entry barriers. Ester is focused on increasing both the volume and value of sales from these products, supported by a robust new product pipeline.

The Company is also pursuing select international partnerships to improve market penetration in export markets. These partnerships are expected to help Ester access high-potential geographies, strengthen customer reach and accelerate commercialisation of specialty products outside India.

Broadening the Specialty Polymer Mix

While high-specialty products remain central to the strategy, the Company is also scaling value-added polymer products to better utilise existing assets and improve cash generation. These products may carry lower margins than marquee high-specialty products, but they generate better returns than virgin PET and help improve operating leverage.

This broader product approach reduces dependence on a limited set of products and customers, while creating a larger base for sustained growth. The objective is to build a larger, more resilient business with stronger absolute earnings and cash flows.

Innovation, Technical Services and Customer Co-Development

Innovation remains central to the Specialty Polymers strategy. Investments in R&D, application development and technical service capabilities are enabling faster product development and closer collaboration with customer teams. Ester's technical service teams work directly with customer R&D and manufacturing teams to co-develop tailored solutions, improve product performance and support long-term customer engagement.

This collaborative model is especially important in specialty applications, where customers require materials that meet specific performance needs such as dyeability, flame retardancy, heat sealability, processability, hydrolytic stability, recycled-content compatibility and end-use durability.

Key Growth Platforms

The key growth platforms for Specialty Polymers are specialty PET products originating from specialty resins and masterbatches for the BOPET film industry, and textile-related specialty products. These platforms are aligned with structural industry trends including sustainable packaging, higher-value BOPET film applications, functional textiles and performance-led material substitution.

With a strong innovation pipeline, select global partnerships, improving asset utilisation and a more balanced product portfolio, Specialty Polymers is well positioned to remain a key value contributor in Ester's long-term growth journey.

3. Cost Optimization

Cost optimisation remains a key lever for improving margins, strengthening competitiveness and building a leaner operating base. The Company is running this as a structured plant- and function-level programme, with quarterly reviews and a focus on recurring savings across process efficiency, automation, raw-material usage, logistics, packaging, energy and utilities.

Indigenisation and Strategic Sourcing

Indigenisation is an important focus area within the programme. The Company is developing domestic sources for critical inputs, supported by alternate vendor development, competitive bidding, improved procurement processes and value engineering. These initiatives are aimed at reducing input costs, lowering import dependence, improving lead times and strengthening supply-chain resilience.

Energy and Utility Savings

Energy efficiency continues to be a major cost and sustainability lever. Solar power arrangements are in place, with the Hyderabad contract signed and benefits expected from current fiscal year. Further opportunities for renewable energy adoption are also being actively explored across facilities.

War on Waste

Across the organisation, the Company is driving a focused "War on Waste" agenda to reduce process waste, improve material recovery and convert usable waste streams into reusable inputs wherever possible.

Together, these actions will continue to further improve throughput, reduce waste and create a more agile operating base. This becomes especially important as the Company increases the share of specialty and value-added products, where cost discipline, reliability and specification control are all critical.

4. Research, Development and Innovation Excellence

Innovation is one of Ester's core competitive strengths. It supports the Company's transition from a conventional polyester business to a technology-led materials company, with a growing focus on Specialty Polymers, value-added films, recycled polyester and sustainable packaging solutions.

The Company already has 20+ granted global patents, demonstrating the depth of its technology platform and long-standing focus on proprietary product development. It also has a robust pipeline of 30+ specialty products at various stages of development and commercialisation.

During Financial Year 2025-26, R&D investment was equivalent to approximately 1% of total Company revenue, reflecting Ester's continued commitment to technology-led growth. During the year, the Company also filed 2 new patent applications related to flexible packaging materials and manufacturing technologies.

Ester's R&D model is closely linked to customer needs. R&D, manufacturing, technical service and customer teams work together to identify application gaps, develop customised materials and scale them commercially. This strengthens customer stickiness and creates entry barriers in niche applications.

5. Manufacturing Excellence

Manufacturing excellence is a key enabler of Ester's specialty-led growth strategy. The Company operates three state of the art manufacturing facilities across India and is focused on improving reliability, safety, quality and asset productivity across its operating base.

Total Productive Maintenance: TPM practices are being embedded across Khatima, Hyderabad and Head Office. The objective is to improve asset uptime, reduce defects, strengthen preventive maintenance discipline and support higher utilisation. This is especially important as the Company scales specialty and value-added products, where process consistency and specification control are critical.

Quality and Process Discipline: Ester is strengthening quality assurance systems across manufacturing lines. The focus is on structured audits, real-time quality monitoring and statistical process controls. These initiatives are aimed at ensuring consistent conformance to customer specifications and improving first-time-right performance.

Safety and System Upgrades: A company-wide safety enhancement programme is underway. It is supported by training, audits and engineering controls. The Company is also upgrading process controls and quality systems to ensure reliable and high-standard output.

By improving yield, uptime, quality and safety, Manufacturing Excellence reinforces customer trust. It also supports scalable delivery as Ester increases the share of specialty products in its portfolio.

6. People-Centric Culture

People are central to Ester's ability to execute its growth strategy. As the Company moves toward a more innovation-led and specialty-focused portfolio, it is strengthening talent development, engagement and organisational culture.

HR Transformation: Ester is investing in more employee-centric people processes. The objective is to strengthen its position as an employer of choice and support the professional growth of employees across levels.

Talent Development and Retention: Focused initiatives are underway to build leadership pipelines, retain high-potential talent and improve employee engagement. These include targeted development programmes, recognition initiatives and actions to support work-life balance.

Culture and Workplace Excellence: The Company is working to build a collaborative, inclusive and high-trust workplace. Wellness initiatives, continuous feedback and culture-building programmes are being strengthened to improve employee experience and organisational effectiveness.

This people-first approach supports innovation, operational discipline and execution agility. It also helps Ester build a resilient and future-ready organisation.

7. Digital Transformation

Digital transformation is a key focus area for Ester over the next 2-3 years. The Company is moving toward a more data-driven and digitally enabled operating model to improve agility, efficiency and decision-making.

Process Automation: Ester is automating core workflows and deploying real-time automations across key functions. In FY 2025-26 150+ workflows were digitized. These initiatives are aimed at reducing manual effort, improving accuracy and enabling faster decisions across operations, sales, finance and support functions.

New Website Launch: We have refreshed our digital front door to our customers which we intent to use as our primary digital tool for lead generation and customer acquisition.

Together, these initiatives will help Ester manage greater scale with speed, control and efficiency. They will also support better execution as the Company expands specialty products, value-added films and recycled polyester solutions.

8. Sustainability and ESG Commitments

Sustainability is increasingly becoming part of Ester's operating model. The Company's ESG focus is not limited to compliance; it is linked to responsible sourcing, traceability, resource efficiency, renewable energy and community development.

The Company holds certifications and registrations including FSSAI, ISCC and GRS. These reflect its focus on food safety, responsible sourcing, traceability and recycled-material use.

Resource Efficiency

During Financial Year 2025-26, the Company undertook several initiatives to reduce water and energy consumption across operations. Water conservation projects included installation of mechanical seals, pneumatic level-control valves, reuse of treated effluent for HCl tank seal-pot make-up and substitution of raw water in chilled-water circuit make-up.

Energy-efficiency initiatives included replacement of low-efficiency cooling water and chilled water pumps, retrofitting of air handling units, optimisation of water-bath temperatures and replacement of an ageing vapour absorption machine.

These initiatives delivered measurable results:

1. Estimated annual water savings of 584,000 L in FY 2025-26.
2. Energy intensity improved to 13.15 GJ/MT in FY 2025-26 from 15.10 GJ/MT in FY 2024-25, reflecting a 14% improvement.
3. Equipment updates generated estimated annual electricity savings of approximately 6.68 lakh kWh in FY 2025-26, equivalent to around ₹53 lakh in FY 2025-26.

Renewable Energy

1. Solar power arrangements are in place, with the Hyderabad contract signed and benefits expected from current fiscal year. Further opportunities for renewable energy adoption are also being actively explored across facilities.
2. The Company also procured 11,450 Renewable Energy Certificates during the year, representing 11,450 MWh of renewable electricity. This supports Ester's efforts to offset conventional electricity use and increase the share of renewable energy in its sustainability approach.

CSR and Community Development

The Company's CSR projects during the year focused on education, healthcare and rural sports.

Promoting Education: Providing free education, books, uniforms and transport to underprivileged and economically weaker section students living in or around Khatima in Saraf Public School under the Ester Navsrijan program.

Action for Autism: Providing vocational skills in permaculture and food processing for autistic youth at Ananda - The Assisted Living Facility at Gurugram. It includes the cost of a fruit and vegetable dehydrator, food processor, tilling machine and salary of a permaculture specialist.

Upgrading Healthcare Facilities: Installation of water coolers with RO at the police station and Government Hospital, Khatima, and installation of solar lights near Ester Factory Khatima, Charubeta.

Training to promote Rural Sports: Construction of a shed on the school grounds to facilitate rural sports activities, particularly Mallakhamb training for children at Nosegay Public School, Khatima.

E. ELITE JOINT VENTURE WITH LOOP INDUSTRIES

The ELITe joint venture with Loop Industries marks a significant step in the Company's sustainability journey, extending its recycling capability from mechanical recycling to chemical recycling. The JV is well positioned to benefit as global demand shifts towards rPET, driven by the introduction of strict regulations worldwide and the sustainability targets of leading global brands such as Nike, Puma and H&M.

Key Capabilities introduced

01 First-of-its-kind textile-to-textile circularity

While current chemical recycling technologies continue to rely on packaging waste as feedstock, the JV's technology will be the first globally to deliver complete textile-to-textile circularity.

02 Broader feedstock acceptance

Can process textile waste, feedstock with impurities, and other hard-to-recycle waste streams.

03 Virgin-quality output

Supports production of virgin-quality recycled PET (rPET) from low-value and contaminated waste.

04 Overcoming limitations of traditional PET recycling

Addresses quality degradation, difficulty in recycling textile waste, and the inability to use impure feedstock.

Update on ELITe Project

During the year, ELITe signed a Memorandum of Understanding with the Government of Gujarat for a proposed greenfield chemical recycling facility at Dahej, Bharuch, within the PCPIR cluster. The proposed investment is approximately ₹1,600 crores, with planned capacity of 70,000 MT and targeted commercial operations by 2028. Land acquisition and site development are progressing, and detailed engineering has been awarded to Toyo Engineering.

The project also has pre-commercial validation through anchor partnerships across different end-markets: Nike for Twist/Loop-branded virgin-quality polyester resin, Taro Plast for recycled-DMT feedstock into automotive and specialty polymer applications, and Hyosung TNC for recycled polyester into Regen-branded yarns. These agreements provide demand visibility and support technology validation ahead of commercial operations.

F. GOVERNANCE AND EXECUTION DISCIPLINE

At Ester, we believe that disciplined execution stems from structured governance. Our three-tier governance model ensures strategic alignment, cross-functional coordination, and accountability across all levels of the organization. This framework is central to how Ester drives transformation, manages risk, and delivers on its long-term growth ambitions.

1. Board of Directors Sets the company's strategic direction, monitors long-term objectives, and ensures oversight on key risks and compliance matters.
2. Central Leadership Team (CLT) Comprising the Chairman, ED Corporate Affairs, CEO, and CFO, the CLT translates strategy into actionable priorities and drives enterprise-wide decision-making and alignment.
3. Process Owners / Function Heads: Responsible for operational execution, performance delivery, and process improvement across their respective areas. They serve as anchors for driving initiatives and ensuring feedback loops to leadership. This structure enables Ester to operate with agility and discipline—ensuring that every initiative, from innovation to cost transformation, is aligned to our strategic goals and executed with shared ownership.

G. BUSINESS & FINANCIAL PERFORMANCE

Particulars	Quantity Produced (MT) (During FY 2025-26)	Quantity Produced (MT) (During FY 2024-25)	Growth
Polyester Chips	66,932	67,419	(0.72%)
Specialty Polymers	3,741	3,477	7.59%
PET Film – Non-Metallized	45,570	50,323	(9.44%)
PET Film – Metallized	10,136	10,340	(1.97%)
R - PET	6,948	3,415	103.46%

Particulars	Quantity Sold (During FY 2025-26)	Quantity Sold (During FY 2024-25)	Growth
Polyester Chips	20288	18556	9.33%
Specialty Polymers	4163	3377	23.28%
PET Film – Non Metallized	34799	39523	(11.95%)
PET Film – Metallized	10061	10275	(2.09%)
Sub Total – PET Film	***44860***	***49798***	***(9.92%)***
R - PET	5340	1485	259.60%

Particulars	Revenue from Operations (₹ in Lacs) (During FY 2025-26)	Revenue from Operations (₹ in Lacs) (During FY 2024-25)	Growth
Polyester Chips	16174	16114	0.37%
Specialty Polymers	18596	15879	17.11%
PET Film – Non-Metallized PET Film – Metallized	47759 16023	56912 16494	(16.08%) (2.86%)
Sub Total - PET Film	***63782***	***73406***	***(13.11%)***
R – PET	5961	1647	261.93%
Total	**104513**	**107046**	**(2.37%)**

Particulars	(₹ in Lacs) (During FY 2025-26)	(₹ in Lacs) (During FY 2024-25)	Growth
EBITDA	8587.90	13369.86	(35.77%)
PBT	756.33	5464.10	(86.16%)
PAT	437.20	4053.29	(89.21%)
Other Comprehensive Income	44.38	(364.91)	Positive from Negative
Total Comprehensive Income	481.58	3688.38	(86.94%)

Production & Sales Overview

Production of Polyester Chips decreased marginally during the year under review.

Production of both non-metallized Polyester Film decreased by 9.44% from 50323 MT to 45570 MT. Reduction in production of non-metallized Polyester Film in Ester Industries Limited was compensated by increased production in Wholly Owned Subsidiary, Ester Filmtech Limited. Production of metallized Polyester Film decreased marginally. Domestic demand supply imbalance improved during the year as demand continues to grow consistently.

Production of Specialty Polymers increased by 7.59% while production of R – PET increased significantly from 3415 MT to 6948 MT (by 103.46%) both on account of implementation of PWMR and increased demand.

Business performance Overview (FY 2025-26)

Standalone net revenues from the operations for the year reduced by 2.37% from ₹1,070.46 crores to ₹1,045.13 crores, due to the following factors:

a. Revenue from Polyester Chips both in volumetric and value terms remained almost same as last year. The sales in volumetric terms increased by 9.33% and by 0.37% in value terms. Polyester Chips is reported as part of Polyester Films segment.

b. Reduction in the sales value of BOPET Films due to reduction in per unit sales realization and margins in BOPET Films.

c. Higher proportion of Value Added & Specialty Films both in volumetric and value terms.

d. Revenue from R – PET increased significantly by 259.60% in volumetric terms and by 261.93% in value terms. R – PET is reported as part of Polyester Films segment.

e. Increase in sales of Specialty Polymers by 23.28% in volumetric terms and 17.11% in value terms.

Financial performance was significantly lower than last year mainly on account of shrinkage in margins in Polyester Films due to adverse impact of huge Reciprocal & Punitive Trade Tariff imposed by US on exports originating from India. Another major reason was dumping of Polyester Films into India by China & few other countries which exerted pressure on margins in domestic market.

Geo-political disturbance & war in West Asia caused prices of Crude Oil to rise significantly. Increase in Crude Oil prices coupled with other internal & external factors caused devaluation of Indian Rupee against USD, Euro & other major currencies. This resulted in significant Mark-To-Mark and Reinstatement losses for the company and its Wholly Owned Subsidiary, Ester Filmtech Limited.

In the month of November 2024, the Company raised ₹43.75 crores under Share Warrants issue of ₹174.99 crores. Within the statutory time limit of 18 months, subscribers to Share Warrants have further made payment of ₹121.50 crores. Thus, an amount of ₹165.25 crores have been received against issue of Share Warrants. 1,02,53,153 Share Warrants have now been converted into 1,02,53,153 Equity Sares while the balance Share Warrants (8,22,788) amounting to ₹9.75 crores have remained unsubscribed. Raising Equity (against Share Warrants) from promoters & other investors was possible because of positive medium to long term prospects of the Company.

The company maintained a disciplined approach to debt repayment, adhering strictly to the repayment schedule for term borrowings. As a result, the financial leverage, as indicated by the Total Outside Liabilities to Total Net Worth ratio, stood at 0.45 as of 31st March 2026. The book value per equity share was ₹97.29.

Key Financial Ratios - Standalone Basis

Particulars	2025-26	2024-25	Change %	Remarks
Current Ratio	1.75	1.85	(5.41%)	**Marginal variation** Increase in current liabilities on account of increase in current maturities of long-term loans and higher utilization of working capital limits, increase in acceptances under LCs and trade payables. Overall increase in current assets. Increase in inventories, advances, cash & cash equivalent and bank balances were higher than the reduction in receivables.
Debt Equity Ratio	0.35	0.33	(6.06%)	**Marginal variation** Though the PAT was lower than last year, share premium / equity increased on account of issuance of share warrants / equity at premium, the ratio has deteriorated marginally on account of increase in current borrowings.
Debt Service Coverage Ratio	1.27	0.69	84.06%	Despite lower PAT, DSCR improved significantly on account of reduction in repayment of term loans.
Return on Equity	0.47%	4.67%	(89.94%)	Significant drop in the ratio is attributed to significantly lower operating & financial performance compared to the previous financial year and higher average equity on account of issuance of fresh equity capital & share warrants at premium.
Inventory Turnover	4.81	5.68	(15.32%)	**Marginal variation** Inventory turnover ratio dropped as average inventory increased significantly though cost of material consumed (net of change in inventory of FG & WIP) increased marginally
Trade Receivables Turnover Ratio	7.97	8.76	(9.02%)	**Marginal variation** Deterioration in ratio is on account of higher receivables. There was increase in receivables though sales turnover reduced marginally
Trade Payables Turnover Ratio	21.26	23.75	10.48%	**Marginal variation** Trade payables increased more than the increase in cost of material consumed
Net Working Capital Turnover Ratio	5.10	5.76	(11.46%)	**Marginal variation** Though sales turnover dropped marginally, the ratio deteriorated due to higher inventory, advances, cash & bank balances
Net Profit Ratio	0.42%	3.84%	(89.06%)	Deterioration in the ratio is attributed to significantly lower operating & financial performance compared to the previous year on account of US trade tariff, dumping by China and adverse exchange fluctuation.
Return on Capital Employed	3.26%	7.33%	(55.53%)	Deterioration in the ratio is attributed to significantly lower financial performance compared to the previous financial year on account of reasons stated above and marginal increase in capital employed.
Return on Investment	3.75%	6.50%	(42.31%)	The reduction in return on investment is due to lower returns from equity oriented mutual funds compared to previous year and lower profit on sales, lower gains on fair valuation of financial assets. This was primarily on account of poor performance of equities on the bourses due to war in West Asia and on-going geo-political disturbances.

Detailed Explanation of Ratios

(i) Current Ratio

The Current Ratio is a liquidity ratio that measures a Company's ability to pay short – term obligations or those due within one year. It is calculated by dividing the current assets by current liabilities.

(ii) Debt Equity Ratio

The ratio is used to evaluate a Company's financial leverage. It is a measure of the degree to which a Company is financing its operations through debt versus wholly owned funds. It is calculated by dividing sum total of total borrowings and total lease liabilities by its shareholder's equity.

(iii) Debt Service Coverage Ratio

The above ratio is used to evaluate debt service capability of the Company. Higher ratio indicates better debt service capability. It is measured by dividing the sum total of NPAT, Non-cash operating expenses like depreciation & other amortizations, interest on term loans & lease liabilities and other adjustments like loss on sale of fixed assets etc. by sum total of Interest & lease payments and Principal Repayments during the year.

(iv) Return on Equity (%)

Return on Equity (ROE) is a measure of profitability of a Company expressed in percentage. It is calculated by dividing NPAT for the year by average shareholders' equity. Average shareholders' equity is calculated by dividing sum total of shareholders' equity at the beginning and at the end of the year by two.

(v) Inventory Turnover

Inventory Turnover is the number of times a Company sells and replaces its inventory during a period. It is calculated by dividing cost of goods sold by average inventory.

(vi) Trade Receivables Turnover Ratio

The above ratio is used to quantify a Company's effectiveness in collecting its receivables or money owed by customers. The ratio shows how well a Company uses and manages the credit it extends to customers and how quickly that short – term debt is collected or is paid. It is calculated by dividing net sales turnover by average trade receivables.

(vii) Trade Payables Turnover Ratio

The above ratio is used to quantify a Company's effectiveness in being able to use trade payables or money owed to suppliers as source for financing working capital needs of the Company. It is calculated by dividing Net Purchases by Average Trade Payables. Net purchases are sum total of cost of material consumed, consumption of stores & spares, consumption of packing material, power & fuel and increase / decrease in raw material & stores & spares inventories.

(viii) Net Capital Turnover Ratio

It is calculated by dividing Net Sales by Working Capital.

(ix) Net Profit Ratio (%)

The Net Profit Ratio is equal to how much net income or profit is generated as a percentage of Net Sales. It is calculated by dividing NPAT for the year by Net Sales during the year.

(x) Return on Capital Employed (ROCE) (%)

Return on Capital Employed (ROCE) is a measure of profitability of a Company expressed in percentage. It is calculated by dividing NPAT for the year by capital employed. Capital employed is sum total of Tangible Net Worth, Total Debt and Deferred Tax Liability.

(xi) Return on Investment (%)

Return on Investment is a measure of profits earned on investments expressed in percentage. It is calculated by dividing sum of returns on CPs & others, profit on sale of investments and gain on fair valuation of financial assets by average investments. Average investment is calculated by dividing sum total of investments (net of unrealized profits) at the beginning of year and at the end of the year by two.

Risk Management and Internal Audit

The Company operates under a structured Enterprise Risk Management (ERM) framework designed to proactively identify, assess, and mitigate operational and strategic uncertainties. To ensure robust oversight, the Board of Directors has constituted a dedicated Risk Management Committee (RMC). The RMC is responsible for framing, implementing, and monitoring the risk mitigation plan while verifying its overall effectiveness. Supplementary oversight is provided by the Audit Committee, which specifically monitors financial risks, internal controls, and the integrity of financial reporting.

Acknowledging that risk is inherent to business operations, the Company continuously invests in upgrading its risk management capabilities. The established ERM processes are modelled after globally recognized benchmarks, including the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework and ISO 31000 Risk Management Guidelines.

This systematic architecture comprises five core components:

- **Risk Identification:** Proactively spotting operational and environmental uncertainties.
- **Risk Categorization:** Segmenting exposures into strategic, operational, compliance, financial, and Environmental, Social, and Governance (ESG) risks.
- **Risk Assessment and Rating:** Evaluating the potential impact and likelihood of occurrence.
- **Risk Response:** Formulation of strategic counter-measures.
- **Risk Mitigation:** Continuous execution of control activities.

From a comprehensive library of aggregated risks, the Company has isolated the top high-priority exposures, designated as "Risks that Matter." The RMC continuously evaluates these critical threats and adapts mitigation strategies to align with a volatile macroeconomic landscape. Based on its periodic reviews, the Board confirms that there are currently no foreseeable risks that threaten the baseline existence of the Company.

The Risk Management Policy is available on the website of the Company at **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/risk-management-policy.pdf**.

The internal control environment is validated by Independent Internal Auditors who audit all functions and test the effectiveness of Internal Financial Controls (IFC). The Audit Committee meticulously reviews these audit findings, monitors the implementation of corrective action plans, and delivers strategic guidance to strengthen internal checks. By systematically converting vulnerabilities into structured operational opportunities, this integrated oversight model reinforces business resilience, ensures long-term continuity, and protects the interests of shareholders, lenders, customers, and employees alike.

Cautionary Statement

Statements in this section relating to future status, events, circumstances, plans and objectives are forward – looking statements based on estimates and anticipated effects of future events. Such statements are subject to risks and uncertainties and accordingly are not predictive of future results. Actual results may differ materially from those anticipated in the forward – looking statements. The Company cannot be held responsible in any manner for such statements. The company undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

CORPORATE GOVERNANCE REPORT

In compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time **("Listing Regulations")**, the Company submits the Report on Corporate Governance followed by the Company.

1. CORPORATE GOVERNANCE PHILOSOPHY

At Ester, Corporate Governance is not merely a compliance requirement but a cornerstone of our business philosophy. We are committed to conducting our affairs in a transparent, ethical, and responsible manner while creating sustainable value for all stakeholders. Our governance framework is built on the principles of integrity, accountability, fairness, and transparency, which guide every aspect of our operations and decision-making processes.

The Company recognizes that strong corporate governance practices are essential for maintaining stakeholder confidence and ensuring long-term business sustainability. We continuously strive to strengthen our governance standards through effective oversight, prudent risk management, robust internal controls, and adherence to applicable laws, regulations, and industry best practices.

The Board of Directors plays a pivotal role in providing strategic guidance and oversight while ensuring that the Company's affairs are managed in the best interests of all stakeholders. Supported by its Committees, the Board fosters a culture of ethical conduct, responsible leadership, and sound business judgment throughout the organization.

During the financial year 2025-26, the Company continued to reinforce its governance practices by focusing on transparency in disclosures, accountability in performance, and responsiveness to stakeholder expectations. The governance structure is designed to facilitate informed decision-making, safeguard stakeholder interests, and promote operational excellence across the organization.

As the regulatory and business landscape continues to evolve, Ester remains committed to continuously reviewing and enhancing its governance practices in line with emerging global standards and best practices. We believe that a strong governance framework is instrumental in driving innovation, fostering sustainable growth, preserving stakeholder confidence, and creating enduring value for all those associated with the Company.

At Ester, we view corporate governance as a dynamic journey of continuous improvement—one that strengthens institutional resilience, promotes responsible business conduct, and supports our vision of building a sustainable and trusted enterprise for the future.

2. BOARD OF DIRECTORS

a) Composition & Category of the Board

The Board of the Company comprises highly experienced people of repute, eminence and has a good and diverse mix of Executive and Non-Executive Directors. The Board composition is in conformity with the applicable provisions of the Companies Act, 2013 **("Act")** and Listing Regulations as amended from time to time. As on 31st March 2026, the Board consists of Six Directors comprising two Executive Directors, one Non-Executive Non-Independent Director and three Independent Directors including One Woman Director. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board, as part of its succession planning exercise, periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company.

Changes in the composition of Board during financial year 2025-26 and post closure of financial year, till the date of this Report

Appointment/Re-appointment

1. Mrs. Padmaja Shailen Ruparel (DIN: 01383513) was re-appointed as an Independent Director of the Company for a second term of 5 (Five) years, w.e.f. 1st April 2025.
2. Mr. Abhay Anant Gupte (DIN: 00389288) was appointed as an Independent Director of the Company for a first term of 5 (Five) years, w.e.f. 6th May 2025.

The aforesaid re-appointment and appointment were duly approved by the shareholders vide Special Resolutions passed by way of Postal Ballot on 26th June 2025.

3. Mr. Arvind Singhania was re-appointed as Managing Director (designated as Chairman & CEO) of the Company for a further term of 3 (three) years effective from 1st April 2026.
4. Mr. Pradeep Kumar Rustagi was re-appointed as Whole Time Director (designated as Executive Director-Corporate Affairs) of the Company for a further term of 3 (three) years effective from 1st April 2026.

The aforesaid re-appointments were regularized and duly approved by the shareholders vide Special Resolutions passed by way of Postal Ballot on 21st March 2026.

Re-designation

1. Mr. Arvind Singhania (DIN: 00934017) was re-designated from the position of Managing Director (designated as Chairman & Chief Executive Officer) to Non-Executive Non-Independent Director and Chairman of the Board, w.e.f. closing of business hours on 26th March 2026.

The aforesaid re-designation was duly approved by the shareholders vide Ordinary Resolution passed by Postal Ballot on 23rd May 2026.

Cessation

1. Mrs. Archana Singhania (DIN: 01096776), has resigned from the designation of Non-Executive Non-Independent Director of the Company w.e.f. 30th April 2025.

2. Mr. Alok Dhir (DIN: 00034335), has resigned from the designation of Non-Executive Independent Director of the Company w.e.f. 26th August 2025 owing to certain personal commitments. Further, he confirmed that there are no other material reasons for his resignation other than those provided above.

The Board of Directors place on record their deep appreciation for the wisdom, knowledge and guidance provided by the aforementioned Directors during their tenure.

A brief profile of all the Directors as on the date of the Report can be accessed on the Company's website at https://www.esterindustries.com/board-of-directors/.

The details of each Director of the Board along with the number of Directorship(s)/Committee Membership(s)/Chairmanship(s) and their shareholding in the Company are provided herein below:

Name and category	Number of Shares and convertible instruments held in the Company	Directorships in other Companies*			Membership(s)/Chairmanship(s) of Committees in other Companies**	
		No. of other Directorship	Chairperson of the Board	Name of listed Entity along with Category of Directorship	No. of Committee Memberships	No. of Committee Chairmanships
Promoter Directors						
Mr. Arvind Singhania *Chairman#*	-	2	1	-	-	-
Mr. Ayush Vardhan Singhania *Whole-Time Director*	9,34,318	2	-	-	-	-
Executive Director						
Mr. Pradeep Kumar Rustagi	400	1	-	-	-	-
Independent Directors						
Mrs. Padmaja Shailen Ruparel	-	2	-	-	3	2
Mr. Atul Aggarwal	22,000	4	-	Sterling Tools Limited (MD) Delton Cables Limited (ID)	2	-
Mr. Abhay Anant Gupte	-	5	-	Intellect Design Arena Limited (ID)	3	1

ID-Independent Director MD- Managing Director

Notes:

* *Other Directorships excludes Directorships in Ester Industries Limited, Private Limited Company, Foreign Companies, Section 8 Companies and Alternate Directorships.*

***Includes only Audit Committee and Stakeholders' Relationship Committee of Indian Public Companies (listed or unlisted) excluding Eser Industries Limited*

#Mr. Arvind Singhania was re-designated from the position of Managing Director (designated as Chairman & Chief Executive Officer) to Non-Executive Non-Independent Director and Chairman of the Board, w.e.f. closing of business hours on 26th March 2026.

Mr. Arvind Singhania and Mr. Ayush Vardhan Singhania are relatives. Mr. Ayush Vardhan Singhania is the son of Mr. Arvind Singhania.

The number of Directorship(s), Committee Membership(s), Chairmanship(s) of all the Directors is within the respective limits as prescribed under the Act and Listing Regulations as amended from time to time.

b) Board Meetings and Procedure

The Board meets at least once in every quarter to review the Quarterly Results and to take decisions on matters pertaining to the Company's working. However, in case of a special and urgent business need, additional meetings are called, or the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are noted in the subsequent Board Meeting.

The Audit Committee meetings for deliberation on the financial performance of the Company are held on the same dates as Board meetings. To ensure an immediate update to the Board, the Chairperson of the respective committee briefs the Board in detail about the proceedings of the respective committee meetings. All committee recommendations placed before the Board during the year under review were unanimously accepted by the Board.

The Board devotes its significant time in evaluation of current and potential strategic issues and reviews the Company's business plans, corporate strategy and risk management issues based on the markets it operates in and in light of global industry trends and developments to help achieve its strategic goals.

The Chief Executive Officer, Chief Financial Officer and other Senior Management Members are invited to the Board and Committee meetings to present updates on the items being discussed at the meeting.

Availability of information to the Board

The Board meetings are governed by a structured agenda. All the major agenda items are backed by a comprehensive background information to enable the Board to take informed decisions. The Company Secretary prepares the detailed agenda for the meetings, in consultation with the Senior Management.

Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined Agenda format. All material information is circulated along with Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect on the agenda. In special and exceptional circumstances, additional or supplementary items on the agenda are permitted. To transact some urgent business, which may come up after circulation of agenda papers, the same is placed before the Board by way of a supplementary agenda. Frequent and detailed deliberation on the agenda provides a strategic roadmap for the future growth of the Company.

Prior approval from the Board has been obtained for circulating the agenda items with shorter notice for matters that form part of the Board and Committee Agenda and are considered to be in the nature of Unpublished Price Sensitive Information. Video/ Audio-conferencing facilities are also used to facilitate Directors travelling or located at other locations to participate in the Meetings.

Minimum four (4) pre-scheduled board meetings are held every year. Apart from the above, additional board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

Web based Application/Tool

To leverage technology and reduce paper consumption, the Company has adopted a web-based application for transmitting Board/ Committee Agenda and pre-reads in electronic form, which can be accessed through web browser or iPad.

The application meets high standards of security and integrity, required for storage and transmission of Board/Committee Agenda and pre-reads.

During the financial year 2025-26, 6 (Six) Board Meetings were held on 21st May 2025, 30th July 2025, 12th September 2025, 14th November 2025, 6th February 2026 and 26th March 2026. The interval between any two Board Meetings was well within the maximum allowed gap of 120 days. The necessary quorum was present in all the meetings.

Attendance of Directors in Board Meetings and Annual General Meeting held during the financial year 2025-26, are as follows:

Name of Director	Date of Board Meeting and Attendance of Directors						AGM held on 26th September 2025
	21.05.2025	30.07.2025	12.09.2025	14.11.2025	06.02.2026	26.03.2026	
Mr. Arvind Singhania*	✓	✓	✓	✓	✓	✓	Yes
Mr. Ayush Vardhan Singhania	✓	✓	☒	✓	✓	✓	Yes
Mr. Pradeep Kumar Rustagi	✓	✓	✓	✓	✓	✓	Yes
Mrs. Padmaja Shailen Ruparel	✓	✓	☒	✓	☒	✓	No
Mr. Atul Aggarwal	✓	✓	✓	✓	✓	✓	Yes
Mr. Abhay Anant Gupte**	✓	✓	✓	✓	✓	✓	Yes
Mr. Alok Dhir***	✓	☒	**NA**	**NA**	**NA**	**NA**	**NA**

☑Present | ☒Leave of Absence

** Mr. Arvind Singhania was re-designated from the position of Managing Director (designated as Chairman & Chief Executive Officer) to Non-Executive Non-Independent Director and Chairman of the Board, w.e.f. closing of business hours on 26th March 2026.*

***Mr. Abhay Anant Gupte was appointed as an Independent Director of the Company for a first term of 5 (Five) years, w.e.f. 6th May 2025.*

****Alok Dhir resigned from the position of Independent Director of the Company w.e.f. close of business hours of 26th August 2025.*

c) **Familiarization Programme for Independent Directors**

As per the requirement of Regulation 25 of the Listing Regulations, the Company undertakes various initiatives to familiarize the Independent Directors with the Company, and senior management giving an overview of the Company's operations, products, group structure, market conditions, Board constitution, guidelines, matters reserved for the Board, and the major risks and risk management strategy etc.

Independent Directors are regularly updated on the performance of each product segment of the Company, business strategy and new initiatives being taken/proposed to be taken by the Company. The management presents, time to time, before the Board a presentation for each business detailing about the product development, performance of the business, new opportunities and challenges in business, competition and industry updates etc.

Details of familiarization programs are uploaded on Company's website at the following link:

https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Familiarisation-Programme.pdf

d) **Skills/Expertise/Competencies Matrix of the Board**

In terms of the requirement of Listing Regulations, the Board has identified the following skills/expertise/competencies as required in the context of the Company's business:

- Leadership, Business planning and strategy, Sales & Marketing, Corporate Governance & Compliances
- Finance, Banking, Taxation, Account and Legal, Social Responsibility
- Technical skills and Expertise in company's business, industry, competition, major risks

In the table below, the specific areas of focus or expertise of individual board members have been highlighted:

Sr. No.	Name of Director	Core Skills/ Expertise/ Competence
1	Mr. Arvind Singhania*	Expertise in Company's business activities, industry and competition, Leadership, Corporate Governance and Compliance, Technical Skills, Risk management, Sales & Marketing, Social Responsibility, Business Planning & Strategy
2	Mr. Ayush Vardhan Singhania	Leadership, Corporate Governance, Technical Skills, Sales & Marketing, Social Responsibility, Business Planning & Strategy
3	Mr. Pradeep Kumar Rustagi	Finance & Banking, Taxation, Account, Corporate Governance and Compliance, Leadership, Risk Management
4	Mrs. Padmaja Shailen Ruparel	Corporate Governance & Compliance, Finance, Leadership, Risk Management
5	Mr. Atul Aggarwal	Corporate Governance and Compliance, Technical Skills, Leadership, Sales & Marketing, Finance & banking
6	Mr. Abhay Anant Gupte**	Strategy & Leadership, Corporate Governance, Risk Management, Global Business Management, Manufacturing Operations, Innovation & Product Development, Business Development.
7	Mr. Alok Dhir***	Corporate Governance and Compliance, Legal, Banking

**Mr. Arvind Singhania was re-designated from the position of Managing Director (designated as Chairman & Chief Executive Officer) to Non-Executive Non-Independent Director and Chairman of the Board, w.e.f. closing of business hours on 26th March 2026.*

***Mr. Abhay Anant Gupte was appointed as an Independent Director of the Company for a first term of 5 (Five) years, w.e.f. 6th May 2025.*

**** Alok Dhir resigned from the position of Independent Director of the Company w.e.f. close of business hours of 26th August 2025.*

e) **Independent Directors**

The Independent Directors are the Board members who are required to meet the baseline definition and criteria of 'independence' as set out in Regulation 16 of the Listing Regulations, Section 149(6) of the Act read with rules and Schedule IV thereto and other applicable regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors of the Company have confirmed that they are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

Accordingly, based on the declarations received from all the Independent Directors, the Board has confirmed that the Independent Directors of the Company fulfill the conditions specified in the Act and the Listing Regulations and are independent of the management.

Further, the Independent Directors confirmed that they have enrolled themselves in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs.

As mentioned earlier in this report, the Board includes 3 (three) Independent Directors as on 31st March 2026.

The terms and conditions of the appointment of Independent Directors are available on the Company's website at https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Terms_Conditions_Independent_Directors.pdf

Separate Meeting of Independent Directors

In accordance with the applicable provisions of the Act and Listing Regulations a separate meeting of the Independent Directors of the Company was held on 06th February 2026 without the presence of Non-Independent Directors and the Management personnel, to inter-alia:

- Review the performance of Non-Independent Directors and the Board as whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the year under review, Mr. Alok Dhir resigned from the position of Independent Director of the Company with effect from the close of business hours on 26th August 2025. Apart from the aforesaid resignation, none of the Independent Directors of the Company resigned before the expiry of their respective terms of office during the financial year.

3. BOARD COMMITTEES

In compliance with the requirements of the Act and Listing Regulations and to monitor various facets of business and ensure accountability, the Board has constituted various Statutory Committees.

The composition of each such Committee is in accordance with all regulatory requirements and can also be accessed on the company's website at **https://www.esterindustries.com/committees-of-the-board/**.

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are to be performed by the members of the Board, as a part of good governance practices. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Minutes of the meetings of all the Committees are presented before the Board for their review.

The role and composition of the Committees, including the number of meetings held during the financial year 2025-26, and the attendance of Directors, are listed below.

a) Audit Committee

The Audit Committee acts as a link among the Management, the Statutory Auditors, the Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Audit Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting processes including review of the internal audit reports and action taken report.

The Audit Committee comprises of majority of Independent Directors to enable independent and transparent review of financial reporting process and internal control mechanism with an objective to further strengthen the confidence of all stakeholders.

Terms of Reference:

The powers, role and terms of reference of the Audit Committee cover the areas as contemplated under Listing Regulations and Section 177 of the Act. The brief terms of reference of Audit Committee are as under:

The terms of reference of the Audit Committee inter-alia include the following:

1. To oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. To recommend for appointment, remuneration and terms of appointment of auditors of the Company.
3. To approve availing of the permitted non-audit services rendered by the Statutory Auditors and payment of fees thereof.
4. To review and examine with the Management the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134(3)(c) of the Act.
    b) Changes, if any, in accounting policies and practices and reasons for the same.
    c) Major accounting entries involving estimates based on the exercise of judgement by the Management.
    d) Significant adjustments made in the financial statements arising out of audit findings.
    e) Compliance with listing and other legal requirements relating to financial statements.
    f) Disclosure of any related party transactions.
    g) Modified opinion(s) in the draft audit report.

5. To review/examine, with the management, the quarterly/year to date financial statements and auditor's report thereon, before submission to the Board for approval.

6. To review with the Management, the financial statements of subsidiaries and in particular the investments made by each of them.

7. To review, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter.

8. To review and monitor the auditor's independence and performance and effectiveness of audit process.

9. To approve or any subsequent modification of transactions of the company with related parties.

10. To scrutinise inter-corporate loans and investments.

11. To undertake valuation of undertakings or assets of the company, wherever it is necessary.

12. To evaluate internal financial controls and risk management systems.

13. To review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems.

14. To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

15. To discuss with internal auditors of any significant findings and follow up there on.

16. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

17. To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

19. To review the functioning of the Whistle Blower mechanism.

20. To approve the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.

21. To review the utilization of loan and/ modification, as may be applicable.

In addition to the above, the Audit Committee mandatorily reviews the information as required under Para B of Part C of Schedule II of the Listing Regulations.

Meetings, Attendance and Composition of the Audit Committee

During the financial year 2025-26, 5 (Five) meetings of Audit Committee were held. Additionally, some of the businesses were considered by passing resolution(s) by circulation. All the decisions at the Audit Committee meetings were taken unanimously.

The composition of the Audit Committee and details of attendance of the members during Financial Year 2025-26 are given below:

Sr. No.	Date of Audit Committee Meeting	Attendance of Members		
		Mrs. Padmaja Shailen Ruparel (Chairperson)	Mr. Atul Aggarwal (Member)	Mr. Abhay Anant Gupte (Member)
1	21st May 2025	☑	☑	☑
2	30th July 2025	☑	☑	☑
3	14th November 2025	☑	☑	☑
4	6th February 2026	☑	☑	☑
5	26th March 2026	☑	☑	☑

☑Present | ☒Leave of Absence

- *Upon completion of the second consecutive term of Mr. Sandeep Dinodia as an Independent Director at the close of business hours on 31st March 2025, the Audit Committee was reconstituted w.e.f. 1st April 2025 by re-designating Mrs. Padmaja Shailen Ruparel as Chairperson and appointing Mr. Alok Dhir as a Member of the Committee.*
- *Subsequently, upon the appointment of Mr. Abhay Anant Gupte as an Independent Director w.e.f. 6th May 2025, the Audit Committee was further reconstituted by appointing him as a Member in place of Mr. Alok Dhir.*

The required quorum was present at all meetings.

All members of the Audit Committee possess knowledge of accounting and financial management, along with relevant expertise and exposure. The meetings of the Audit Committee are also attended by the Chairman of the Board, Chief Executive Officer, Whole-Time Directors, Chief Financial Officer, Statutory Auditors and Internal Auditor as permanent invitees. The Cost Auditors also attended the meeting when the Cost Audit Report for the financial year 2025-26 was discussed. The Company Secretary acts as the Secretary to the Audit Committee. The minutes of each Audit Committee meeting are placed before the Board at its subsequent meeting for noting.

Mrs. Padmaja Shailen Ruparel, Chairperson of the Audit Committee has not attended the last AGM held on 26th September 2025 due to her pre-occupation.

b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee **("NRC")** is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments.

Terms of Reference:

The powers, role and terms of reference of the NRC cover the areas as contemplated under Listing Regulations and Section 178 of the Act. The brief terms of reference of NRC are as under:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
2. To formulate the criteria for and mechanism for evaluation of performance of Independent Directors and the Board of Directors.
3. To specify the manner for effective evaluation of performance of the Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
4. To devise a policy on diversity of Board of Directors.
5. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
6. To extend or continue the term of appointment of Independent Directors on the basis of the report of performance evaluation of the Independent Directors.
7. To review and recommend remuneration of the Managing Director(s)/ Whole-time Director(s) based on their performance.
8. To recommend to the Board, appointment of Senior Management Personnel (SMP) and remuneration, in whatever form, payable to SMP.
9. To act as the Compensation Committee under SEBI (Share Based Employee Benefits) Regulations, 2014 (including amendment thereof) under Ester Employee Stock Option Scheme.
10. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

Meetings, Attendance and Composition of NRC

During the financial year 2025-26, 3 (three) meetings of NRC were held.

The composition of NRC and details of attendance of the members during the Financial Year 2025-2026 are given below:

Sr. No.	Date of NRC Meeting	Attendance of Members			
		Mrs. Padmaja Shailen Ruparel (Chairperson)	Mr. Atul Aggarwal (Member)	Mr. Arvind Singhania (Member)	Abhay Anant Gupte (Member)
1	21st May 2025	☑	☑	☑	☑
2	6th February 2026	☑	☑	☑	☑
3	26th March 2026	☑	☑	☑	☑

☑Present | ☒ Leave of Absence

- *Upon completion of the second consecutive term of Mr. Sandeep Dinodia as an Independent Director at the close of business hours on 31st March 2025, the NRC was re-constituted w.e.f. 1st April 2025 by appointing Mr. Alok Dhir as a Member of the Committee.*
- *Subsequently, upon the appointment of Mr. Abhay Anant Gupte as an Independent Director w.e.f. 6th May 2025, the NRC was further re-constituted by appointing him as a Member in place of Mr. Alok Dhir.*

The required quorum was present at all meetings.

The Company Secretary acts as the Secretary to the NRC. The minutes of each NRC meeting are placed before the Board at its subsequent meeting for noting.

Mrs. Padmaja Shailen Ruparel, Chairperson of the NRC has not attended the last AGM held on 26th September 2025 due to her pre-occupation.

Performance Evaluation criteria for Independent Directors:

The Company has a Policy for Performance Evaluation of all the Independent & Non-Independent Directors of the Company. In this policy, the criteria prescribed for performance evaluation of Independent Directors include the following:

- Fulfilment of the Independence criteria as specified under the Act and Listing Regulations.
- Participation at the Board/Committee meetings and willingness to spend time during the meeting.
- Integrity and maintaining of confidentiality.
- Knowledge and expertise.
- Independent judgment in relation to decision making.
- Understanding about roles, responsibilities and disqualification as a Director.
- Other criteria like objective evaluation of Board's performance, unbiased opinion on various matters, compliance of Code of Conduct and Ethics, Code for Independent Directors, Insider Trading Code etc.

The Performance evaluation adopted for year under review is given in the Board's Report which forms part of this Annual Report.

The Performance Evaluation Policy can be accessed on the Company's website at the following link:

https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Performance-Evaluation-Policy.pdf.

c) **Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee ("**SRC**") ensures that there is timely and satisfactory redressal of any investor queries or complaints.

Terms of Reference:

The powers, role and terms of reference of the SRC cover the areas as contemplated under Listing Regulations and Section 178 of the Act. The brief terms of reference of SRC are as under:

1. To look into various aspects of interest of shareholders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. To review the measures taken for effective exercise of voting rights by shareholders.
3. To review adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. To review various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
5. To oversee statutory compliance relating to all the securities issued, including but not limited to dividend payments, transfer of unclaimed dividend amounts/ unclaimed shares to the IEPF.
6. To approve and register transfer and/or transmission of securities, issuance of duplicate security certificates, issuance of certificate on rematerialization and to carry out other related activities.
7. To resolve the grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.
8. To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable.

Meetings, Attendance and Composition of the SRC

During the financial year 2025-26, 16 (Sixteen) meetings of SRC were held.

The composition of SRC and details of attendance of the members during the Financial Year 2025-2026 are given below:

Sr. No.	Date of SRC Meeting	Attendance of Members		
		Mrs. Padmaja Shailen Ruparel (Chairperson)	Mr. Arvind Singhania (Member)	Mr. Pradeep Kumar Rustagi (Member)
1	21st April 2025	☒	☑	☑
2	28th April 2025	☒	☑	☑
3	19th May 2025	☒	☑	☑

Sr. No.	Date of SRC Meeting	Attendance of Members		
		Mrs. Padmaja Shailen Ruparel (Chairperson)	Mr. Arvind Singhania (Member)	Mr. Pradeep Kumar Rustagi (Member)
4	26th May 2025	☒	☑	☑
5	25th August 2025	☒	☑	☑
6	22nd September 2025	☒	☑	☑
7	29th September 2025	☒	☑	☑
8	24th November 2025	☒	☑	☑
9	1st December 2025	☒	☑	☑
10	15th December 2025	☒	☑	☑
11	22nd December 2025	☒	☑	☑
12	29th December 2025	☒	☑	☑
13	5th January 2026	☑	☑	☑
14	12th January 2026	☒	☑	☑
15	19th January 2026	☒	☑	☑
16	9th February 2026	☒	☑	☑

☑Present | ☒Leave of Absence

The required quorum was present at all meetings. The Chairperson of the Committee is a Non-Executive Director.

The Company Secretary acts as the Secretary to the SRC. The minutes of each SRC meeting are placed before the Board at its subsequent meeting for noting

Mrs. Padmaja Shailen Ruparel, Chairperson of the SRC has not attended the last AGM held on 26th September 2025 due to her pre-occupation.

Compliance Officer

In terms of the requirements of the Listing Regulations, the Company has designated Ms. Poornima Gupta, Company Secretary and a Whole-Time Employee of the Company, as its Compliance Officer.

Details of Investor Complaints

The Company and its Registrar and Share Transfer Agent address all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavors to implement suggestions as and when received from the investors.

During the financial year 2025-26, the Company has received 10 Complaints from the shareholders and all of them have been resolved by furnishing requisite information/ documents. As of 31st March 2026, no investor grievance was pending.

d) Corporate Social Responsibility Committee

The Corporate Social Responsibility (“**CSR**”) Committee comprises of 3(three) Directors, with one Independent Director.

Terms of Reference:

The powers, role and terms of reference of the CSR Committee cover the areas as contemplated under Section 135 of the Act. The brief terms of reference of CSR Committee are as under:

1. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act and rules made thereunder and review thereof.
2. To formulate and recommend to the Board an annual action plan in pursuance to CSR Policy.
3. To recommend to the Board the amount of expenditure to be incurred on CSR activities.
4. To monitor the implementation of framework of CSR Policy.
5. To review the performance of the Company in the areas of CSR.
6. To institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company.
7. To recommend extension of duration of existing project and classify it as on-going project or other than on-going project.
8. To submit annual report of CSR activities to the Board.
9. To consider and recommend appointment of agency / consultant for carrying out impact assessment for CSR projects, as applicable, to the Board.
10. To review and monitor all CSR projects and impact assessment report.
11. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

Meetings, Attendance and Composition of the CSR Committee

During the financial year 2025-26, 3 (Three) meetings of CSR Committee were held.

The composition of the CSR Committee and details of attendance of the members during the Financial Year 2025-2026 are given below:

Sr. No.	Date of CSR Meeting	Attendance of Members		
		Mr. Arvind Singhania (Chairman)	Atul Aggarwal (Member)	Ayush Vardhan Singhania (Member)
1	21st May 2025	☑	☑	☑
2	30th July 2025	☑	☑	☑
3	14th November 2025	☑	☑	☑

☑Present | ☒Leave of Absence

- *Upon completion of the second consecutive term of Mr. Sandeep Dinodia as an Independent Director at the close of business hours on 31st March 2025, the CSR Committee was re-constituted w.e.f. 1st April 2025 by re-designating Mr. Arvind Singhania as Chairman of the Committee.*
- *Subsequently, the Committee was further re-constituted w.e.f. 6th May 2025 by appointing Mr. Atul Aggarwal as a Member of the CSR Committee in place of Mr. Alok Dhir.*

The required quorum was present at all meetings.

The Company Secretary acts as the Secretary to the CSR Committee. The minutes of each CSR Committee Meeting are placedbefore the Board at its subsequent meeting for noting.

The CSR Policy can be accessed on the Company's website at the following link: **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Corporate-Social-Responsibility-Policy.pdf**.

e) **Risk Management Committee**

With an embedded approach to Risk Management which puts risk and opportunity assessment at the core of the Board's agenda, the Company has constituted a Risk Management Committee **("RMC")**, in line with the Listing Regulations.

Terms of Reference:

The powers, role and terms of reference of the RMC cover the areas as contemplated under Listing Regulations. The brief terms of reference of RMC are as under:

1. To formulate a detailed Risk Management Policy which shall include:
   - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information technology, cyber security risks or any other risk as may be determined by the Committee.
   - Measures for risk mitigation including systems and processes for internal control of identified risks.
   - Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to identify, monitor, evaluate and mitigate risks associated with the business of the Company.
3. To monitor and oversee the implementation of the risk management policy including evaluating the adequacy of risk management systems.
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
5. To keep the Board informed about the nature and contents of its discussions, recommendations and actions to be taken.
6. To consider the appointment and removal of the Chief Risk Officer, if any and review his terms of remuneration.
7. To review and approve Company's risk appetite and tolerance with respect to line of business.
8. To obtain reasonable assurance from management that all known and emerging risks have been identified, mitigated and managed.
9. To carry out any other function as is referred to by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable.

Meetings, Attendance and Composition of the RMC

During the financial year 2025-26, 2 (Two) meetings of RMC were held.

The composition of the RMC and details of attendance of the members during the Financial Year 2025-26 are given below:

S. No.	Date of RMC Meeting	Attendance of Members				
		Mr. Arvind* Singhania (Chairman)	Mr. Ayush Vardhan Singhania (Member)	Mr. Pradeep Kumar Rustagi (Member)	Mr. Atul Aggarwal (Member)	Mr. Vaibhav Jha (Member)
1	8th July 2025	☑	☑	☑	☒	☑
2	2nd February 2026	☑	☑	☑	☒	☑

☑Present | ☒ Leave of Absence

- *Upon completion of the second consecutive term of Mr. Sandeep Dinodia as an Independent Director at the close of business hours on 31st March 2025, the RMC was re-constituted w.e.f. 1st April 2025 by appointing Mrs. Padmaja Shailen Ruparel as a Member of the Committee.*
- *Subsequently, the RMC was further re-constituted w.e.f. 6th May 2025 by appointing Mr. Atul Aggarwal as a Member in place of Mrs. Padmaja Shailen Ruparel and inducting Mr. Vaibhav Jha and Mr. Ayush Vardhan Singhania as Members of the Committee.*
- *Subsequent to the closure of Financial Year, the committee was further re-constituted w.e.f. 13th May 2026 by appointing Mr. Abhay Anant Gupte as Chairperson in place of Mr. Arvind Singhania.*

The required quorum was present at all meetings.

The Company Secretary acts as the Secretary to the RMC. The minutes of each RMC Meeting are placedbefore the Board at its subsequent meeting for noting.

The Risk Management Policy can be accessed on the Company's website at the following link: **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/risk-management-policy.pdf**.

f) Other Committee

Apart from the above statutory Committees, the Board of Directors has also constituted the following Committee to enhance the level of governance and also to meet the specific business needs.

Finance Committee

The Finance Committee has been constituted to oversee the routine operations that arise in the normal course of business such as to borrow money and make investment within the limits approved by the Board and the shareholders of the Company; undertaking all kinds of Foreign Exchange and Derivatives transactions; decision on banking matters including opening & closing of bank accounts; modification in authorized signatories, availing/discontinuing internet banking; and any other service/ facility as may be required from the Banks for the operation of the business.

Meetings, Attendance and Composition of the Finance Committee

During the financial year 2025-26, 8 (Eight) meetings of Finance Committee were held.

The composition of the Finance Committee and details of attendance of the members during the Financial Year 2025-2026 are given below:

Sr. No.	Date of Finance Committee Meeting	Attendance of Members		
		Mr. Arvind Singhania (Chairman)	Mr. Ayush Vardhan Singhania (Member)	Mr. Pradeep Kumar Rustagi (Member)
1	16th June 2025	☑	☑	☑
2	31st July 2025	☑	☑	☑
3	20th August 2025	☑	☑	☑
4	7th October 2025	☑	☑	☑
5	18th December 2025	☒	☑	☑
6	24th December 2025	☒	☑	☑
7	21st January 2026	☑	☑	☑
8	26th March 2026	☑	☑	☑

☑Present |☒Leave of Absence.

Subsequent to the closure of Financial Year, the committee was further re-constituted w.e.f. 13th May 2026 by redesignating Mr. Ayush Vardhan Singhania as Chairperson and Mr. Arvind Singhania as Member.

The required quorum was present at all meetings.

The minutes of each Finance Committee Meeting are placed before the Board at its subsequent meeting for noting.

4. GENERAL BODY MEETINGS

a) Annual General Meeting

The details of last three Annual General Meetings ("**AGMs**") and the summary of Special resolutions passed therein are as under:

Financial Year	Date & Time	Venue	Special Resolution Passed
2024-25	26th September 2025 12:00 Noon (IST)	Held Through Video Conferencing /Other Audio-Visual Means	NIL
2023-24	27th September 2024 12:00 Noon (IST)		NIL
2022-23	27th September 2023 12:00 Noon (IST)		NIL

All the resolutions proposed by the Directors to the shareholders in last three years were approved by the shareholders with requisite majority.

b) Postal Ballot

During the year, the Company had passed Special resolutions through Postal Ballot for the proposals as mentioned below:

i) Re-Appointment of Mrs. Padmaja Shailen Ruparel (DIN: 01383513) as an Independent Director of the Company

Voting Period	Commenced on Wednesday, 28th May 2025 at 9:00 A.M. (IST) and ended on Thursday, 26th June 2025 at 5:00 P.M. (IST)
Members as on Cut – off date i.e. Friday, 23rd May 2025	39012
Declaration of Results	27th June 2025
Voting Pattern	

Particulars	Number
Number of valid votes received	64223252
Votes in favour of the resolution	64179649
Votes against the resolution	43603

ii) Appointment of Mr. Abhay Anant Gupte (DIN: 00389288) as an Independent Director of the Company

Voting Period	Commenced on Wednesday, 28th May 2025 at 9:00 A.M. (IST) and ended on Thursday, 26th June 2025 at 5:00 P.M. (IST)
Members as on Cut – off date i.e. Friday, 23rd May 2025	39012
Declaration of Results	27th June 2025
Voting Pattern	

Particulars	Number
Number of valid votes received	64223252
Votes in favour of the resolution	64214836
Votes against the resolution	8416

iii) Re-appointment of Mr. Arvind Singhania (DIN: 00934017) as Managing Director of the Company

Voting Period	Commenced on Friday, 20th February 2026 at 9:00 A.M. (IST) and ended on Saturday, 21st March 2026 at 5:00 P.M. (IST)
Members as on Cut – off date i.e. Friday, 13th February 2026	37775
Declaration of Results	24th March 2026
Voting Pattern	

Particulars	Number
Number of valid votes received	8206120
Votes in favour of the resolution	8160460
Votes against the resolution	45660

iv) Re-appointment of Mr. Pradeep Kumar Rustagi (DIN: 00879345) as Whole-Time Director of the Company:

Voting Period	Commenced on Friday, 20th February 2026 at 9:00 A.M. (IST) and ended on Saturday, 21st March 2026 at 5:00 P.M. (IST)
Members as on Cut – off date i.e. Friday, 13th February 2026	37775
Declaration of Results	24th March 2026
Voting Pattern	

Particulars	Number
Number of valid votes received	66287803
Votes in favour of the resolution	66276284
Votes against the resolution	11519

Scrutinizer for Postal Ballot:

The Board of Directors had appointed Mr. Akash Jain, Practicing Company Secretary, (Membership Number FCS: 9617 COP: 9432) as the Scrutinizer for conducting the postal ballot (e-voting process) in a fair and transparent manner.

Whether any resolutions are proposed to be conducted through postal ballot:

After the closure of financial year, the Company had sought the approval of the shareholders for the following Special Resolution through Postal Ballot notice dated 26th March 2026:

a) Revision in remuneration of Mr. Ayush Vardhan Singhania (DIN: 05176205), Whole-Time Director of the Company

Voting Period	Commenced on Friday, 24th April 2026 at 9:00 A.M. (IST) and ended on Saturday, 23rd May 2026 at 5:00 P.M. (IST)
Members as on Cut – off date i.e. Friday, 17th April 2026	37555
Declaration of Results	26th May 2026
Voting Pattern	

Particulars	Number
Number of valid votes received	8217389
Votes in favour of the resolution	8159660
Votes against the resolution	57729

The aforesaid special resolution was passed with requisite majority.

Procedure for Postal Ballot:

The prescribed procedure for conducting the postal ballot, as provided under the Act and the rules made thereunder, as amended from time to time, shall be duly complied with.

5. KEY CODES, POLICIES AND CERTIFICATIONS

a) Code of Conduct

The Company has adopted the Code of Conduct for all Board Members and Senior Management Personnel of the Company in line with the requirements of Regulation 17 of Listing Regulations which can be accessed on Company's website at the following link: **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Code-of-Conduct-new.pdf**.

The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics, and by making full and accurate disclosures in compliance with all applicable laws, rules and regulations.

The Company has received confirmation from all Board Members and Senior Management Personnel of the Company regarding their adherence to the Code. A declaration to this effect duly signed by Mr. Vaibhav Jha, Chief Executive Officer of the Company is annexed as **Annexure-I** to this Report.

b) Code on Prohibition of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), the Company has in place Code of Conduct for Prevention of Insider Trading to Regulate Monitor and Report Trading by Insiders ("Code") and Code of practices and procedures for fair disclosures of Unpublished Price Sensitive Information, which are available on the Company's website and can be accessed at **https://www.esterindustries.com/codes-and-policies/** in order to deter the instances of insider trading in the securities of the Company based on the Unpublished Price Sensitive Information.

c) Certificate required under Regulation 17(8)

The certificate required under Regulation 17(8) of Listing Regulations, duly signed by the Chief Executive Officer and the Chief Financial Officer of the Company, was presented before the Board in the Board Meeting held on 13th May 2026, and is annexed as **Annexure-II** to this Report.

d) Compliance Certificate on Corporate Governance

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C and D of Schedule V of the Listing Regulations. A certificate affirming the compliances of Corporate Governance requirements during financial year 2025-26 has been obtained from Mr. Akash Jain, Practicing Company Secretary and the same is annexed as **Annexure III** to this Report.

e) Certificate for non-disqualification of Directors

Pursuant to Regulation 34(3) and Schedule-V, Para C, Clause (10)(i) of Listing Regulations, the Board hereby confirms that a certificate has been obtained from the Practicing Company Secretary, stating that none of the Directors have been debarred or disqualified from being appointed or continuing as Director by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such other Statutory Authority. The certificate is annexed as **Annexure-IV** to this Report.

f) Policy on Related Party Transactions

The Company has adopted the Policy on Related Party Transactions ("**RPT Policy**") in compliance with the requirements of the Act and the Listing Regulations, as amended from time to time, which is available on the website of the Company at **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/RPT_Policy.pdf**.

The Policy aims to ensure that effective procedures for reporting, approval, and other disclosures are established to govern transactions between the Company and Related Parties.

The Policy focusses on the review and approval of Material RPTs, while addressing the potential or actual conflicts of interest that may arise out of these transactions. All RPTs are placed before the Audit Committee for review and approval. For RPTs of a repetitive nature or those undertaken in the ordinary course of business and at arm's length, prior omnibus approval from the Audit Committee is obtained on an annual basis. Further, the Audit Committee, on quarterly basis, reviews the details of the RPTs entered into by the Company pursuant to such omnibus approval.

Confirmations: During the financial year 2025-26:

- all the RPTs were entered in the ordinary course of business and on arm's length basis; and
- there are no materially significant related party transactions that may have potential conflict withinterest of the Company at large.

The Policy ensures compliance with regulatory guidelines and promotes accountability while adhering to the corporate governance principles.

g) Vigil Mechanism / Whistle Blower policy

The Company has adopted a Whistle Blower Policy and has established a necessary vigil mechanism for its directors and employees to report concerns about actual or suspected frauds, instances for leakage or suspected leakage of Unpublished Price Sensitive Information, any violations of legal/regulatory requirements or code of conduct/policy of the Company, incorrect or misrepresentation of any financial statements, reports etc. No person has been denied access to the chairperson of the Audit Committee. The Audit Committee monitors and reviews the investigations of the whistle blower complaints. The said policy can be accessed on the Company's website at the following link:

https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Whistle-Blower-Policy.pdf.

During the year under review, no cases were reported under the whistle blower policy.

h) Nomination & Remuneration Policy

The Nomination and Remuneration Policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavors to attract, retain, develop and motivate the high-calibre executives and to incentivize them to develop and implement the Company's strategy, thereby enhancing the business value and maintaining a high-performance workforce. The Policy ensures that the level and composition of remuneration of the Directors is optimum.

The said policy of the Company along with criteria of making payments to Non-Executive Directors can be accessed on the Company's website at the following link:

https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Nomination-and-Remuneration-Policy.pdf.

- Remuneration to Executive Directors

  The remuneration of the Executive Director is recommended by the Nomination and Remuneration Committee to the Board based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record and macro-economic review on remuneration packages of heads of other organizations. The pay structure of Executive Director has appropriate success and sustainability metrics built in.

  The Executive Director is not paid sitting fees for attending meetings of the Board of Directors and its Committee.

Details of remuneration paid/payable to Executive Directors of the Company during the financial year 2025-26 are as under:

(₹ in Lacs)

Name of Directors	Basic Salary	Allowances & Perquisites	Provident Fund & SAF	Total
Arvind Singhania*	142.06	380.66	17.04	539.76
Pradeep Kumar Rustagi	57.94	110.48	7.95	176.37
Ayush Vardhan Singhania	52.02	74.00	7.24	133.26

**The remuneration disclosed above in respect of Mr. Arvind Singhania relates to the period during which he served as Managing Director (designated as Chairman & CEO) during FY 2025-26. He was re-designated as Non-Executive Non-Independent Director and Chairman w.e.f. closing of business hours on 26th March 2026.*

The above figures do not include gratuity and premium paid for group health insurance. Services of the Executive Directors may be terminated by either party, giving the other party 90 days' notice or the Company paying 90 days' salary in lieu thereof. There is no separate provision for payment of severance fees.

➢ Remuneration to Non-Executive Directors

Non-Executive Directors are paid sitting fees of ₹ 10,000/- for attending each meeting of the Board of Directors and the Committee thereof (except Stakeholders' Relationship Committee and Finance Committee).

The details of sitting fees paid to the Non-Executive Directors during financial year 2025-26 are as follows:

Name of the Director	Sitting Fees (₹ in Lacs)
Mr. Arvind Singhania*	0.00
Mrs. Padmaja Shailen Ruparel	1.20
Mr. Atul Aggarwal	1.90
Mr. Abhay Anant Gupte	1.40
Mr. Alok Dhir	0.10

**Mr. Arvind Singhania was re-designated from the position of Managing Director (designated as Chairman & Chief Executive Officer) to Non-Executive Non-Independent Director and Chairman of the Board, w.e.f. closing of business hours on 26th March 2026. Further, Mr. Singhania voluntarily waived his entitlement to receive any sitting fees for attending meetings of the Board and its Committees during FY 2025–26.*

There has been no pecuniary relationship or transaction between the Company and Non-Executive Directors during the financial year 2025-26 except to the extent of receipt of sitting fees for meetings of the Board/Committee(s) of Directors attended by them.

No stock option was granted to any of the Non-Executive Director during the financial year under review.

➢ Employee Stock Option Schemes adopted by the Company

The Company has implemented employee stock option schemes in compliance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time **("SEBI (SBEB and SE) Regulations")**, with the objective of attracting, retaining, and motivating employees by providing them an opportunity to share in the growth of the Company.

a. Ester Employee Stock Option Plan-2021 ("ESOP-2021")

ESOP–2021 was formulated by the Nomination and Remuneration Committee and approved by the Board of Directors at its meeting held on 25th February 2021. The scheme was subsequently approved by the Members by way of a Special Resolution passed at the Extra-Ordinary General Meeting held on 26th March 2021, in accordance with the SEBI (SBEB and SE) Regulations.

➢ **Grants during FY 2025–26**

During the financial year under review, no stock options were granted under ESOP–2021.

➢ **Cumulative Status as on 31st March 2026**:

As at 31st March 2026, an aggregate of 2,48,179 stock options had been granted under ESOP–2021 to eligible employees and an Executive Director, including 1,01,713 stock options granted to Mr. Pradeep Kumar Rustagi, Executive Director – Corporate Affairs.

Out of the aforesaid stock options, 87,880 stock options were exercised and 87,880 equity shares of face value of ₹5/- each were allotted to eligible grantee during FY 2024–25 in accordance with the terms of ESOP–2021 and applicable laws. Further, 58,586 stock options granted to an eligible employee lapsed upon cessation of his employment, as the said options had not vested as on the date of cessation.

Accordingly, after giving effect to the aforesaid exercises and lapses, 1,01,713 stock options remained outstanding as at 31st March 2026.

Each vested stock option entitles the eligible grantee to apply for one equity share of the Company at the applicable exercise price, subject to the terms and conditions of ESOP–2021.

- **Allotment during FY 2025–26**

  During the financial year under review, no equity shares were allotted upon exercise of stock options under ESOP–2021.

b. Ester Employee Stock Option Plan-2024 ("ESOP-2024")

The **ESOP–2024** was introduced with a similar objective of providing competitive remuneration through equity-based incentives. The scheme was approved by the Board of Directors at its meeting held on 14th September 2024 subsequently approved by the Members by way of Postal Ballot on 16 October 2024, in accordance with the SEBI (SBEB and SE) Regulations.

- **Grant during FY 25-26**

  During the financial year under review, the Nomination and Remuneration Committee, by way of a resolution passed through circulation, granted 19,188 stock options to eligible employees under ESOP–2024.

- **Cumulative Status as on 31st March 2026**

  As at 31st March 2026, an aggregate of 1,62,930 stock options had been granted under ESOP–2024 to eligible employees and an Executive Director, including 27,437 stock options granted to Mr. Pradeep Kumar Rustagi, Executive Director – Corporate Affairs.

- **Allotment during FY 2025–26**

  During the financial year under review, no equity shares were allotted upon exercise of stock options under ESOP-2024.

i) Policy on Material Subsidiaries

As per criteria given in Regulation 16 of the Listing Regulations and based on the financial statements for the year ended 31st March 2026, the Company has one material subsidiary namely Ester Filmtech Limited. As per criteria given in Regulation 24 of the Listing Regulations, the Company nominated an Independent Director of the Company viz. Mr. Abhay Anant Gupte on the board of the said material subsidiary company. The subsidiary company functions with an adequately empowered Board of Directors and sufficient resources

For more effective governance, the Company monitors the performance of subsidiary company, inter alia, by following means:

- Financial statements of unlisted subsidiary company, are reviewed by the Audit Committee and the Board of the Company.
- Minutes of the Board Meetings of the subsidiary company along with the details of significant transactions and arrangements entered into by the subsidiary company are shared with the Board on a quarterly basis.

  In compliance with the Listing Regulations, the Board has formulated the policy for determining Material Subsidiaries which can be accessed on the Company's website at the following link:

  https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Policy-on-Material-Subsidiary.pdf.

Details of Incorporation and Statutory Auditors of Material Subsidiary are as follows:

Details of Incorporation		Details of Statutory Auditors	
Place	**Date**	**Name**	**Date of Appointment**
Haryana	21st July 2020	M/s. Walker Chandiok and Co. LLP	The members at the 1st AGM held on 24th September 2021, approved the appointment of statutory auditors for a period of 5 years till the conclusion of Annual General Meeting to be held in the year 2026.

j) Risk Management Policy

The Company has in place a Risk Management Policy which can be accessed on the Company's website at the following link:

https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/risk-management-policy.pdf.

The Risk Management System is periodically reviewed and evaluated by the Risk Management Committee and Board of Directors.

k) Dividend Distribution Policy

The Board of Directors have adopted Dividend Distribution Policy in terms of the requirements of Listing Regulations. The Policy is available on the website of the Company and can be accessed at the following link – **https://www.esterindustries.com/wp-content/themes/esterindustries/assets/pdf/governance-and-regulatory-information/codes-and-policies/Dividend-Distribution-Policy.pdf**.

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, the Company has laid down a Prevention of Sexual Harassment Policy and has constituted Internal Complaints Committees (ICC), to consider and resolve the complaints related to sexual harassment. The ICC includes external member with relevant experience. The Company has zero tolerance on sexual harassment at the workplace. The ICC also work extensively on creating awareness on relevance of sexual harassment issues including while working remotely. The employees are required to undergo mandatory training to sensitize themselves and strengthen their awareness.

During the year under review, the Company has not received any complaint pertaining to sexual harassment.

6. OTHER DISCLOSURES

a) Disclosure of pending cases/Instances of non-compliances

During the period from 1st April 2025 to 5th May 2025, the Company was not in compliance with the minimum requirement relating to the composition of the Board with respect to Independent Directors under Regulation 17(1)(b) of the Listing Regulations. In this regard, the BSE Limited and the National Stock Exchange of India Limited levied a penalties of ₹1,77,000 each on the Company. The Company duly paid the aforesaid penalties to both the Stock Exchanges within the stipulated timeline of 15 days.

Except for the aforesaid instance, there have been no instances of non-compliance by the Company, nor have any penalties and/or strictures been imposed on the Company by the Stock Exchanges, the Securities and Exchange Board of India or any other statutory authority in relation to any matter concerning the capital markets during the last three financial years.

b) Compliance with the non-mandatory Requirements under Regulation 27 read with Part E of Schedule II

The Board periodically reviewed the compliance of all the applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of the Listing Regulations. In addition, the Company has also fulfilled the following non-mandatory requirements under Regulation 27 read with Part E of Schedule II of Listing Regulations:

- The Board: With effect from the close of business hours on 26th March 2026, the Company has a Non-Executive Chairperson. The Chairperson is entitled to maintain an office at the Company's expense and is also entitled to reimbursement of expenses incurred in the performance of his duties.
- Shareholders' rights: The Company ensures that all material information is made available to all shareholders on a non-discriminatory and non-discretionary basis. The quarterly financial results, press releases, investor presentations, recordings and transcripts of earnings calls are made available on the Company's website at **www.esterindustries.com**.
- Modified Opinion(s) in Audit Report: The Company continued to have its financial statements with unmodified audit opinion (for both standalone and consolidated) for the financial year ended on 31st March 2026.
- Separate position of Chairperson and CEO: Mr. Arvind Singhania is the Non-Executive Chairperson of the Company and Mr. Vaibhav Jha is the Chief Executive Officer (CEO) of the Company. The positions of Chairperson and CEO are separate and have distinct and well-articulated roles and responsibilities. The Chairperson and CEO are not related to each other.
- Reporting of Internal Auditor: The Internal Auditor of the Company reports to the Audit Committee.

  The Company has submitted the quarterly compliance report on Corporate Governance to the Stock Exchanges, in accordance with the Regulation 27(2)(a) of the Listing Regulations. The same is available on the Company's website at **https://www.esterindustries.com/corporate-governance-in-ester/**.

c) Utilization of Funds- Preferential Allotment/ Qualified Institutions Placement

During the Financial Year 2024-25, the Company approved the issuance of 1,10,75,941 Fully Convertible Warrants ("Warrants") on a preferential basis to persons belonging to the Promoter & Promoter Group and Non-Promoter categories at an issue price of ₹158/- per Warrant, aggregating to ₹174.99 crore, pursuant to the approvals of the Board of Directors and the Members of the Company accorded at their meetings held on 14th September 2024 and 16th October 2024, respectively.

Upon receipt of 25% of the issue price from all the allottees, the Board of Directors, vide resolution passed by circulation on 13th November 2024, approved the allotment of 1,10,75,941 Warrants, each convertible into one Equity Share of face value of ₹5 each at an exercise price of ₹158/- per Equity Share, in accordance with the provisions of the Companies Act, 2013 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

During the year under review, certain warrant holders exercised their option for conversion of Warrants by remitting part of the applicable warrant exercise money, pursuant to which the Board of Directors, vide resolution passed by circulation on 30th April 2025, approved the allotment of 35,44,302 Equity Shares of face value ₹5 each upon conversion of an equivalent number of Warrants.

As on 31st March 2026, the Company had received an aggregate amount of ₹85.75 crores against the total proposed fund raise of ₹174.99 crore. Out of the amount received, ₹25.30 crores had been utilized towards equity infusion in Ester Loop Infinite Technologies Private Limited (ELITe), in accordance with the objects stated in the offer documents. The balance amount of ₹60.45 crores remained unutilized as on 31st March 2026.

The Company confirms that there has been no deviation or variation in the utilization of the proceeds from the preferential issue of Warrants, and the funds have been utilized in accordance with the objects stated in the offer documents.

d) Recommendations of Committee

There was no such instance during the financial year 2025-26, where the Board had not accepted any recommendation from any of its committees.

e) Consolidated Fees paid to Statutory Auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors, and all entities in the network firm / network entity of which the Statutory Auditors is a part, are given below:

(₹ in lacs)

Fee particulars	Ester	Subsidiary EFTL	Consolidated
Audit fees	56.10	15	**71.1**
Out of pocket expenses	4.57	1.25	**5.82**
Total	**60.67**	**16.25**	**76.92**

f) Disclosure with respect to Suspense Escrow Demat Account (SEDA)

As per the Circular(s) issued by SEBI, after due verification of the investor service requests received from the Shareholders/Claimants, Letter of Confirmations (LOCs) are issued in lieu of physical share certificate(s) by Companies/RTAs. The validity of such LOCs is 120 days from the date of issuance, within which the Shareholder/Claimant is required to make a request to the Depository Participant (DP) for dematerialising the shares covered by the LOC. In case the demat request was not submitted within the aforesaid timeline of 120 days, companies are required to transfer such shares to SEDA opened by companies for this purpose.

The above process was followed till 31st March 2026. Pursuant to SEBI circular dated 30th January 2026, the above process has been simplified by dispensing with the requirement of issuance of LOC with effect from 2nd April 2026. Accordingly, after processing the investor service requests with necessary due diligence, RTAs/listed companies shall credit the securities directly to the investor's demat account.

Shareholders/Claimants can claim back their shares from SEDA by submitting the required documents to the Company's RTA as per SEBI Advisory dated 30th December 2022, as amended.

Details of shares transferred to / released from SEDA during the financial year 2025-26 are as under:

Particulars	No. of Shareholders/ Claimants	No. of shares
Shares lying in SEDA as on 1st April, 2025	0	0
Shares transferred to SEDA during financial year 2025-26	0	0
Shares claimed back from SEDA during financial year 2025-26	0	0
Shares lying in SEDA as on 31st March, 2026	0	0

The voting rights on these shares shall remain frozen till the rightful owner of the shares claims the shares.

The Company has not transferred any shares to any other Suspense Account.

g) Unclaimed/Unpaid Dividends and Investor Education and Protection Fund (IEPF)

Statutory requirements regarding transfer of dividend and/or shares to IEPF

In accordance with the provisions of Section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (IEPF Rules), dividends that remain unpaid or unclaimed for a period of 7 (seven) consecutive years from the date of transfer to Unpaid Dividend Account of the Company are liable to be transferred to IEPF.

Accordingly, unclaimed dividends of Shareholders for FY2018-19 lying in the unclaimed dividend account of the Company as on 17th October 2026 will be due for transfer to IEPF on the due date i.e., 17th November 2026. Further, the shares (excluding the disputed cases having specific orders of the Court, Tribunal or any Statutory Authority restraining such transfer) pertaining to which dividends remain unpaid or unclaimed for a period of 7 (seven) consecutive years from the date of transfer of the dividend to the Unpaid Dividend Account is also mandatorily required to be transferred to the demat account of the IEPF Authority established by the Central Government.

Nodal Officer (IEPF)

Details of Nodal Officer of the Company, appointed in accordance with the provisions of IEPF Rules, are given below. The same is also available on the website of the Company at https://www.esterindustries.com/iepf/.

Mr. Pradeep Kumar Rustagi

Executive Director-Corporate affairs

Email: investor@ester.in

Tel: 0124-4572100

Transfer of unpaid or unclaimed dividends and shares to IEPF

During the FY 25- 26, no unclaimed dividend/shares was required to be transferred to the IEPF established by the Central Government under applicable provisions of the Act.

Process for claiming dividends/shares from IEPF

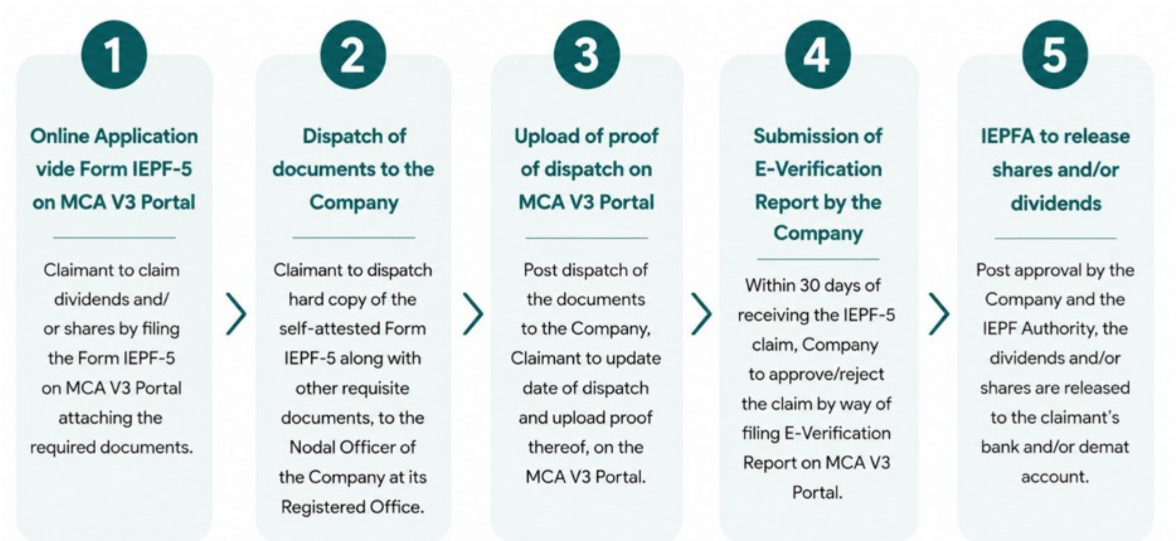
- Obtaining Entitlement Letter from the Company / RTA

  Members/Claimants whose dividends and/or shares have been transferred to the IEPF are required to initially approach the Company/its RTA with all necessary documentation. This includes KYC documents, the original share certificate (if available), documentation for issuance of duplicate certificates in the event of loss of shares, and transmission documents in cases where the registered shareholder(s) is/are deceased. Upon submission of complete and accurate documents, the Company/its RTA will issue an Entitlement Letter to the Member/Claimant. This Entitlement Letter forms the basis for initiating the process to reclaim shares from the IEPF Authority.

- Filing of claim with IEPF Authority

  Post obtaining the Entitlement Letter from the Company/its RTA, Members/Claimants can reclaim the dividends and/or shares from the IEPF Authority after complying with the prescribed procedures.

  A flow chart explaining the procedure in detail is given below:



Dividends due for transfer to IEPF

The shareholders who have not encashed their dividend relating to the dividend specified in table below are requested to immediately send their request for payment of unclaimed dividend.

Year of Dividend	2018-19	2019-20	2020-21	2020-21	2021-22	2021-22	2022-23	2024-25
Nature of Dividend	**Final**	**Final**	**Interim**	**Final**	**Interim**	**Final**	**Final**	**Final**
Amount of Dividend per share	₹ 0.50/-	₹ 2.50/-	₹ 1.50/-	₹ 1.90/-	₹ 1.40/-	₹ 1.90/-	₹ 0.50/-	₹ 0.60/-
Date of Declaration	16-09-2019	28-08-2020	26-10-2020	27-09-2021	12-11-2021	28-09-2022	27-09-2023	26-09-2025
Last date for claiming dividend from the Company	17-10-2026	29-09-2027	27-11-2027	02-11-2028	15-12-2028	30-10-2029	30-10-2030	28-10-2032
Proposed date of transfer of Dividend	17-11-2026	28-10-2027	27-12-2027	02-12-2028	14-01-2029	29-11-2029	29-11-2030	27-11-2032

Members are requested to note that no claims shall lie against the Company in respect of the dividend/shares transferred to IEPF.

The details of the unpaid/unclaimed amounts lying with the Company as on 31st March 2026 are available on the website of the Company and can be accessed at the following link https://www.esterindustries.com/iepf/ and also on the MCA's website. The Members may kindly check the said information and if any dividend amount is appearing as unpaid against their name, they may lodge their claim, duly supported by relevant documents to the Company.

h) **Details of Loans and advances by the Company and its Subsidiaries in the nature of loans to firms/ companies in which directors are interested' by name and amount.**

During the financial year under review, there were no loans or advances provided by the Company or its subsidiaries to firms/companies in which Directors are interested.

i) **Senior Management**

The details of Senior Management Personnel ("SMP") since the close of the previous financial year are as under:

Name	Designation	As on 31st March 2026	As on 31st March 2025
Mr. Sourabh Agarwal	Chief Financial Officer	✓	✓
Mr. Rajendra Singh Gaur	Head- Manufacturing operations	✓	✓
Ms. Poornima Gupta	Company Secretary & Compliance Officer	✓	✓
Ms. Adhrua Minocha	Chief Human Resource Officer	✓	✓
Mr. Vaibhav Jha*	Chief Executive Officer	✓	✓

** Change in designation from Deputy CEO to CEO w.e.f. 27th March 2026*

Conflict of Interest: The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

j) **Disclosure of certain types of agreements binding listed entities**

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

7. MEANS OF COMMUNICATION

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management shareholder relations. The Company regularly interacts with Shareholders through multiple channels of communication such as:

Results Announcement	The quarterly, half yearly and annual financial results of the Company's performance are published in at least one prominent national and one regional newspaper having wide circulation as required by the Listing Regulations. Generally, the results are published in Financial Express and Nazariya Khabar/Vir Arjun.
Annual Report	Annual Report containing, inter alia, the Report of Board of Directors, Corporate Governance Report, the Business Responsibility and Sustainability Report, Management Discussion and Analysis, audited Standalone and Consolidated Financial Statements together with Auditor's Report and other important information are circulated to the Shareholders. The Annual Report is also available on the website of the Company in a downloadable form.
Annual General Meeting	A platform for Shareholders to directly interact with the Board and the Management.
Press Releases	All official media releases and presentations are submitted to NSE and BSE and also being uploaded on the website of the Company.
Analysts Presentation/ Investor Call	As per the requirements of Listing Regulations, the presentations, audio and video recordings and transcripts of investor conferences are available on the website of the Company. The Company also conducts calls with investors post declaration of financial results to brief on the performance of the Company. These calls are attended by the Chairman, CEO, CFO and Whole-Time Directors of the Company.

Company's Website	The Company's website contains a dedicated section for Investors as per the requirements of Regulation 46 of the Listing Regulations, where Annual Reports, quarterly and annual results, stock exchange filings, press releases, quarterly reports, all statutory policies, information relating to investor service requests, unclaimed unpaid dividend and other shareholder information are available. The website also displays vital information relating to the Company and its performance, official press releases, presentation to analysts, transcripts and audio recordings of Earning calls.
Designated Email IDs	In terms of Regulation 46(2) of the Listing Regulations, the designated e-mail address for investor complaints is **investor@ester.in**. For queries related to Shares and Dividend transferred to IEPF Authority, email may be sent to **iepf@ester.in**. The shareholders may also send their queries at the email id of Registrar and Transfer Agent (RTA) viz. **investor@masserv.com**.
Stock Exchanges	All price sensitive information and matters that are material to Shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited. The Quarterly Results, quarterly reporting required under the Listing Regulations and all other corporate communications to the Stock Exchanges are filed through BSE Listing Centre and NSE Electronic Application Processing System (NEAPS) for dissemination on their respective websites. The stock exchange filings are also made available on the website of the Company at **https://www.esterindustries.com/intimation-to-stock-exchanges/**.
SEBI and Stock Exchanges' Investor Grievance Redressal System	SCORES and SMART ODR platforms established under the SEBI framework, 'Investor Complaints' sections of BSE and NSE websites facilitate investors to file complaints online and get end-to-end status update of their grievances. The Company endeavours to redress the grievances of the Investors as soon as it receives the same from the respective forums.

8. GENERAL SHAREHODLER INFORMATION

a) Annual General Meeting for FY 2026

Date : 24th September 2026

Time : 12:00 Noon (IST)

Venue : Meeting is being conducted through Video Conferencing, pursuant to General Circulars issued by MCA and SEBI. The venue of the meeting shall be deemed to be the Registered Office of the Company at Sohan Nagar, P.O. Charubeta, Khatima- 262308, Distt. Udham Singh Nagar, Uttarakhand.

b) Financial Year

Financial Year of the Company is for a period of 12 months commencing from 1st April and ending on 31st March.

c) Tentative Financial Calendar

- Results for quarter ending 30.06.2026 : August 2026
- Results for quarter ending 30.09.2026 : November 2026
- Results for quarter ending 31.12.2026 : February 2027
- Results for quarter and year ending 31.03.2027 : May 2027
- Annual General Meeting for financial year 2026-27 : September 2027

d) Dividend payment date

Our Board has recommended the Final Dividend of ₹0.25 per equity share having face value of ₹5/- each i.e. 5% for the Financial Year 2025-26. In case dividend is declared by the shareholders in the forthcoming Annual General Meeting, it will be paid on or before 24th October 2026.

e) Listing on Stock Exchanges

The Equity Shares of the Company are listed on the following Stock Exchanges:

Name of Stock Exchange	ISIN
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street Mumbai - 400001	INE778B01029
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	

Annual Listing fees for the financial year 2026-27 have been duly paid to the above Stock Exchanges within the prescribed time period.

f) Registrar and Share Transfer Agent

MAS Services Limited,
T-34, Okhla Industrial Area, Phase - II,
New Delhi - 110 020
Phone No. - 011-26387281/82/83
Fax No. - 011-26387384
E-Mail: **investor@masserv.com**
Website: **www.masserv.com**

g) Share Transfer System and Dematerialisation of Shares & Liquidity

The Board has delegated the authority for approving transfer, transmission issuance of duplicate certificates, issuance of certificate on rematerialization etc. to the Stakeholders' Relationship Committee.

Approximately the entire equity share capital of the Company is held in dematerialised form. The Company's shares are compulsorily traded in dematerialised form and are available for trading with both the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. The shareholders can hold the Company's shares with any depository participant registered with the depositories.

Particulars	Number of shares	% of paid-up capital	
31st March 2026	9,69,43,641	99.34	In Demat
	6,42,550	0.66	In physical Form
31st March 2025	9,33,89,039	99.31	In Demat
	6,52,850	0.69	In physical Form

In terms of the amended Regulation 40(1) of Listing Regulations, with effect from 1st April 2019, securities of listed companies can be transferred only in dematerialised form (except transmission of securities or transposition in the name(s) of holding). Accordingly, the shares held in physical form will not be transferred unless they are converted into dematerialised form. Transfers of equity shares in electronic form are affected through the depository system with no involvement of the Company.

The Company obtains certificates from a practicing Company Secretary on quarterly basis regarding reconciliation of the share capital of the Company confirming that the total issued / paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of the dematerialized shares held with NSDL and CDSL. A copy of these certificates so received are submitted to both the exchanges viz. NSE and BSE.

All communication regarding share transfer, share certificates, change of address, dividend etc. should be addressed to RTA of the Company at the address given below.

There was no instance of suspension of trading in the Company's shares during the financial year 2025-26.

h) Shareholding as on 31st March 2026

Distribution of Shareholding as on 31st March 2026

Shareholding of Nominal Value of ₹ 5 each	No. of Shareholders	% to total holders	No. of shares	% to total shares
1-5000	34263	92.794	5228521	5.358
5001-10000	1253	3.393	1869509	1.916
10001-20000	659	1.785	1886955	1.934
20001-30000	273	0.739	1359947	1.394
30001-40000	117	0.317	823029	0.843
40001-50000	99	0.268	920424	0.943
50001 & 100000	134	0.363	1939673	1.988
100001 & above	126	0.341	83558133	85.624
Total	**36924**	**100.00**	**97586191**	**100.00**

Shareholding Pattern as on 31st March 2026:

Category of Shareholder	No. of Shareholders	No. of Shares	% to total shares
A. PROMOTER AND PROMOTER GROUP			
1. Indian			
Individual/HUF	3	1059351	1.08
Bodies Corporate	2	3119019	3.20
Sub Total (A1)	**5**	**4178370**	**4.28**
2. Foreign			
Bodies Corporate	2	57022657	58.43
Sub Total (A2)	**2**	57022657	58.43
Total Shareholding of Promoter and Promoter Group (A = A1 + A2)	**7**	**61201027**	**62.71**

Category of Shareholder	No. of Shareholders	No. of Shares	% to total shares
B. PUBLIC SHAREHOLDING			
1. Institutions			
a. Mutual Funds/UTI	1	10000	0.01
b. Financial Institutions/Banks/AIF	5	152000	0.16
c. Foreign Portfolio Investor	6	53610	0.05
d. State Government / Governor	1	1800	0.00
Sub Total (B1)	**13**	**217410**	**0.22**
2. Non-Institutions			
a. Bodies Corporate	185	4190426	4.29
b. Resident Individuals	36223	21458145	21.99
c. Non-Resident Individual	476	498629	0.51
d. Foreign Company	1	8086861	8.29
e. IEPF Authority	1	1029991	1.06
f. Any other	18	903702	0.93
Sub Total (B2)	**36904**	**36167754**	**37.07**
Total Public Shareholding (B = B1 + B2)	**36917**	**36385164**	**37.29**
GRAND TOTAL (A) + (B)	**36924**	**97586191**	**100**

i) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, their conversion date and likely impact on equity

During the Financial Year 2024-25, the Company approved the issuance of 1,10,75,941 Fully Convertible Warrants (“Warrants”) on a preferential basis to persons belonging to the Promoter & Promoter Group and Non-Promoter categories at an issue price of ₹158/- per Warrant, aggregating to ₹174.99 crore, pursuant to the approvals of the Board of Directors and the Members of the Company accorded at their meetings held on 14th September 2024 and 16th October 2024, respectively.

Upon receipt of 25% of the issue price from all the allottees of amounting of ₹43.75 crores, the Board of Directors, vide resolution passed by circulation on 13th November 2024, approved the allotment of 1,10,75,941 Warrants, each convertible into one Equity Share of face value of ₹5 each at an exercise price of ₹158/- per Equity Share, in accordance with the provisions of the Companies Act, 2013 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

During the year under review, certain warrant holders exercised their option for conversion of Warrants by remitting part of the applicable warrant exercise money of amounting of ₹42 crores, pursuant to which the Board of Directors, vide resolution passed by circulation on 30th April 2025, approved the allotment of 35,44,302 Equity Shares of face value ₹5 each upon conversion of an equivalent number of Warrants.

Accordingly, as on 31st March 2026, 75,31,639 Fully Convertible Warrants remained outstanding, each carrying an entitlement to be converted into one Equity Share of face value ₹5 each subject to payment of the balance warrant exercise price within the prescribed timeline. Upon conversion of all the outstanding Warrants, the Company’s issued and paid-up equity share capital would have increased by 75,31,639 Equity Shares.

The terminal date for conversion of the Warrants into Equity Shares was 13th May 2026. Subsequent to the close of the financial year, certain warrant holders exercised their options for conversion of Warrants by remitting the full or part of the applicable warrant exercise money aggregating to ₹79.50 crores. Pursuant thereto, the Board of Directors, vide resolution passed by circulation on 12th May 2026, approved the allotment of 67,08,851 Equity Shares of face value ₹5 each upon conversion of an equivalent number of Warrants.

Against the total proposed fund raise of ₹174.99 crores through the preferential issue of Warrants, the Company received aggregate proceeds of ₹165.25 crores up to the terminal date for conversion of Warrants, i.e., 13th May 2026. Accordingly, out of the 1,10,75,941 Warrants issued, 1,02,53,153 Warrants were converted into an equivalent number of Equity Shares. The balance of 8,22,788 Warrants remained unexercised and consequently lapsed, and the amount of ₹3,25,00,128.10, being the upfront subscription amount received in respect thereof, stood forfeited in accordance with the terms of the issue.

Accordingly, against the total proposed fund raise of ₹174.99 crore, the Company received aggregate proceeds of ₹165.25 crore, resulting in a shortfall of ₹9.74 crore on account of the Warrants that remained unexercised and consequently lapsed.

The Company has not issued any GDRs, ADRs or other convertible instruments. Accordingly, as on 31st March 2026, there were no outstanding GDRs, ADRs or other convertible instruments apart from the aforesaid 75,31,639 Fully Convertible Warrants.

j) **Commodity price risk or foreign exchange risk and hedging activities**

Despite Company being a Net Foreign Exchange earner, it is not absolved of Foreign Exchange Risk due to timing difference of Inflows and Outflows.

Company's hedging instruments comprise foreign exchange forward contracts which are not intended for trading or speculation purposes and are used only to hedge company's foreign exchange denominated assets & liabilities.

The decision whether and when to execute foreign exchange hedging instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. Company keeps a close watch on the exchange rate movement.

k) **Plant locations**

1. Sohan Nagar, P.O. Charubeta, Khatima – 262 308, District Udham Singh Nagar, Uttarakhand
2. Plot No. A-113, 114, 128, Phase – I, Eldeco Sidcul Industrial Park, Sitarganj, Distt. Udham Singh Nagar, Uttarakhand
3. Industrial Park, Chandanvelly, Plot No.9, Survey No. 190 & 195, Chandanvelly(V), Shabad(M), Ranga Reddy District-501503, Telangana*

**Owned by Ester Filmtech Limited, wholly-owned subsidiary of the Company*

l) **Address for Correspondence**

Registered Office	Corporate office	Registrar and Share Transfer Agent
Sohan Nagar, P.O. Charubeta, Khatima – 262 308, District Udham Singh Nagar, Uttarakhand Phone: (05943)-250153-57 Fax: (05943)-250158	Plot No.11, Block-A, Infocity-I, Sector 34, Gurgaon-122001, Haryana Phone: (0124)-4572100 Fax: (0124)-4572199 E-Mail: investor@ester.in Website: www.esterindustries.com	MAS Services Limited T–34, Okhla Industrial Area, Phase - II, New Delhi – 110 020 Phone No. – 011-26387281/82/83 Fax No. – 011-26387384 E-Mail: investor@masserv.com Website: www.masserv.com

m) **Credit Rating**

CRISIL Ratings Limited has assigned the following ratings for credit limit of the Company.

Tenure	Facility	Rating*
Long term	Fund based	CRISIL A-/Stable (Outlook revised from 'Negative'; Reaffirmed)
Short term	Fund based and Non-Fund based	CRISIL A2+ (Reaffirmed)

**Please refer to CRISIL website www.crisil.com for definition of the rating assigned.*

ANNEXURE I

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I, Vaibhav Jha, Chief Executive Officer of Ester Industries Limited ("the Company") hereby confirm that all the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as applicable to the Company, for the financial year 2025-26.

Sd/-
Vaibhav Jha
Chief Executive Officer

Place: New Delhi
Date: 13th May 2026

ANNEXURE II

CEO AND CFO CERTIFICATE PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors
Ester Industries Limited

We, Vaibhav Jha, Chief Executive Officer and Sourabh Agarwal, Chief Financial Officer of the Company, do hereby certify that:

a. We have reviewed the Standalone and Consolidated financial statements and the cash flow statement for the financial year ended 31st March 2026 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;

   (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 listed entity during the financial year 2025-26 which are fraudulent, illegal or violative of the listed entity'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 internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee:

   (1) significant changes in internal control over financial reporting during the year;

   (2) significant changes in accounting policies during the year 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 listed entity's internal control system over financial reporting.

	Sd/-	**Sd/-**
Place: New Delhi	**Vaibhav Jha**	**Sourabh Agarwal**
Date: 13th May, 2026	**Chief Executive Officer**	**Chief Financial Officer**

ANNEXURE III

CERTIFICATE ON CORPORATE GOVERNANCE

CIN: L24111UR1985PLC015063

To
The Members of
M/s Ester Industries Limited
Sohan Nagar, P.O. Charubeta, Khatima-262308
Udham Singh Nagar, Uttrakhand

1. We have examined all the relevant records of Ester Industries Limited ("**the Company**") for the purpose of certifying compliance of conditions of Corporate Governance for the year ended **31st March 2026** as stipulated in Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations**')

Management Responsibility for compliance with the conditions of Listing Regulations

2. The preparation of the Corporate Governance Report is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The management along with the Board of Directors of the Company are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India

My Responsibility

4. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended 31st March 2026.

Opinion

6. In our opinion and to the best of my information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C, D and E of Schedule V of the SEBI Listing Regulations during the year ended 31st March 2026.

Restriction on Use

7. We further state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

8. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this certificate.

For Akash Jain,
Company Secretaries,
Peer Review Certificate No.: 6945/2025

Place: Agra
Date: 10th August 2026

Sd/-
Akash Jain
Proprietor
FCS: 9617 C.P.: 9432
ICSI UDIN: F009617H001067476

ANNEXURE IV

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
Ester Industries Limited
Sohan Nagar, P.O. Charubeta, Khatima-262308
Udham Singh Nagar, Uttrakhand

We have examined the following documents:

i) Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ("the Act");

ii) Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as "relevant documents")

as submitted by the Directors of Ester Industries Limited CIN L24111UR1985PLC015063 ("**the Company**") and having its registered office at Sohan Nagar, P.O. Charubeta, Khatima-Udham Singh Nagar, Uttrakhand- 262308 to the Board of Directors of the Company ("**the Board**") for the **Financial Year 2025-26** and relevant registers, records, forms and returns maintained by the Company and as made available to us for the purpose of issuing this Certificate in accordance with, Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory/ Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with, the provisions of the Act.

Ensuring the eligibility for 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 these based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal *www.mca.gov.in*), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorised representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the financial year ended **31st March 2026**, have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company	Date of Cessation
1	Mr. Arvind Singhania***	00934017	01/07/1994	--
2	Mrs. Archana Singhania*	01096776	04/08/2014	30/04/2025
3	Mr. Pradeep Kumar Rustagi	00879345	14/02/2011	--
4	Mr. Ayush Vardhan Singhania	05176205	01/06/2021	--
5	Mrs. Padmaja Shailen Ruparel	01383513	01/04/2020	--
6	Mr. Abhay Anant Gupte	00389288	06/05/2025	--
7	Mr. Atul Aggarwal	00125825	14/02/2024	--
8	Mr. Alok Dhir**	00034335	14/02/2024	26/08/2025

** Mrs. Archana Singhania ceased to be Non-executive Non-Independent Director of the Company with effect from close of business hours on 30th April 2025.*
*** Mr. Alok Dhir ceased to be Independent Director of the Company with effect from close of business hours on 26th August 2025.*
**** Mr. Arvind Singhania was re-designated from the position of Managing Director (designated as Chairman & Chief Executive Officer) to Non-Executive Non-Independent Director and Chairman of the Board, w.e.f. closing of business hours on 26th March 2026.*

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report for the financial year ended 31st March 2026.

For Akash Jain,
Company Secretaries,
Peer Review Certificate No.: 6945/2025

Place: Agra
Date: 10th August 2026

Sd/-
Akash Jain
Proprietor
FCS: 9617 C.P.: 9432
ICSI UDIN: F009617H001067542

INDEPENDENT AUDITOR'S REPORT

To the Members of Ester Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Ester Industries Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

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 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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.

Key Audit Matters

4. 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 period. 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.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition – Sale of products Refer Note 4.5.1 and Note 25 to the accompanying standalone financial statements for the material accounting policy on revenue recognition and details of revenue recognized during the year in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115'). Revenue of the Company majorly comprises of revenue from sale of polyester films and specialty polymers. The Company sells its products through various distribution channels involving a high volume of sale transactions. The Company recognises revenue at a point in time when the control of products being sold is transferred to the customer and there is no unfulfilled obligation. The revenue is measured based on the transaction price specified in the contract, net of discounts and goods and services tax.	Our audit procedures included, but were not limited, to the following: • Obtained an understanding of the process of identification and recording of revenue transactions and assessed the appropriateness of the Company's revenue recognition accounting policies in accordance with Ind AS 115; • Evaluated the design, implementation and tested the operating effectiveness of key controls over revenue recognition; • Performed substantive analytical procedures on revenue which included ratio analysis, product mix analysis, region wise analysis, etc; • Evaluated on a sample basis, the terms and conditions of the contracts, including incoterms to assess the accuracy and completeness of revenue recognised during the year in accordance with Ind AS 115; • On a sample basis, tested revenue transactions recorded during the year, and revenue transactions recorded in the specific period before and after year-end, with supporting documents such as invoices, agreements with customers and proof of deliveries, to ensure that the correct amount of revenue is recorded in the correct period;

Key audit matter	How our audit addressed the key audit matter
Revenue recognition is determined to be an area involving significant audit risk primarily as there is a risk that revenue is recognised on sale of goods before the control in the goods is transferred and hence, requires significant auditor attention. Revenue is also a key performance indicator of the Company and accordingly, testing occurrence of revenue transactions is a key focus area for our audit. Considering the volume of sales transactions, materiality of amount involved and significant attention required by auditor as mentioned above, revenue recognition has been considered as a key audit matter for the current year audit.	• Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns; • Tested manual journal entries impacting revenue including credit notes, claims etc., which were material or irregular in nature with supporting documents and evaluated business rationale thereof; and • Assessed the adequacy and appropriateness of disclosures made in the standalone financial statement in accordance with the requirements of applicable accounting standards.
Impairment assessment of investment in subsidiary Refer Note 4.10 for the accounting policy and Note 7A for disclosures of the accompanying standalone financial statements. The Company has investment amounting to ₹ 46,500 lacs in Ester Filmtech Limited, Wholly Owned subsidary ('Subsidiary'), which is 33.11% of total assets as at 31 March 2026. The subsidiary has incurred losses and the carrying value of such investments exceed the net worth of the subsidiary. Considering the existence of aforesaid impairment indicators, the Company has performed impairment assessment on carrying amount of the investment in accordance with Ind AS 36, Impairment of assets ('Ind AS 36'), by estimating the recoverable value with the involvement of a valuation expert engaged by the management. The recoverable value of the investment is determined using discounted cash flow model which requires management to make significant judgement and estimates including estimates around inputs that are not directly observable from market information and certain other unobservable inputs such as projections of future cash flows, long-term growth rates and discount rates used. Changes to these assumptions could lead to material changes in estimated recoverable amount, resulting in impairment. Considering the materiality of the amounts involved, inherent subjectivity, high estimation uncertainty and significant management judgement and estimations involved, impairment assessment of investment in subsidiary has been considered as a key audit matter for the current year audit.	Our audit procedures included, but were not limited, to the following: • Obtained an understanding of management's process for identification of indicators of impairment and evaluated the design and tested the operating effectiveness of internal controls over such identification and impairment assessment of investment in subsidiary; • Obtained the management's external valuation specialist's report on determination of recoverable value and assessed the competency, objectivity and capabilities of management's expert; • Involved auditor's valuation experts to assess the appropriateness of the valuation methodologies used by the management expert and the key assumptions including long-term growth rates, discount rates amongst others used in computing the recoverable amount; • Obtained management's future cash flow forecasts and tested the mathematical accuracy of the underlying value in use calculations; • Evaluated the reasonableness of future cash flows forecasts used by the management by comparing this with approved business plan, our understanding of the business of the subsidiary, industry benchmarks and data from historic performances; • Obtained the sensitivity analysis performed by the management in respect of the key assumptions such as discount rate and long-term growth rate and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment or material change in the carrying value; and • Evaluated the appropriateness and adequacy of disclosures made in the standalone financial statements in accordance with the requirements of applicable accounting standards.

Information other than the Standalone Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report 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 will 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.

   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.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. 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.

9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

10. 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
    - Conclude on the appropriateness of Board of Directors' 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; and
    - 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.

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

13. 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.

14. 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 period 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

15. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) 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.

17. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) Except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) The standalone financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and 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;

    f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 17(b), above on reporting under section 143(3)(b) of the Act and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2026 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and

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

        i. The Company, as detailed in note 38 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2026;

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2026;

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2026;

        iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 46(g) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

            b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 46(h) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

            c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

        v. As stated in note 36(b) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2026 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

The final dividend paid by the Company during the year ended 31 March 2026 in respect of such dividend declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

vi. As stated in Note 45 to the standalone financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2025, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that, the audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Company Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention where such feature is enabled.

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

Sd/-
Sandeep Mehta
Partner
Membership No.: 099410
UDIN: 26099410YVQYNO9207

Place: New Delhi
Date: 13 May 2026

Annexure A referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of Ester Industries Limited on the standalone financial statements for the year ended 31 March 2026

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee, disclosed in Note 6A to the standalone financial statements, are held in the name of the Company. For title deeds of immovable properties in the nature of land situated at Sohan Nagar, P.O. Charubeta, Khatima, Distt. Udham Singh Nagar, Uttarakhand -262308 and Plot no 11, Block A, Infocity, Sec 33-34, Gurgaon, Haryana – 122001 with gross carrying values of ₹547.85 lakhs and ₹1426.51 lakhs as at 31 March 2026, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

(d) The Company has not revalued its property, plant and equipment including right-of-use assets or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records and in respect of goods-in-transit, these have been confirmed from corresponding receipt and dispatch inventory records.

(b) As disclosed in Note 18(B) to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of ₹500 lakhs by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the quarter ended 30 June 2025, 30 September 2025 and 31 December 2025 which were not subject to audit and for the quarter ended 31 March 2026 which is subject to audit.

(iii) The Company has not provided any security or granted any loans or advances in the nature of loans to companies, firms, limited liability partnerships during the year. Further, the Company has made investments in and provided guarantee to companies during the year, in respect of which:

a) The Company has provided guarantee to Subsidiary during the year as per details given below:

(₹ in lacs)

Particulars	Guarantees
Aggregate amount provided during the year Subsidiary	1,042.66
Balance outstanding as at balance sheet date Subsidiary	50,095.59

b) In our opinion, and according to the information and explanations given to us, the investments made and guarantees provided are, prima facie, not prejudicial to the interest of the Company.

c) The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments made and guarantees provided, as applicable. Further, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans granted and security provided by it.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under Sub-section (1) of Section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records 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) In our opinion and according to the information and explanations given to us, 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 other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in lacs)	Amount paid under Protest (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty	197.66	Nil	FY 1998-99 FY 1990-91 FY 1991-92	Commissioner (Appeals), Central excise, Ghaziabad, U.P.
Central Excise Act, 1944	Excise duty	16.04	Nil	FY 1987-88 FY 1988-99 FY 1994-95	Assistant Commissioner, Central excise, Rampur, U.P.
Central Excise Act, 1944	Excise duty	18.81	Nil	FY 1987-98 FY 1992-93 FY 1993-94	Commissioner, Central excise, Meerut, U.P.
Central Excise Act, 1944	Excise duty	12.95	5.23	FY 1991-92 to FY 1992-93	Joint Commissioner, Meerut II, U.P.
Central Excise Act, 1944	Excise duty	5.59	Nil	FY 2009-10	Commissioner (Appeals), Central excise, Rampur, U.P.
Central Excise Act, 1944	Excise duty	6.95	3.95	FY 1994-95	Commissioner (Appeals), Noida, U.P.
Central Excise Act, 1944	Excise duty	476.63	Nil	March 1997 to March 1998	Appellate Tribunal, New Delhi
Finance Act, 1994	Service Tax	30.78	8.0	FY 2016-17 to FY 2018-19	Superintendent CGST, Khatima, U.K.
Finance Act, 1994	Service Tax	13.53	Nil	FY 2011-12	Assistant Commissioner, Central excise, Rampur, U.P.
Finance Act, 1994	Service Tax	123.30	Nil	FY 2010-11 to FY 2014-15	Superintendent Adjudication, Meerut II, U.P.

The Customs Act, 1962	Custom Duty	14.65	Nil	FY 1997-98 to FY 1998-99	Additional Commissioner Customs (DeeC), Mumbai
The Customs Act, 1962	Custom Duty	43.05	Nil	FY 1998-99	Commissioner of Customs, Mumbai
Goods & Services Tax, 2017	Goods & Services Tax	2.41	2.41	FY 2018-19	Asstt. Comm., Trade Tax Mobile Squad, Moradabad, U.P.
Goods & Services Tax, 2017	Goods & Services Tax	205.02	9.19	FY 2017-18	Joint Commissioner (Appeals), Haldwani, U.K.
Goods & Services Tax, 2017	Goods & Services Tax	17.52	1.56	FY 2018-19	Deputy Commissioner (Audit)-I, State Tax, Rudrapur, U.K. (Adjudication Officer)
Goods & Services Tax, 2017	Goods & Services Tax	3.13	0.16	FY 2021-22	Deputy Commissioner (Audit)-I, State Tax, Haldwani, U.K.
Income Tax Act, 1961	Income Tax	18.00	Nil	AY 1993-94 to AY 1995-96	High court, New Delhi
Income Tax Act, 1961	Income Tax	3.42	Nil	AY 1997-98	High court, New Delhi
Income Tax Act, 1961	Income Tax	5.78	Nil	AY 2004-05	Commissioner of Income Tax (Appeals), New Delhi
Income Tax Act, 1961	Income Tax	2.50	Nil	AY 2018-19	Commissioner of Income Tax (Appeals), New Delhi

(viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks/ financial institution and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary or joint venture.

(f) In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiary and joint venture.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has made allotment of 35,44,302 equity shares upon conversion of fully convertible share warrants out of 1,10,75,941 fully convertible share warrants which were issued in the previous year on a preferential basis. The Company has received the balance consideration amount against such conversion during the year. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of Section 42 and Section 62 of the Act and the rules framed thereunder with respect to the same. Further, in our opinion and according to the information and explanations given to us, money raised towards the end of previous year and current year by way of share warrants were applied for the purposes for which these were obtained, though surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, 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 for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of Section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of Section 192 of the Act are not applicable to the Company.

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

(a) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 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 realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under Sub-Section (5) of Section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-Section (6) of Section 135 of the Act.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

Sd/-
Sandeep Mehta
Partner
Membership No.: 099410
UDIN: 26099410YVQYNO9207

Place: New Delhi
Date: 13 May 2026

Standalone Balance Sheet as at 31 March 2026

(All amounts are ₹ in lacs, unless otherwise stated) **(₹ in lacs)**

particulars	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, Plant and Equipment	6A	38,719.32	40,575.21
Right of use assets	6B	55.33	56.09
Capital work-in-progress	6C	3,368.35	3,890.85
Intangible assets	6A	5.18	7.01
Financial assets			
Investments	7A	49,050.00	45,200.00
Loans	8A	14.38	23.73
Other financial assets	9A	880.28	870.77
Income tax assets (net)	24A	237.30	106.51
Other non-current assets	10	940.61	1,007.66
Total non-current assets		**93,270.75**	**91,737.83**
Current assets			
Inventories	11	15,907.48	12,930.76
Financial assets			
Investments	7B	5,457.14	5,801.28
Trade receivables	12	12,635.42	13,296.50
Cash and cash equivalents	13	115.14	2,254.37
Bank balances other than cash and cash equivalents	14	9,094.12	3,329.62
Loans	8B	56.96	48.27
Other financial assets	9B	122.74	179.83
Other current assets	15	3,793.84	1,991.71
Total current assets		**47,182.84**	**39,832.34**
Total assets		**1,40,453.59**	**1,31,570.17**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16A	4,879.31	4,702.09
Other equity	17	90,071.51	86,098.42
Total equity		**94,950.82**	**90,800.51**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18A	13,847.62	14,410.81
Lease liabilities	39	1.25	1.25
Provisions	19A	1,139.99	972.92
Deferred tax liabilities (net)	20	2,379.88	2,468.09
Other non-current liabilities	21A	1,225.62	1,422.50
Total non-current liabilities		**18,594.36**	**19,275.57**
Current liabilities			
Financial liabilities			
Borrowings	18B	19,553.92	15,619.79
Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	22	1,147.82	701.46
b) total outstanding dues of creditors other than micro enterprises and small enterprises	22	3,559.72	2,669.22
Other financial liabilities	23	1,330.35	1,393.05
Other current liabilities	21B	787.16	538.89
Provisions	19B	396.97	451.22
Income tax liabilities (net)	24B	132.47	120.46
Total current liabilities		**26,908.41**	**21,494.09**
Total equity and liabilities		**1,40,453.59**	**1,31,570.17**
Material accounting policy information	1-5		

The accompanying notes are integral part of the standalone financial statements.

This is the Balance Sheet referred to in our report of even date.

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

For and on behalf of the Board of Directors of
Ester Industries Limited

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Sandeep Mehta	Ayush Vardhan Singhania	Pradeep Kumar Rustagi	Vaibhav Jha	Sourabh Agarwal	Poornima Gupta
Partner	Whole Time Director	Executive Director - Corporate Affairs	Chief Executive Officer	Chief Financial Officer	Company Secretary
Membership No.099410	DIN: 05176205	DIN: 00879345			Membership No.A49876
Place: New Delhi	Place: New Delhi	Place: New Delhi	Place: New Delhi	Place: New Delhi	Place: New Delhi
Date: 13 May 2026	Date: 13 May 2026	Date: 13 May 2026	Date: 13 May 2026	Date: 13 May 2026	Date: 13 May 2026

Standalone Statement of Profit and Loss for the year ended 31 March 2026

(All amounts are ₹ in lacs, unless otherwise stated) **(₹ in lacs)**

particulars	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
Income			
Revenue from operations	25 and 41	1,04,512.79	1,07,046.22
Other income	26	1,443.90	1,447.15
Total income		**1,05,956.69**	**1,08,493.37**
Expenses			
Cost of material consumed	27A	70,421.51	69,013.33
Changes in inventories of finished goods and work-in-progress	27B	(1,099.69)	(270.06)
Employee benefits expense	28 and 40	7,052.69	6,048.92
Finance costs	29	3,508.99	3,567.86
Depreciation and amortisation expenses	6A and 6B	4,322.58	4,337.90
Other expenses	30	20,994.28	20,331.32
Total expenses		**1,05,200.36**	**1,03,029.27**
Profit before tax		**756.33**	**5,464.10**
Tax expense	31		
Current tax		327.90	442.26
Tax earlier years		97.80	-
Deferred tax (credit)/ charge		(106.57)	968.55
Total tax expenses		**319.12**	**1,410.81**
Profit after tax		**437.20**	**4,053.29**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement loss on defined benefit plans	40	(30.24)	(68.28)
Income tax effect on items that will not be reclassified to profit and loss		8.85	17.63
Items that will be reclassified to profit or loss			
Effective portion of (loss)/gain on hedging instruments in cash flow hedge		92.98	(423.64)
Income tax effect on items that will be reclassified to profit and loss		(27.21)	109.38
Total other comprehensive income/(loss) for the year		44.38	(364.91)
Total comprehensive income		**481.58**	**3,688.38**
Earnings per equity share			
Basic EPS (₹)	32	0.45	4.31
Diluted EPS (₹)	32	0.45	4.31
Material accounting policy information	1-5		

The accompanying notes are integral part of the standalone financial statements.

This is the statement of profit and loss referred to in our report of even date.

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

For and on behalf of the Board of Directors of
Ester Industries Limited

Sd/- Sandeep Mehta Partner	Sd/- Ayush Vardhan Singhania Whole Time Director	Sd/- Pradeep Kumar Rustagi Executive Director - Corporate Affairs	Sd/- Vaibhav Jha Chief Executive Officer	Sd/- Sourabh Agarwal Chief Financial Officer	Sd/- Poornima Gupta Company Secretary
Membership No.099410	DIN: 05176205	DIN: 00879345			Membership No.A49876
Place: New Delhi Date: 13 May 2026	Place: New Delhi Date: 13 May 2026	Place: New Delhi Date: 13 May 2026	Place: New Delhi Date: 13 May 2026	Place: New Delhi Date: 13 May 2026	Place: New Delhi Date: 13 May 2026

Standalone Cash flow statement for the year ended 31 March 2026

(All amounts are₹ in lacs, unless otherwise stated) **(₹ in lacs)**

	Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
A	**Cash flows from operating activities**		
	Profit before tax	756.33	5,464.10
	Adjustments for:		
	Depreciation and amortisation expense	4,322.58	4,337.90
	Share based payment expense	54.25	21.49
	Loss on sale of property, plant and equipments (net)	23.30	42.22
	Finance costs	2,957.50	3,155.73
	Interest income on financials assets measured at amortised cost	(734.21)	(600.11)
	Unrealised foreign exchange loss (net)	762.60	77.18
	Bad debts, advances and irrecoverable balances written off	4.88	13.17
	Profit on sale of investments (net)	(38.56)	(130.30)
	Cash flow hedge gain reclassified from OCI	160.50	79.78
	Mark to market loss on derivative contracts	1.36	129.90
	Provisions/ liabilities no longer required written back	(34.61)	(52.32)
	Income recognised on account of government assistance	(199.41)	(225.09)
	(Reversal)/ allowance for expected credit loss and advances	(5.04)	27.00
	Gain on fair valuation of financial assets	(30.45)	(76.24)
	Provision for obsolete inventories	4.54	2.26
	Operating profit before working capital changes and other adjustments:	**8,005.56**	**12,266.67**
	Working capital changes and other adjustments:		
	Decrease in current and non-current loans	0.66	7.28
	(Increase)/ decrease in other non-current and current assets	(1,780.71)	222.42
	Increase in inventories	(2,981.26)	(1,653.49)
	Increase in other financial and non-financial liabilities	302.21	253.85
	Increase/ (decrease) in provisions	82.58	(18.96)
	Decrease/ (increase) in other non-current and current financial assets	44.64	(90.91)
	Decrease/ (increase) in trade receivables	724.54	(2,593.31)
	Increase/ (decrease) in trade payables	1,427.43	(152.33)
	Cash flow from operating activities post working capital changes	**5,825.65**	**8,241.22**
	Income tax paid (net of refunds)	(544.48)	(284.00)
	Net cash flow from operating activities (A)	**5,281.17**	**7,957.22**
B	**Cash flows from investing activities**		
	Purchase of property plant and equipment (including capital work-in-progress and intangible assets)	(1,919.46)	(1,594.62)
	Proceeds from sale of property, plant and equipment	25.55	126.71
	Investment in bank deposits (net)	(5,637.81)	(2,405.63)
	Investment in joint venture	(850.00)	(1,700.00)
	Investment in pledged deposits	(136.06)	(332.64)
	Interest received	606.20	537.16
	Investment in subsidiary	(3,000.00)	(6,200.00)
	Investment in mutual funds and commercial papers	(1,740.64)	(7,323.61)
	Proceeds from sales of investment in mutual funds and commercial papers	2,167.41	8,604.24
	Net cash used in investing activities (B)	**(10,484.81)**	**(10,288.39)**
C	**Cash flows from financing activities**		
	Proceeds from long-term borrowings	3,569.13	11,274.62
	Proceeds from issue of share capital	177.21	92.27
	Proceeds from share warrants	4,022.79	4,375.00
	Repayment of long-term borrowings	(3,381.23)	(13,020.30)
	Cash payment for interest portion of lease liabilities	(0.15)	(0.15)
	Proceeds/(repayments) from short-term borrowings (net)	2,308.86	(4,994.43)
	Finance cost paid	(3,046.69)	(3,137.58)
	Dividend paid (refer note 36 (b))	(585.52)	-
	Net cash flow/ (used) in financing activities (C)	**3,064.40**	**(5,410.57)**

D	Net decrease in cash and cash equivalents (A+B+C)	(2,139.24)	(7,741.74)
E	Cash and cash equivalents at the beginning of the year (refer note no.13)	2,254.38	9,996.11
F	**Cash and cash equivalents at the end of the year (D+E) (refer note no.13)**	**115.14**	**2,254.37**
	Reconciliation of cash and cash equivalents as per cash flow statement		
	Cash in hand	1.47	2.93
	Balances with banks:		
	In current accounts	110.86	82.81
	Bank deposits with original maturity upto 3 months	2.81	2,168.63
	Total of cash and cash equivalents	**115.14**	**2,254.37**

Refer note 18 for change in liabilities arising from financing activities.

This is the cash flow statement referred to in our report of even date.

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

For and on behalf of the Board of Directors of
Ester Industries Limited

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
Sandeep Mehta	**Ayush Vardhan Singhania**	**Pradeep Kumar Rustagi**	**Vaibhav Jha**	**Sourabh Agarwal**	**Poornima Gupta**
Partner	**Whole Time Director**	**Executive Director - Corporate Affairs**	**Chief Executive Officer**	**Chief Financial Officer**	**Company Secretary**
Membership No.099410	**DIN: 05176205**	**DIN: 00879345**			**Membership No.A49876**
Place: New Delhi	**Place: New Delhi**	**Place: New Delhi**	**Place: New Delhi**	**Place: New Delhi**	**Place: New Delhi**
Date: 13 May 2026	**Date: 13 May 2026**	**Date: 13 May 2026**	**Date: 13 May 2026**	**Date: 13 May 2026**	**Date: 13 May 2026**

Standalone Statement of changes in equity as at 31 March 2026

(All amounts are ₹ in lacs, unless otherwise stated)

Equity share capital

(₹ in lacs)

Particulars	Opening balance as at 01 April 2024	Changes in equity share capital during the year	Balance as at 31 March 2025	Changes in equity share capital during the year	Balance as at 31 March 2026
Equity share capital	4,697.70	4.39	4,702.09	177.22	4,879.31

Other equity

(₹ in lacs)

Particulars	Reserves and Surplus						Items of OCI	Money received against share warrants	Total
	Securities premium	Capital reserve	Capital redemption reserve	General reserve	Share options outstanding account	Retained earnings	Effective portions of cash flow hedge		
Balance as at 31 March 2024	**15,569.44**	**3,520.74**	**335.37**	**1,528.16**	**142.64**	**56,829.32**	**-**	**-**	**77,925.67**
Profit for the year	-	-	-	-	-	4,053.29	-	-	**4,053.29**
Other comprehensive income									
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	(50.65)	-	-	**(50.65)**
Effective portion of (loss)/gain on hedging instruments in cash flow hedge (net of tax)	-	-	-	-	-	-	(314.27)	-	**(314.27)**
Share based payment expense (refer note 42)	-	-	-	-	21.50	-	-	-	**21.50**
Exercise of Employee stock option	142.49	-	-	-	(54.61)	-	-	-	**87.88**
On account of lapse of Employee stock option	-	-	-	32.03	(32.03)	-	-	-	**-**
Money received against share warrants	-	-	-	-	-	-	-	4,375.00	**4,375.00**
Balance as at 31 March 2025	**15,711.93**	**3,520.74**	**335.37**	**1,560.19**	**77.50**	**60,831.96**	**(314.27)**	**4,375.00**	**86,098.42**
Profit for the year	-	-	-	-	-	437.20	-	-	**437.20**
Other comprehensive income									
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	(21.39)	-	-	**(21.39)**
Effective portion of (loss)/gain on hedging instruments in cash flow hedge (net of tax)	-	-	-	-	-	-	65.77	-	**65.77**
Share based payment expense (refer note 42)	-	-	-	-	54.25	-	-	-	**54.25**
Dividend (refer note 36(b))	-	-	-	-	-	(585.52)	-	-	**(585.52)**
Money received against share warrants	-	-	-	-	-	-	-	4,200.00	**4,200.00**
Issue of share capital against warrants	5,422.78	-	-	-	-	-	-	(5,600.00)	**(177.22)**
Balance as at 31 March 2026	**21,134.71**	**3,520.74**	**335.37**	**1,560.19**	**131.75**	**60,662.25**	**(248.50)**	**2,975.00**	**90,071.51**

This is the statement of change in equity referred to in our report of even date.

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

For and on behalf of the Board of Directors of
Ester Industries Limited

Sd/-
Sandeep Mehta
Partner

Membership No.099410

Place: New Delhi
Date: 13 May 2026

Sd/-
Ayush Vardhan Singhania
Whole Time Director

DIN: 05176205

Place: New Delhi
Date: 13 May 2026

Sd/-
Pradeep Kumar Rustagi
Executive Director - Corporate Affairs

DIN: 00879345

Place: New Delhi
Date: 13 May 2026

Sd/-
Vaibhav Jha
Chief Executive Officer

Place: New Delhi
Date: 13 May 2026

Sd/-
Sourabh Agarwal
Chief Financial Officer

Place: New Delhi
Date: 13 May 2026

Sd/-
Poornima Gupta
Company Secretary

Membership No.A49876

Place: New Delhi
Date: 13 May 2026

Notes to the Standalone Financial Statements

1. **Nature of operations**

Ester Industries Limited ('the Company') is a manufacturer of polyester film and specialty polymers. The Company is domiciled in India and its registered office is situated at Pilibhit Road, Sohan Nagar PO – Charubeta, Khatima District – Udham Singh Nagar, Uttarakhand – 262308.

2. **General information and compliance with Ind AS**

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for the periods presented. The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The financial statements for the year ended 31 March 2026 along with the comparative financial information were authorized and approved for issue by the Board of Directors on 13 May 2026. The revision to the financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. **Basis of preparation**

The financial statements have been prepared on going concern basis in accordance with generally accepted accounting principles in India. Further, the financial statements have been prepared on a historical cost basis except for following items:

Items	**Measurement basis**
Certain financial assets and liabilities	Fair value as explained in relevant accounting policies.
Net defined benefits (assets)/liability	Fair value of plan assets less present value of defined benefits obligations.
Share based payment	Fair value as explained in relevant accounting policies.

4. **Summary of material accounting policies**

The financial statements have been prepared using the material accounting policies and measurement basis summarised below. These were used throughout all periods presented in the financial statements.

4.1 Current versus non-current classification

All assets and liabilities are classified into current and non-current.

Assets

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

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

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

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

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

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

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

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non- current.

4.2 Property, plant and equipment (PPE) and capital work in progress

Recognition and initial measurement

Property plant and equipment, capital work in progress are stated at their cost of acquisition. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when 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. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful life estimated by the management. The identified components are depreciated separately over their respective useful life; the remaining components are depreciated over the life of the principal asset. The Company has used the following rates to provide depreciation on its property, plant and equipment.

Asset class	Useful life
Factory buildings*	5 to 51 years
Administrative buildings*	5 to 58 years
Plant and equipment*	3 to 65 years
Furniture and fixtures*	5 to 20 years
A.C. and Refrigeration*	5 to 10 years
Office equipment*	2 to 15 years
Computers*	3 to 6 years
Vehicles*	5 to 8 years

Depreciation on the amount of additions made to fixed assets due to upgradations / improvements is provided over the remaining useful life of the asset to which it relates. Depreciation on fixed assets added/disposed off during the year is provided on a pro-rata basis to the date, the asset is retired from active use.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

*For these class of assets, based on detailed technical assessment, the management believes that the useful life as given above best represents the period over which management expects to use these assets. Hence, the useful life for these assets is different from the useful life as prescribed under Part C of Schedule II of the Companies Act, 2013.

De-recognition

An item of property, plant and equipment and any significant component initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset/significant component (calculated as the difference between the net disposal proceeds and the carrying amount of the asset/significant component) is recognised in statement of profit and loss, when the asset is derecognised.

4.3 Intangible assets

Recognition and initial measurement

Intangible assets (softwares and patents) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortisation)

Software's are amortized on a straight-line basis over its useful life, which is considered to be of a period of three years.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

The amortisation expense on intangible assets with finite life is recognised in the statement of profit and loss under the head Depreciation and amortisation expense.

De-recognition

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal.

4.4 Inventories

Inventories are valued as follows:

Raw materials, components and stores and spares

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis. Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories.

Work-in-progress and finished goods

Work-in-progress and finished goods is measured at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on moving weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realisable value of such inventories.

4.5 Revenue recognition

4.5.1: Revenue from contracts with customers

Revenue arises mainly from the sale of manufactured goods. To determine whether to recognise revenue, the Company follows a 5-step process:

1) Identifying the contract with a customer
2) Identifying the performance obligations
3) Determining the transaction price
4) Allocating the transaction price to the performance obligations
5) Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is measured at transaction price (net of variable consideration), which is the consideration, net of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax (GST). In case of multi-element revenue arrangements, which involve delivery or performance of multiple products, services, evaluation will be done of all deliverables in an arrangement to determine whether they represent separate units of accounting at the inception of arrangement. Total arrangement consideration related to the bundled contract is allocated among the different elements based on their relative fair values (i.e., ratio of the fair value of each element to the aggregated fair value of the bundled deliverables). In case the relative fair value of different components cannot be determined on a reasonable basis, the total consideration is allocated to the different components based on residual value method. The Company applies the revenue recognition criteria to each separately identifiable component of the revenue transaction as set out below.

Advance from customers ("contract liability") is recognised when the Company has received consideration from the customer before it delivers the goods.

Sale of goods

Revenue from sale of goods is recognized when control over ownership of the goods have been passed to the buyer. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. The Company collects GST on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Export benefits

Export benefits constituting duty draw back, merchandise export from India scheme and advance license scheme are accounted for on accrual basis when there is reasonable assurance that the Company will comply with the conditions attached to them and the export benefits will be received. Export benefits under duty draw back and merchandise export from India scheme are considered as other operating income.

4.5.2: Other income

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to the purchase of property, plant and equipment are recognised as deferred income and are credited to statement of profit and loss based on the conditions for which the grant was obtained and presented within other income.

Interest

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Insurance claims income

Claims receivable on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

4.6: Leases

The Company as a lessee

The Company's leased asset classes primarily consist of leases for certain equipments and building, including warehouses and related facilities. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

4.7 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. Impairment losses are recognized in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

4.8 Foreign currency

Functional and presentation currency

The financial statements are presented in Indian Rupee ('□') which is also the functional and presentation currency of the Company.

Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange difference

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

4.9 Financial instruments

Initial recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets (except for trade receivables) and financial liabilities are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Trade receivables are initially measured at the transaction price. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

i. **Financial assets carried at amortised cost** – A 'financial asset' is measured at the amortised cost if both the following conditions are met:

   - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
   - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

   After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. **Investments in equity instruments of subsidiary**– Investments in equity instruments of subsidiary are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and carrying amounts are recognised in the Statement of Profit and Loss.

iii. **Investments in equity instruments of joint venture** – Investments in equity instruments of joint venture are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in joint venture, the difference between net disposal proceeds and carrying amounts are recognised in the Statement of Profit and Loss.

iv. **Investments in other equity instruments –** Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

v. **Investments in mutual funds -** The Company has measured its investment in mutual fund at FVTPL in its financial statements. Profit or loss on fair value of mutual fund is recognised in statement of profit and loss.

De-recognition of financial assets

A financial asset is primarily de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments such as interest rate swaps to hedge its variable interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability. For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

i) Fair value hedges: Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

ii) Cash flow hedges: The effective portion of changes in the fair value of the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in statement of profit and loss.

The Company has entered into certain forward (derivative) contracts to hedge risks which are not designated as hedges. These derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Any profit or loss arising on cancellation or renewal of such derivative contract is recognised as income or as expense in statement of profit and loss.

Forward contracts

The Company has entered into certain forward (derivative) contracts to hedge risks which are not designated as hedges. These derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Any profit or loss arising on cancellation or renewal of such derivative contract is recognised as income or as expense in statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.10 Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company assesses on forward looking basis the expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk. An impairment loss is recognised based on the 12 months probability of default or life time probability of default and the expected loss good default estimated for each financial asset.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

4.11 Income taxes

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity).

The Company offsets current tax assets and current tax liabilities; deferred tax assets and deferred tax liabilities; where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

4.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, balance with banks in current accounts and other short term highly liquid investments with original maturity of three months and less.

4.13 Employee benefits

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 plan as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. In addition, for other employees, the provident fund trust set-up by the Company is treated as a defined benefit plan to the extent the Company has to meet the interest shortfall, if any. Accordingly, the contribution paid or payable and the interest shortfall, if any is recognized as an expense in the period in which services are rendered by the employee.

Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service cost on the Company's defined benefit plan is included in employee benefits expense. Net interest expense on the net defined benefit liability is included in finance costs. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Compensated absences

The Company also provides benefit of compensated absences to its employees which are in the nature of long -term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Superannuation fund

Contribution made towards superannuation fund (funded by payments to Life Insurance Corporation of India) is charged to statement of profit and loss on accrual basis.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

4.14 Provisions

Provisions are recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Provisions are discounted to their present values, where the time value of money is material.

4.15 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

4.16 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, right issue and share split transaction.

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

4.17 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are Manufacturing and Sale of Polyester film and Specialty Polymer.

Inter segment transfers

Inter segment transfers of goods, as marketable products produced by separate segments of the Company for captive consumption, are not accounted for in the books of account of the Company. For the purpose of segment disclosures, however, inter segment transfers have been taken at cost.

Allocation of common costs

Common allocable costs are allocated to each segment in proportion to the turnover of the segment, except where a more logical allocation is possible.

Unallocated items

Corporate income and expense are considered as a part of un-allocable income and expense, which are not identifiable to any business segment.

4.18 Significant management judgement and estimates

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 related disclosures.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Contingent liabilities – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Government grants – Grants receivables are based on estimates for utilisation of grant as per the regulations as well as analysing actual outcomes on a regular basis and compliance with stipulated conditions. Changes in estimates or non-compliance of stipulated conditions could lead to significant changes in grant income and are accounted prospectively over the balance life of asset.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Allowance for expected credit losses – The allowance for doubtful debts reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Company's debtors compared to that already taken into consideration in calculating the allowances recognised in the financial statements.

Allowance for obsolete and slow-moving inventory - The allowance for obsolete and slow-moving inventory reflects management's estimate of the expected loss in value and has been determined on the basis of past experience and historical and expected future trends in the market. A worsening of the economic and financial situation could cause a further deterioration in conditions compared to that taken into consideration in calculating the allowances recognized in the financial statements.

Provisions – At each balance sheet date basis management estimate, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Impairment of non-financial assets- If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

4.19 Share based payment

Employees of the Company receive remuneration in the form of share-based payments in consideration of the services rendered (equity settled transactions).

Under the equity settled share-based payment, the fair value on the grant date of the Options given to employees is recognised as 'employee benefit expense' with a corresponding increase in equity over the vesting period. The fair value of the options on the grant date is calculated using an appropriate valuation model.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. An additional expense is recognised for any modification that increases the total fair value of the shares-based payment transactions, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. When the options are exercised, the Company issues fresh equity shares.

5.1 Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies amendments to Indian Accounting Standards ('lnd AS') from time to time under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015.

Standards and amendments effective for the year ended 31 March 2026

The following amendments became effective for annual reporting periods beginning on or after 1 April 2025 and have been applied by the Company where relevant:

Amendments to lnd AS 21 - The Effects of Changes in Foreign Exchange Rates

The amendments prescribe accounting and disclosure requirements in situations where a currency is not exchangeable, including guidance on estimating the spot exchange rate when exchangeability is lacking and related disclosures.

Amendments to lnd AS 1 - Presentation of Financial Statements

These amendments clarify the principles for classification of liabilities as current or non-current, particularly in relation to the assessment of the right to defer settlement and the impact of covenants.

Amendments to lnd AS 12 - lncome Taxes

The amendments introduce a temporary exception from the recognition of deferred tax assets and liabilities arising from the OECD's Pillar Two global minimum tax regime and prescribe additional disclosures relating to exposure to such taxes.

Amendments to lnd AS 7 - Statement of Cash Flows and lnd AS 107 - Financial lnstruments: Disclosures

These amendments introduce enhanced disclosure requirements for supplier finance arrangements.

lnd AS 19 - Employee Benefits and Labour Codes

During the year, the Government of lndia implemented the Code on Wages, 2019; the Code on Social Security, 2020; The Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 with effect from 2l November 2025.

The Company has evaluated the impact of the above amendments and concluded that they do not have any material impact on the Company's financial statements for the year ended 31 March 2026, considering the nature and extent of the Company's operations.

5.2 Standards issued but not yet effective lnd AS 1 - Presentation of Financial Statements

lf covenant breach occurs on or before the reporting date and the liability becomes payable on demand, it must be classified as current, even if the lender subsequently agrees not to demand repayment. lt is classilied as current because, at the reporting date, the entity does not have the right to defer settlement for at least 12 months. However, if the lender has already provided-by the reporting date-a grace period extending at least 12 months beyond that date, during which the breach can be rectified and repayment cannot be demanded, the liability is classified as non-current. This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with lnd AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

Notes to the Standalone Financial Statements as at 31 March 2026

(All amounts are ₹ in lacs, unless otherwise stated)

6A. Property, plant and equipment and intangible assets

(₹ in lacs)

Particulars	Property, plant and equipment							Intangible assets	
	Land-freehold	Building	Vehicles	Office equipments	Furniture and fixtures	Plant and equipment	Total	Software	Total
Gross carrying amount									
As at 31 March 2024	**1,974.37**	**6,788.83**	**846.13**	**248.92**	**431.87**	**51,131.31**	**61,421.43**	**299.95**	**299.95**
Additions	-	44.91	248.84	70.98	6.11	5,094.59	**5,465.43**	1.70	**1.70**
Disposal/adjustments	-	-	(76.33)	(12.20)	(25.44)	(341.59)	**(455.56)**	-	-
As at 31 March 2025	**1,974.37**	**6,833.74**	**1,018.64**	**307.70**	**412.54**	**55,884.31**	**66,431.30**	**301.65**	**301.65**
Additions	-	25.70	76.90	70.50	6.40	2,337.57	**2,517.07**	1.37	**1.37**
Disposal/adjustments	-	-	(85.58)	(0.78)	(0.10)	(454.91)	**(541.37)**	-	-
As at 31 March 2026	**1,974.37**	**6,859.44**	**1,009.96**	**377.42**	**418.84**	**57,766.97**	**68,407.00**	**303.02**	**303.02**
Accumulated depreciation and amortisation									
As at 31 March 2024	-	**1,528.30**	**182.01**	**33.95**	**194.30**	**19,918.39**	**21,856.95**	**267.91**	**267.91**
Depreciation and amortisation charge for the year	-	240.26	135.25	53.23	37.82	3,843.85	**4,310.41**	26.73	**26.73**
Disposal/adjustments	-	-	(26.22)	(9.00)	(18.88)	(257.17)	**(311.27)**	-	-
As at 31 March 2025	-	**1,768.56**	**291.04**	**78.18**	**213.24**	**23,505.07**	**25,856.09**	**294.64**	**294.64**
Depreciation and amortisation charge for the year	-	242.33	144.68	58.20	35.97	3,837.44	**4,318.62**	3.20	**3.20**
Disposal/adjustments	-	-	(76.26)	(0.52)	(0.10)	(410.15)	**(487.03)**	-	-
As at 31 March 2026	-	**2,010.89**	**359.46**	**135.86**	**249.11**	**26,932.36**	**29,687.68**	**297.84**	**297.84**
Net block									
As at 31 March 2024	**1,974.37**	**5,260.53**	**664.12**	**214.97**	**237.57**	**31,212.92**	**39,564.48**	**32.04**	**32.04**
As at 31 March 2025	**1,974.37**	**5,065.18**	**727.60**	**229.52**	**199.30**	**32,379.24**	**40,575.21**	**7.01**	**7.01**
As at 31 March 2026	**1,974.37**	**4,848.55**	**650.50**	**241.56**	**169.73**	**30,834.61**	**38,719.32**	**5.18**	**5.18**

Footnotes:

(i) Refer note 38B for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Refer note 18 for information on property, plant and equipment pledged as security by the Company.

(iii) 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 favor of the lessee), are held in the name of the Company.

6B. Right of use asset

(₹ in lacs)

Particulars	Land
Gross carrying amount	
As at 31 March 2024	**59.88**
Additions	-
As at 31 March 2025	**59.88**
Additions	-
As at 31 March 2026	**59.88**
Accumulated depreciation	
As at 31 March 2024	**3.03**
Charge for the year	0.76
Disposal on lease	-
As at 31 March 2025	**3.79**
Charge for the year	0.76
Disposal on lease	-
As at 31 March 2026	**4.55**
Net carrying amount	
As at 31 March 2025	**56.09**
As at 31 March 2026	**55.33**

6C. Capital work-in-progress

(₹ in lacs)

Particulars	Amount
As at 31 March 2024	**8,173.47**
Additions	638.50
Capitalised	(4,917.54)
Disposal	(3.58)
As at 31 March 2025	**3,890.85**
Additions	1,846.83
Capitalised	(2,343.08)
Disposal	(26.25)
As at 31 March 2026	**3,368.35**

The capital work-in- progress ageing schedule for the years ended 31 March 2026 and 31 March 2025 is as follows:

Amount in capital work-in 31 March 2026

(₹ in lacs)

Description	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	525.58	0.93	0.45	14.73	**541.69**
Capital work-in-progress temporarily suspended	-	33.59	2,212.65	580.42	**2,826.66**
Total	**525.58**	**34.52**	**2,213.10**	**595.15**	**3,368.35**

Amount in capital work-in 31 March 2025

(₹ in lacs)

Description	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	97.48	0.45	13.78	7.06	**118.77**
Capital work-in-progress temporarily suspended	33.59	2,351.68	1,321.24	65.57	**3,772.08**
Total	**131.07**	**2,352.13**	**1,335.02**	**72.63**	**3,890.85**

There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original/ revised plan.

7. Investments

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
A) Non-current		
Investment carried at cost - Equity Shares		
Subsidiary company		
Ester Filmtech Limited - equity shares (unquoted)*	46,500.00	43,500.00
[46,50,00,000 (31 March 2025 : 43,50,00,000) shares of ₹ 10 each]		
Joint Venture		
Ester Loop Infinite Technologies Private Limited- equity Shares (unquoted)**	2,550.00	1,700.00
[2,55,00,000 (31 March 2025 : 1,70,00,000) shares of ₹ 10 each]		
Aggregate amount of unquoted investments	**49,050.00**	**45,200.00**

**On 1 May 2024, the Company entered into a partnership agreement with Loop Industries Inc., headquarter in Canada, to establish a 50:50 joint venture in India, referred to as the 'India JV.' The India JV aims to construct and manage an infinite loop manufacturing facility in India, which will produce DMT and/or MEG through the depolymerisation of PET and/or Polyester waste utilizing Loop's patented technology. On 22 July 2024, the Company established a private limited entity named 'ESTER LOOP INFINITE TECHNOLOGIES PRIVATE LIMITED (ELITe)' in India and 100% shares of ELITe were held by the Company. On 12 February 2025, ELITe transitioned into a joint venture through the issuance of new shares to Loop Industries Inc., resulting In Loop holding 50% of ELITe's share capital.

(₹ in lacs)

Quoted investments	As at 31 March 2026	As at 31 March 2025
B) Current		
Investments carried at fair value through profit and loss - Mutual Funds and commercial papers		
IIFL Commercial Yield Fund	878.00	1,124.20
Units 97,35,545.52 (31 March 2025 : 97,65,708.95)		
BOI Liquid fund-Flexi Cap Fund	142.53	142.26
Units 4,48,351.688 (31 March 2025 : 4,48,351.688)		
BOI Liquid fund-Flexi Cap Fund	71.27	71.13
Units 2,24,175.844 (31 March 2025 : 2,24,175.844)		
Tata Arbitrage Fund	296.61	279.43

(₹ in lacs)

Quoted investments	As at 31 March 2026	As at 31 March 2025
Units 19,77,123.542 (31 March 2025 : 19,77,123.542)		
Tata Equity Plus Absolute Returns Fund	-	272.40
Units NIL (31 March 2025 : 25,015.774)		
MNCL Capital Compounder Fund 2	310.47	323.55
Units 3,00,000 (31 March 2025 : 3,00,000)		
Bank of India Multi Asset Allocation Fund REGULAR PLAN - GROWTH 1,00,00,000.00	-	171.19
Units NIL (31 March 2025 : 20,35,520.27)		
BARODA BNP PARIBAS ARBITRAGE FUND- DIRECT GROWTH (AR-DG-G)	-	208.38
Units NIL (31 March 2025 : 12,50,312.60)		
ICICI Prudential Multi-Asset Fund	423.41	402.78
Units 55,960.02 (31 March 2025 : 55,960.02)		
Aditya Birla Sun Life Money Manager Fund	441.11	414.12
Units 1,14,062.01 (31 March 2025 : 1,14,062.01)		
SBI Magnum Gilt Fund	418.59	413.30
Units 6,32,648.51 (31 March 2025 : 6,32,648.51)		
UTI Multi Asset Allocation Fund	500.13	484.14
Units 6,91,940.84 (31 March 2025 : 6,91,940.84)		
Baroda BNP Paribas Nifty 200 Momentum 30 Index Fund Regular Growth (NM-RG-G)	-	18.71
Units NIL (31 March 2025 : 2,49,977.50)		
BANK of INDIA Consumption Fund Regular Plan - Growth (CFRGG)	383.58	381.58
Units 39,99,800.01 (31 March 2025 : 39,99,800.01)		
ICICI Pru Bluechip Fund	313.83	204.62
Units 3,14,242.90 (31 March 2025 : 1,98,817.77)		
HDFC Balanced Advantage Fund	318.75	203.37
Units 65,926.68 (31 March 2025 : 41,476.42)		
Bank of India Mutual Fund NFO	-	202.56
Units NIL (31 March 2025 : 19,99,900.01)		
360 ONE PRIME LTD 179 DAYS 25-AUG-25	-	483.56
Units NIL (31 March 2025 : 100)		
BOI Mid Cap Fund Regular Growth	266.39	-
Units 29,99,850.007 (31 March 2025 : NIL)		
Baroda BNP Paribas Business Conglomerates Fund Regular Growth(BL-RG-G)	22.27	-
Units 2,49,987.50 (31 March 2025 : NIL)		
360 ONE PRIME Limited 364 Days CP 31-Aug-26	482.83	-
Units 100 (31 March 2025 : NIL)		
Investments carried at fair value through profit and loss - Mutual Funds and commercial papers (cont'd)		
SBI Balanced Fund	99.38	-
Units 6,62,944.443 (31 March 2025 : NIL)		
BOI Banking and Financial Services Fund Regular Growth	87.99	-
Units 9,99,950.00 (31 March 2025 : NIL)		
Total current investment	**5,457.14**	**5,801.28**
Aggregate amount of quoted investments (this represents market value as well)	**5,457.14**	**5,801.28**
Aggregate amount of impairment in the value of investments	-	-

*With respect to investment amounting to ₹ 46,500 lacs (previous year ₹43,500 lacs), management, during the year, has done a detailed evaluation on the recoverability of the investment given wherein valuation of the subsidiary has been conducted by an independent valuer as at 31 December 2025 using the 'Discounted Cash Flow valuation model'.

The key assumptions used for computation of value in use are the growth rate and discount rate as specified below. The key assumptions have been determined based on management's calculations after considering, past experiences and other available internal information and are consistent with external sources of information to the extent applicable.

Key assumptions	As at 31 March 2026	As at 31 March 2025
Discount rate	12.39%	11.84%
Terminal growth rate	4.00%	4.00%

Growth rates:

The growth rates reflect the long-term average growth rates for the product lines and industries of the segments (all publicly available)

Discount rates:

The discount rates reflect appropriate adjustments relating to market risk and specific risk factors of related to the Group. Basis such assessment done, management believes that the investment given would be recoverable and accordingly no provision has been recorded in respect of recoverability of investment balance as at year end.

8. Loans

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
A) Non-current		
Loans considered good- unsecured		
Loans to employees*	14.38	23.73
Total non-current loans (A)	**14.38**	**23.73**
B) Current		
Loans considered good- unsecured		
Loans to employees*	56.96	48.27
Total current loans (B)	**56.96**	**48.27**
Total loans (A+B)	**71.34**	**72.00**

*There are no debt/ loans due by directors or other officers of the Company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

9. Other financial assets

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
A) Non-current (carried at amortised cost)		
(Unsecured considered good)		
Bank deposits with maturity of more than 12 months (refer note 14)	4.28	3.56
Security deposits*(carried at amortised cost)	876.00	867.21
Total non-current other financial assets (A)	**880.28**	**870.77**
B) Current		
(Unsecured considered good)		
Insurance claim recoverable (carried at amortised cost)	11.57	90.00
Security deposits (carried at amortised cost)	58.54	56.40
Others (carried at amortised cost)	52.63	33.43
Total current other financial assets (B)	**122.74**	**179.83**
Total other financial assets(A+B)	**1,003.02**	**1,050.60**

*Security deposits includes deposits with Uttarakhand Power Corporation Limited which carries interest of 6.50% per annum (31 March 2025: 6.75% per annum).

10. Other non-current assets

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Capital advances	933.14	997.97
Prepaid expenses	4.88	7.10
Balances with government authorities	2.59	2.59
Total other non-current assets	**940.61**	**1,007.66**

11. Inventories

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials {including goods in transit ₹ 340.50 lacs (31 March 2025: ₹ 833.74 lacs)}	5,806.98	4,304.81
Work-in-progress	2,160.52	1,631.36
Finished goods {including goods in transit ₹ 1,925.37 lacs (31 March 2025: ₹ 1,636.52 lacs)}	4,753.47	4,182.94
Stores and spares {including goods in transit ₹ 43.78 lacs (31 March 2025: ₹ 44.72 lacs)}	3,186.51	2,811.65
Total inventories	**15,907.48**	**12,930.76**

(i) During the year ended 31 March 2026, NIL (31 March 2025: ₹ 34.94 lacs) was recognised as an expense for inventories carried at net realisable value.

(ii) The Company has closing provision balance of ₹ 354.60 lacs for raw material and ₹ 55.79 lacs for stores and spares as at 31 March 2026 (31 March 2025 : raw material ₹ 373.83 lacs and stores and spares ₹ 51.25 lacs).

12. Trade receivables

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables considered good - unsecured	12,674.87	13,340.99
Less: allowance for expected credit losses	(39.45)	(44.49)
Total trade receivables	**12,635.42**	**13,296.50**

* For credit risk related disclosures, refer note 34(i)A(b).

(i) Trade receivables ageing schedule is as follows:

(₹ in lacs)

Particulars	As at 31 March 2026					
	Outstanding for following period from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	12,478.13	71.80	43.28	42.21	-	**12,635.42**
(ii) Undisputed trade receivables – which have significant increase in credit risk	5.29	8.80	4.81	4.69	15.86	**39.45**
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Gross trade receivables	**12,483.42**	**80.60**	**48.09**	**46.90**	**15.86**	**12,674.87**
Less: allowance for expected credit losses						(39.45)
Total trade receivables						**12,635.42**

(₹ in lacs)

Particulars	As at 31 March 2025					
	Outstanding for following period from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	13,211.33	42.95	42.22	-	-	**13,296.50**
(ii) Undisputed trade receivables – which have significant increase in credit risk	15.74	8.21	4.69	15.80	0.05	**44.49**
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Gross trade receivables	**13,227.07**	**51.16**	**46.91**	**15.80**	**0.05**	**13,340.99**
Less: allowance for expected credit losses						(44.49)
Total trade receivables						**13,296.50**

13. Cash and cash equivalents

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Cash on hand	1.47	2.93
Balances with banks		
In current accounts	110.86	82.81
Bank deposits with original maturity upto 3 months	2.81	2,168.63
Total cash and cash equivalents	**115.14**	**2,254.37**

The Company does not have any cash and cash equivalents that are not available for use.

14. Bank balances other than cash and cash equivalents

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Earmarked bank balances		
Unpaid dividend accounts *	77.22	73.55
Unpaid CSR Account for FY 22-23*	-	63.42
Unpaid CSR Account for FY 23-24*	51.06	98.03
Unpaid CSR Account for FY 24-25*	2.89	-

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Bank deposits		
Deposits with remaining maturity for less than 12 months**	8,962.95	3,094.62
Deposits with remaining maturity for more than 12 months**	4.28	3.56
Total	**9,098.40**	**3,333.18**
Less:- Amount disclosed under non-current financial assets (refer note 9)	(4.28)	(3.56)
Total other bank balances	**9,094.12**	**3,329.62**

* The Company can utilise these balances only toward settlement of the respective unpaid dividend and CSR expenses.

** Margin money deposit (including interest accrued) of ₹ 863.78 Lacs (31 March 2025: ₹ 729.75 Lacs) are subject to lien of lending banks for securing letter of credit, bank guarantee and other facilities sanctioned by them.

15. Other current assets

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Considered good		
Receivables under export benefit scheme	302.29	225.58
Advance to vendors	2,284.70	742.85
Prepaid expenses	309.42	262.89
Balances with government authorities #	685.87	607.52
EPR Credit Inventory	197.82	-
Other advances	13.74	152.87
	3,793.84	**1,991.71**
Considered doubtful		
Receivables under export benefit scheme	2.16	2.16
Other advances	60.88	60.88
Less: Provision of export benefit receivable	(2.16)	(2.16)
Less: Provision of other advances	(60.88)	(60.88)
Total other current assets	**3,793.84**	**1,991.71**

includes balance of goods and service tax

16 A. Equity share capital

i) Authorised	As at 31 March 2026		As at 31 March 2025	
	Number	Amount (₹ in lacs)	Number	Amount (₹ in lacs)
Equity shares of ₹ 5 each	15,00,00,000	7,500.00	15,00,00,000	7,500.00
Equity shares of ₹ 10 each	4,79,60,000	4,796.00	4,79,60,000	4,796.00
		12,296.00		**12,296.00**
ii) Issued, subscribed and fully paid up				
Equity shares of ₹ 5 each	9,75,86,191	4,879.31	9,40,41,889	4,702.09
		4,879.31		**4,702.09**

iii) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Equity shares	As at 31 March 2026		As at 31 March 2025	
	Number	Amount (₹ in lacs)	Number	Amount (₹ in lacs)
Balance at the beginning of the year	9,40,41,889	4,702.09	9,39,54,009	4,697.70
Add: Equity shares issued during the year	35,44,302	177.22	87,880	4.39
Balance at the end of the year	**9,75,86,191**	**4,879.31**	**9,40,41,889**	**4,702.09**

iv) Rights, preferences and restrictions attached to equity share

The Company has only one class of equity share having a par value of ₹ 5 per share. Each equity shareholder is entitled for one vote per share. The Company declares and pays dividend in Indian rupees (₹). The final dividend proposed by the Board of Director is subject to the approval of the shareholder in the ensuing annual general meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. This distribution will be in proportion to the number of equity shares held by the shareholder.

v) Shares held by Holding/ Ultimate Holding Company and/ or their subsidiaries/ associates

Name of the equity shareholder	As at 31 March 2026		As at 31 March 2025	
	Number	Amount (₹ in lacs)	Number	Amount (₹ in lacs)
Wilemina Finance Corporation, Holding Company				
Equity shares of ₹ 5 each fully paid	4,93,18,012	2,465.90	4,93,18,012	2,465.90
	4,93,18,012	**2,465.90**	**4,93,18,012**	**2,465.90**

vi) Shareholding of Promoters are as follows:

Promoter Name	As at 31 March 2026		
	No. of Shares	% of total shares	% change during the period
Arvind Singhania	-	-	(2.80%)
Uma Devi Singhania	175	-	-
Jai Vardhan Singhania	1,24,858	0.13	-
Ayush Vardhan Singhania	9,34,318	0.96	0.77%
Fenton Investments Private Limited	4,90,000	0.50	(0.02%)
MOVI Limited	77,04,645	7.90	4.39%
Wilemina Finance Corporation	4,93,18,012	50.54	(1.90%)
Modi Rubbers limited	26,29,019	2.69	(0.12%)

Promoter Name	As at 31 March 2025		
	No. of Shares	% of total shares	% change during the period
Arvind Singhania	26,32,285	2.80	-
Uma Devi Singhania	175	-	-
Jai Vardhan Singhania	1,24,858	0.13	-
Ayush Vardhan Singhania	1,78,033	0.19	-
Fenton Investments Private Limited	4,90,000	0.52	-
MOVI Limited	32,97,000	3.51	-
Wilemina Finance Corporation	4,93,18,012	52.44	-
Modi Rubbers limited	26,42,705	2.81	-

vii) Details of shareholder holding more than 5% shares in the Company

Name of the shareholders	As at 31 March 2026		As at 31 March 2025	
	Number	%	Number	%
Wilemina Finance Corporation, Holding Company				
Equity shares of ₹ 5 each fully paid	4,93,18,012	50.54%	4,93,18,012	52.44%
Movi Limited, Promotor Group Company				
Equity shares of ₹ 5 each fully paid	77,04,645	7.90%	32,97,000	3.51%
Vettel International Limited, Public Shareholder				
Equity shares of ₹ 5 each fully paid	80,86,861	8.29%	80,86,861	8.60%

viii) No shares were allotted as fully paid up by way of bonus issue and/or brought back in the current reporting year and in last five years immediately preceding the current reporting year.

16 B. Preference shares

(₹ in lacs)

i) Authorised	As at 31 March 2026		As at 31 March 2025	
	Number	Amount (₹ in lacs)	Number	Amount (₹ in lacs)
Cumulative convertible preference shares of ₹ 50 each	6,00,000	300.00	6,00,000	300.00
Redeemable cumulative preference shares of ₹ 50 each	80,00,000	4,000.00	80,00,000	4,000.00
		4,300.00		**4,300.00**

No preference shares have been issued as yet.

17. Other equity (refer statement of changes in equity)

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
A.Reserves and surplus		
Capital reserve	3,520.74	3,520.74
Securities premium	21,134.71	15,711.93
Capital redemption reserve	335.37	335.37
General reserve	1,560.19	1,560.19
Retained earnings	60,662.25	60,831.96
Share options outstanding account	131.75	77.50
B. Items of other comprehensive income		
Effective portions of cash flow hedge	(248.50)	(314.27)
C. Money received against share warrant	2,975.00	4,375.00
Total	**90,071.51**	**86,098.42**

i) Nature and purpose of other reserves

Capital reserve

Capital reserve was created under the previous GAAP out of the profit earned from a specific transaction of capital nature. Capital reserve is not available for the distribution to the shareholders.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Companies Act, 2013.

Capital redemption reserve

The same has been created in accordance with provision of Companies Act, 2013 against redemption of preference shares.

General reserve

The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

Retained earnings

Retained earnings represents surplus in the Statement of Profit and Loss.

Share options outstanding account

The Company has allotted equity shares to certain employees under an employee share purchase scheme. The share options outstanding account is used to recognise the value of equity settled share based payments provided to such employees as part of their remuneration. Refer note 42 for further details of the scheme.

Effective portions of cash flow hedge

This comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Money received against share warrant

Share warrants are issued to promoters and others in terms of the Guidelines for preferential issues viz., SEBI (Issue of Capital and Disclosure Requirements), Since shares are yet to be allotted against the same, these are not reflected as part of share capital but as a separate line item – 'Money received against share warrants. (Refer note below for details).

Pursuant to the approval granted by the Board of Directors at its meeting held on 14th September 2024, the Preferential Issue Committee of the Board, in its meeting held on 16th September 2024, considered and approved the issuance of up to 1,10,75,941 Fully Convertible Warrants having a face value of ₹ 5/- each at an issue price of ₹ 158/- per warrant, aggregating up to ₹ 1,74,99,98,678/- (Rupees One Hundred Seventy-Four Crores Ninety-Nine Lakhs Ninety-Eight Thousand Six Hundred Seventy-Eight Only). The issuance was duly approved by the shareholders of the Company through a postal ballot dated 16th October 2024.

Upon receipt of ₹43.75 crores, representing 25% of the total consideration towards the subscription of the warrants from all allottees, the Board of Directors, through a circular resolution dated 13th November 2024, allotted 1,10,75,941 Fully Convertible Warrants at an issue price of ₹158/- per warrant. These warrants are convertible, at the option of the warrant holder(s), in one or more tranches within 18 (Eighteen) months from the date of allotment, into an equivalent number of fully paid-up equity shares of face value ₹ 5/- each, aggregating a total subscription amount of ₹ 1,74,99,98,678/- for cash

During the year, the Board of Directors, through a circular resolution dated 30 April 2025, approved the allotment of 35,44,302 fully paid-up equity shares of face value INR 5/- each at an issue price of INR 158/- per equity share, pursuant to the conversion of an equivalent number of fully convertible warrants. Against such conversion, the Company received consideration aggregating to INR 41,99,99,789.10/-.

Further, subsequent to the closure of the financial year and upon expiry of the 18-month conversion period on 13 May 2026, the Company, upon receipt of balance consideration aggregating to INR 79,49,98,843.50/-, converted 67,08,851 warrants into 67,08,851 fully paid-up equity shares pursuant to a circular resolution passed by the Board of Directors on 12 May 2026.

The names of the allottees are mentioned below:

Sr. No.	Name	Promoter and promoter group/ non-promoter	Total amount in ₹
1.	Mr. Arvind Singhania	Promoter	59,99,99,944
2.	MOVI Limited	Promoter and promoter group	39,99,99,910
3.	K&K Ventures through its partners viz. Mr. Kavish Vaibhav Shah and Mr. Krishang Vaibhav Shah	Non-promoter	24,99,99,924
4.	Mr. Malay Ashok bhai Shah	Non-promoter	2,49,99,866
5.	Master Reeyan Rohan Shah through his Legal Guardian Mr. Rohan Shah	Non-promoter	2,49,99,866
6.	Mr. Raj Vardhan Kejriwal	Non-promoter	9,99,99,938
7.	Riti Foundation (trust)	Non-promoter	6,99,99,846
8.	RR Foundation (trust)	Non-promoter	6,99,99,846
9.	S.R. Foundation (trust)	Non-promoter	6,99,99,846
10.	Suruchi Foundation (trust)	Non-promoter	6,99,99,846
11.	Swati Foundation (trust)	Non-promoter	6,99,99,846
		Total	**1,74,99,98,678**

18. (A) Borrowings

(₹ in lacs)

A) Non-current* Secured loans	As at 31 March 2026	As at 31 March 2025
Term loans from:		
Banks	6,965.27	7,520.50
Financial institution	6,723.38	6,660.78
Vehicle loans	158.97	229.53
Total borrowings - non-current	13,847.62	14,410.81

Refer Note 18 (B) for current maturity of long term debt of ₹ 4,842.41 lacs (31 March 2025 ₹ 3,217.14 lacs)

* For liquidity risk related disclosures, refer note 34(B).

I. Term loans

a) Outstanding loan from Tata Capital Limited, a loan with outstanding balance of ₹ NIL lacs (31 March 2025 : ₹ 94.69 lacs) was sanctioned for infusion of funds in Subsidiary Company of borrower (Ester Filmtech Limited). The term loan is secured by equitable mortgage by way of deposit of title deeds of land and corporate office building constructed thereupon in Gurgaon and first and exclusive charge over the hypothecation of certain plant and equipments installed at factory premises at Uttarakhand and further secured by irrevocable guarantee of its holding company and personal guarantee of Mr. Arvind Singhania. The term loan bearing floating interest at the LTLR minus 9.10% per annum. The loan is repayable in 54 equal monthly instalments starting from December 2020.

b) From Tata Capital Limited, a loan with outstanding balance of ₹ 512.40 lacs (31 March 2025 : ₹ 950.37 lacs) was sanctioned for infusion of funds in Subsidiary Company of borrower (Ester Filmtech Limited), general corporate and capex. The term loan bearing floating interest at the LTLR minus 11.25% per annum. The loan is repayable in 60 equal monthly instalments starting from June 2022. #

c) From Tata Capital Limited, a loan with outstanding balance ₹ 451.35 lacs (31 March 2025 : ₹ 593.45 lacs) was sanctioned for infusion of funds in Subsidiary Company of borrower (Ester Filmtech Limited),general corporate and capex. The term loan is secured by equitable mortgage by way of deposit of title deeds of land and corporate office building constructed thereupon in Gurgaon and further secured by irrevocable guarantee of its Holding Company and personal guarantee of Mr. Arvind Singhania. The term loan bearing floating interest at the LTLR minus 11.25% per annum. The loan is repayable in 84 equal monthly instalments starting from June 2022.

d) From Tata Capital Limited, a loan with outstanding balance ₹ 2,056.89 lacs (31 March 2025 : ₹ 2,304.34 lacs) was sanctioned for infusion of funds in Subsidiary Company of borrower (Ester Filmtech Limited),general corporate and capex. The term loan is secured by equitable mortgage by way of deposit of title deeds of land and corporate office building constructed thereupon in Gurgaon and further secured by irrevocable personal guarantee of Mr. Arvind Singhania. The term loan bearing floating interest at the LTLR minus 11.80% per annum. The loan is repayable in 84 equal monthly instalments starting from October 2023.

e) From Tata Capital Limited of ₹ 1,843.48 lacs (31 March 2025 : ₹ 1,941.29) has been sanctioned for infusion of funds in Subsidiary Company of borrower (Ester Filmtech Limited), general corporate and capex. The term loan is secured by equitable mortgage by way of deposit of title deeds of land and corporate office building constructed thereupon in Gurgaon and further secured by irrevocable personal guarantee of Mr. Arvind Singhania. The term loan bearing floating interest at the LTPLR plus 1.70% per annum. The loan is repayable in 84 equal monthly instalments starting from October 2024.

f) From Bajaj Finance Limited of ₹ 1,197.49 lacs (31 March 2025 : ₹ 1,794.31 lacs) as loan for general corporate and capex purpose. The term loan bearing floating interest linked to BFL IRR at the rate of 7.35% per annum. The term loan is repayable in 20 equal quarterly instalments starting from May 2023 .##

g) From IDFC First Bank Limited of USD 8.919 million equivalent to ₹ 8329.46 lacs (31 March 2025 : ₹ 8,408.92 lacs) as foreign currency term loan to takeover of Term loan from Shinhan Bank & Qatar National Bank amounting to ₹ 3333.33 lacs & ₹ 2571.43 lacs respectively and balance loan for reimbursement of capital expenditure. The term loans is secured by first pari passu charge on fixed assets of the Company (both present and future) including factory land and building at Pilibhit Road, Sohan Nagar, P.O. Charubeta, Khatima-262308, Distt Udham Singh Nagar, Uttarakhand with other lenders, except fixed assets that are exclusively charged to Tata Capital Limited and second Pari passu charge on current assets and further secured by irrevocable personal guarantee of Mr. Arvind Singhania .The term loan is also secured by first charge on Debt Service Reserve Account (DSRA) to be created to meet debt service requirements of the project for the ensuring 90 days principal and interest payment. The term loan bearing interest ranging from 9.73% to 9.75% per annum. The term loan is repayable in 24 quarterly instalments starting September 2024.

h) From Bajaj Finance Limited of ₹ 599.18 lacs (31 March 2025 : ₹ 1,146.64 lacs) as loan for general corporate and capex purpose. The term loan bearing floating interest linked to BFL IRR at the rate of 8.00% per annum. The term loan is repayable in 60 equal monthly instalments starting from April 2022 .##

i) From Bajaj Finance Limited of ₹ 3,407.55 lacs (31 March 2025 : ₹ NIL) as loan for general corporate and capex purpose. The term loan bearing floating interest linked to BFL IRR at the rate of 8.90% per annum. The term loan is repayable in 42 equal monthly instalments starting from March 2026 .##

Above term loans are secured by first pari passu charge on fixed assets of the Company (both present and future) including factory land and building at Pilibhit Road, Sohan Nagar, P.O. Charubeta, Khatima-262308, Distt Udham Singh Nagar, Uttarakhand with other lenders, except fixed assets that are exclusively charged to Tata Capital Limited & Vehicles and second Pari passu charge on current assets and further secured by irrevocable guarantee of its Holding Company and personal guarantee of Mr. Arvind Singhania.

Above term loans are secured by first pari passu charge on fixed assets of the Company (both present and future) including factory land and building at Pilibhit Road, Sohan Nagar, P.O. Charubeta, Khatima-262308, Distt Udham Singh Nagar, Uttarakhand with other lenders, except fixed assets that are exclusively charged to Tata Capital Limited and & Vehicles and second Pari passu charge on current assets and further secured by irrevocable personal guarantee of Mr. Arvind Singhania.

II. Vehicle loans are secured by hypothecation of specific vehicles acquired out of proceeds of the loans. Vehicle loans bearing interest rates ranging from 7.25% per annum to 10.25% per annum. These loans are repayable in monthly instalments till January 2030.

(₹ in lacs)

18. (B) Current Borrowings*	As at 31 March 2026	As at 31 March 2025
Loans repayable on demand		
Working capital loans from banks	11,409.44	11,005.85
Other loans		
Acceptances	3,302.07	1,396.80
Current Maturities of long term loan	4,842.41	3,217.14
Total borrowings - current	**19,553.92**	**15,619.79**

* For liquidity risk related disclosures, refer note 34(B).

Working capital loans, bills discounting, acceptances and buyer's credit for raw materials : These loans are secured by first charge by way of hypothecation of raw materials, finished goods, semi finished goods, stores and spares, book debts and other receivables (both present and future) and further secured by irrevocable guarantees of its holding Company (Wilemina Finance Corporation) and personal guarantee of Mr. Arvind Singhania. Working capital, bill discounting facilities, acceptances and buyer's credit for raw materials are further secured by way of second charge in respect of immovable properties and movable fixed assets except fixed assets that are exclusively charged to Tata Capital Limited & Vehicle. The working capital loans from banks bear floating interest rate at MCLR plus ranging from 0.30% per annum to 2.60% per annum.

The quarterly returns/statements of current assets filed by the Company with banks or financial institutions in relation to secured borrowings / sanctioned loans, wherever applicable, are in agreement with the books of accounts

The changes in the entities liabilities arising from financing and non financing activities can be classified as follows: **(₹ in lacs)**

Particulars	Borrowings		
	Non-current borrowings	Current borrowings	Lease liabilities
01 April 2025	**14,410.81**	**15,619.79**	**1.25**
Cash flows:			
- Repayments	(3,381.23)	-	(0.15)

(₹ in lacs)

Particulars	Borrowings		
	Non-current borrowings	Current borrowings	Lease liabilities
- Proceeds net of amortisation of upfront fees	3,569.13	2,308.86	-
- Net impact of reclassification as per schedule III	(1,625.27)	1,625.27	-
Non cash:			
-Finance cost adjustment for effective interest rate	65.19	-	0.15
-Unrealised foreign exchange loss	808.99	-	-
31 March 2026	**13,847.62**	**19,553.92**	**1.25**
01 April 2024	**13,011.59**	**23,677.56**	1.25
Cash flows:			
- Repayments	(13,020.30)	(4,994.43)	(0.15)
- Proceeds net of amortisation of upfront fees	11,274.62	-	-
- Net impact of reclassification as per schedule III	3,063.34	(3,063.34)	-
Non cash:			
-Finance cost adjustment for effective interest rate	81.56	-	0.15
31 March 2025	**14,410.81**	**15,619.79**	**1.25**

19. Provisions

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
A) Provisions - non-current		
Provision for gratuity (refer note 40)	857.01	747.04
Provision for compensated absences	282.98	225.88
Total provisions - non-current	**1,139.99**	**972.92**
B) Provisions - current		
Provision for gratuity (refer note 40)	331.45	361.83
Provision for compensated absences	65.52	89.39
Total provisions - current	**396.97**	**451.22**
Total provisions (A+B)	**1,536.96**	**1,424.14**

20. Deferred tax liabilities (net)

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax liabilities	3,011.23	3,106.56
Less: Deferred tax assets	(631.35)	(638.46)
Deferred tax liabilities (net)	2,379.88	2,468.10

(₹ in lacs)

Particulars	As at 01 April 2025	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2026
Deferred tax liabilities arising on account of :				
Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	3,106.56	(95.33)	-	3,011.23
Total	**3,106.56**	**(95.33)**	-	**3,011.23**
Deferred tax assets arising on account of :				
Effect of expenditure debited to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	423.64	30.14	-	453.78
Employee benefits	-	(8.85)	8.85	-
Derivatives designated as Hedges	141.44	4.07	(27.21)	118.30
Others	73.38	(14.11)	-	59.27
Total	**638.46**	**11.25**	**(18.36)**	**631.35**
Deferred tax liabilities (net)	**2,468.10**	**(106.57)**	**18.36**	**2,379.88**

(₹ in lacs)

Particulars	As at 01 April 2024	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2025
Deferred tax liabilities arising on account of :				
Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	3,217.27	(110.71)	-	3,106.56
Total	**3,217.27**	**(110.71)**	-	**3,106.56**
Deferred tax assets arising on account of :				
Effect of expenditure debited to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	423.50	0.14	-	423.64
Employee benefits	-	(17.63)	17.63	-
Derivatives designated as Hedges	-	32.06	109.38	141.44
Brought forward losses/ depreciation	1,156.04	(1,156.04)	-	-
Others	11.17	62.21	-	73.38
Total	**1,590.71**	**(1,079.26)**	**127.01**	**638.46**
Deferred tax liabilities (net)	**1,626.56**	**968.55**	**(127.01)**	**2,468.09**

21. Other liabilities

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
A) Non-current		
Deferred income*	1,225.62	1,422.50
Total non current liabilities (A)	**1,225.62**	**1,422.50**
B) Current		
Deferred income*	196.86	199.40
Revenue received in advance	295.42	129.77
Statutory dues	294.88	209.72
Total current liabilities (B)	**787.16**	**538.89**
Total other liabilities (A+B)	**2,012.78**	**1,961.39**

* Represents government assistance in form of duty benefit availed under Export Promotion Capital Goods ('EPCG') scheme on purchase of property, plant and equipment accounted for as government grants and being amortised over useful life of such assets.

22. Trade payable

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Trade payables		
-total outstanding dues of micro enterprises and small enterprises	1,147.82	701.46
-total outstanding dues of creditors other than micro enterprises and small enterprises	3,559.72	2,669.22
Total trade payables	**4,707.54**	**3,370.68**

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
i. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
Principal amount*	1,180.59	733.24
Interest due thereon	-	-
ii. The amount paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;		
Principal amount	-	-
Interest due thereon	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23.	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

*includes capital creditors of ₹ 32.77 lacs. (31 March 2025: ₹ 31.78 lacs) (refer note 23).

Trade payables ageing is as follows: (₹ in lacs)

Particulars	As at 31 March 2026				
	Outstanding for following periods from the due date of payment				
	Less than 1 Year	1-2 Years	2 to 3 years	More than 3 Years	Total
(i) Micro enterprises and small enterprises	1,147.82	-	-	-	1,147.82
(ii) Others	3,501.20	57.13	0.24	1.15	3,559.72
(iii) Disputed- Micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed- Others	-	-	-	-	-
Total	**4,649.02**	**57.13**	**0.24**	**1.15**	**4,707.54**

(₹ in lacs)

Particulars	As at 31 March 2025				
	Outstanding for following periods from the due date of payment				
	Less than 1 Year	1-2 Years	2 to 3 years	More than 3 Years	Total
(i) Micro enterprises and small enterprises	701.46	-	-	-	701.46
(ii) Others	2,606.82	19.82	1.45	41.13	2,669.22
(iii) Disputed- Micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed- Others	-	-	-	-	-
Total	**3,308.28**	**19.82**	**1.45**	**41.13**	**3,370.68**

23. Other financial liabilities

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Capital creditors*	94.74	88.58
Unpaid dividend	77.22	73.56
Deposits from dealer/ customer and others	37.60	35.70
Derivative liability^	470.09	562.00
Employee related payables	429.59	391.68
Interest accrued	74.83	68.87
Other payable#	146.28	172.66
Total other financial liabilities	**1,330.35**	**1,393.05**

*includes payable to micro enterprises and small enterprises of ₹ 32.77 lacs (31 March 2025 ₹ 31.78 lacs).
includes sales commission payable of ₹ 50.57 lacs (31 March 2025 ₹ 93.52 lacs).

^Derivative liability (₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Interest rate swap used for hedging	466.86	559.61
Other forward contract	3.23	2.39
Total derivative liability	**470.09**	**562.00**

24 A. Income tax assets (net)

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Advance income tax (net of provisions ₹ 8,953.02 lacs (31 March 2025 ₹ 8,530.51 lacs))	237.30	106.51

24 B. Income tax liabilities (net)

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for tax (net of advance tax ₹ 18,846.45 lacs (31 March 2025 ₹ 18,846.45 lacs))	132.47	120.46

25. Revenue from operations

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of products (recognised at a point of time)	103,330.68	105,674.75
Other operating revenue (refer note (i) below)	1,182.11	1,371.47
Total revenue from operations	**104,512.79**	**107,046.22**

i) Other operating revenue comprises of the following income:		
Sales of scrap	197.55	187.10
Other income from tolling*	147.65	233.54
Duty drawback earned	836.91	950.83
Total revenue from operations	**1,182.11**	**1,371.47**

*includes income from tolling services provided to Radici for production of engineering plastic products at Khatima facility.

26. Other income

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest income:		
- Fixed deposits carried at amortised cost	542.77	357.37
- Trade receivable	1.14	3.93
- Commercial Papers & others	131.82	180.34
- Other financial assets carried at amortised cost	58.48	58.48
Other non-operating income:		
Insurance claim	31.22	109.71
Provisions/liabilities no longer required written back	34.61	52.32
Reversal of provision on doubtful advances	5.04	-
Profit on sale of investments	38.56	130.30
Income recognised on account of government assistance*	199.41	225.09
Gain on fair valuation of financial assets	30.45	76.24
Miscellaneous income **	370.40	253.37
Total other income	**1,443.90**	**1,447.15**

* This represent income recognised in relation Export Promotion Capital Goods ('EPCG'), considered as government assistance.

** Refer note 37

27A. Cost of materials consumed

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventories at the beginning of the year	4,304.81	3,124.66
Add: purchases	71,923.68	70,193.48
Less: inventories at the end of the year	(5,806.98)	(4,304.81)
Cost of material consumed	**70,421.51**	**69,013.33**

27B. Changes in inventories of finished goods and work-in-progress

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Closing stock		
- Finished goods	4,753.47	4,182.94
- Work-in-progress	2,160.52	1,631.36
Total	**6,913.99**	**5,814.30**
Opening Stock		
- Finished goods	4,182.94	3,918.26
- Work-in-progress	1,631.36	1,625.98
Total	**5,814.30**	**5,544.24**
Total changes in inventories	**(1,099.69)**	**(270.06)**

28. Employee benefits expense

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries and wages	5,937.49	5,261.85
Share based payment expense (refer note 42)	54.25	21.49
Contribution to provident fund and other funds (refer note 40)	376.42	338.55
Gratuity (refer note 40)	364.79	154.56
Staff welfare expenses	319.74	272.47
Total employee benefits expense	**7,052.69**	**6,048.92**

29. Finance cost

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest :		
-Term loans	1,718.44	1,731.69
-Working capital	1,238.91	1,423.89
-Lease liabilities	0.15	0.15
-Statutory dues	28.90	0.02
-Others	1.48	4.54
-Ineffective portion of fair value changes on interest Rate swap designated as cash flow hedges	160.50	79.78
Other borrowing costs*	360.61	327.79
Total finance cost	**3,508.99**	**3,567.86**

*Other borrowing costs majorly comprises of letter of credit charges, bank guarantee charges and working capital demand loan (WCDL) processing fees.

30. Other expenses

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Manufacturing expenses		
Consumption of stores and spare parts	1,956.66	1,608.49
Consumption of packing material	1,585.71	1,681.31
Power and fuel	10,039.73	9,385.52
Material handling charges	657.56	657.57
Provision for obsolete inventories	4.54	2.26
Total manufacturing expenses (A)	**14,244.20**	**13,335.15**
Selling expenses		
Freight	1,716.64	2,468.34
Commission and brokerage	127.76	165.26
Total selling expenses (B)	**1,844.40**	**2,633.60**
Administration and other expenses		
Rent	7.48	7.84
Rates and taxes	25.01	36.43
Insurance	398.53	425.50
Repairs and maintenance:		
- Building	223.68	184.93
- Plant and machinery	425.32	322.30
- Others	567.28	508.18
Corporate social responsibility expenditure (refer note (i) below)	40.86	135.68
Travelling and conveyance	778.97	640.83
Communication expenses	46.43	44.36
Legal and professional charges	1,032.78	823.70
Printing and stationery	18.83	13.46
Donations (other than political parties)	1.78	0.57
Director's sitting fees	4.80	6.20
Auditors' remuneration (refer note (ii) below)	60.67	61.46
Loss on sale of property, plant and equipment (net)	23.30	42.22
Bad debts, advances and irrecoverable balances written off	4.88	13.17
Allowance for expected credit loss on debts/advances	-	27.00
Security services	446.47	417.05

30. Other expenses

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Foreign exchange fluctuation loss (net)	66.80	49.71
Mark to market Loss on derivative contracts	1.36	129.90
EPR Compliance Expense	260.69	-
Miscellaneous expenses	469.76	472.08
Total administrative and other expenses (C)	**4,905.68**	**4,362.57**
Total other expenses (A+B+C)	**20,994.28**	**20,331.32**

i) Corporate social responsibility expenses

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting health care, promoting education, rural development projects and environment sustainability. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
i) Amount required to be spent by the Company during the year	39.86	132.20
ii) Amount of expenditure incurred as follows:		
- Constructions/ acquisition of any assets	6.50	29.65
- Others (refer point (vi) below)	23.13	76.88
- Less Set off from the excess amount spent in FY 2024-25	3.48	-
iii) Unspent at the end of the year deposited in unspent CSR account*	11.23	29.15
iv) Excess at the end of the year {(ii)+(iii)-(i)}	4.48	3.48

v) Reason for shortfall/ unspent amount

For the year ended 31 March 2026	For the year ended 31 March 2025
There is no shortfall in the amount to be incurred for CSR, as the unspent amount in respect of ongoing project identified by the Company is deposited into "unspent CSR Account" within the time period prescribed under Section 135(6) of the Companies Act, 2013.	There is no shortfall in the amount to be incurred for CSR, as the unspent amount in respect of ongoing project identified by the Company is deposited into "unspent CSR Account" within the time period prescribed under Section 135(6) of the Companies Act, 2013.
In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has identified the following ongoing CSR projects: 1. Ester Navsrijan Programme-3 – Providing free education, books, uniforms and transport facilities to underprivileged and economically weaker section students residing in and around Khatima. An amount of ₹9.92 lakhs remained unspent as at the end of FY 2025-26 towards the ongoing commitment of the project and has been transferred to the Unspent CSR Account within the prescribed timeline. The amount shall be utilised within the succeeding 3 financial years. 2. Action for Autism – Providing vocational skills training in permaculture and food processing for autistic youth at "Ananda – The Assisted Living Facility", Gurugram, including procurement of equipment and remuneration of a Permaculture Specialist. An amount of ₹1.31 lakhs remained unspent as at the end of FY 2025-26 towards the ongoing commitment of the project and has been transferred to the Unspent CSR Account within the prescribed timeline. The amount shall be utilised during FY 2026-27.	In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has identified an ongoing CSR project titled "UDAAN" aimed at reducing vulnerabilities of migrant Odia populations working in brick-making units in Telangana by improving their living conditions through provision of basic amenities, medical services and support for children's education. An amount of ₹29.15 lakhs** remained unspent as at the end of FY 2024-25 towards the ongoing commitment of the project and has been transferred to the Unspent CSR Account within the prescribed timeline.

**Out of ₹29.15 lakhs, amount of ₹26.26 lakhs has been utilised during FY 2025–26, and the remaining amount is expected to be utilised during FY 2026–27.

vi) Nature of CSR activities

For the year ended 31 March 2026	For the year ended 31 March 2025
As covered under Item No (i), (ii), (vii) & (x) of Schedule VII of the Companies Act, 2013 including: (a) promoting health care including preventive health and sanitation and making available safe drinking water (b) Promoting education (c) Training to promoter rural sports (d) Rural development projects	As covered under Item No (i), (ii) & (iv)of Schedule VII of the Companies Act, 2013 including: (a) Eradicating hunger, poverty and malnutrition and promoting health care including preventive health and sanitation and making available safe drinking water (b) Promoting Education (c) Ensuring environment sustainability

*The unspent amount has been subsequently transferred to unspent CSR account in accordance with the Companies Act, 2013 read with the CSR Amendment Rules.

Unspent amount of CSR **(₹ in lacs)**

Particulars	Amount
Unspent amount as at 31 March 2025	
- with Company	
- in Separate CSR unspent account for FY 24-25	29.15
- in Separate CSR unspent account for FY 23-24	98.02
- in Separate CSR unspent account for FY 22-23	63.42
Amount spent during the year	
- from Company's Bank account	
- from separate CSR unspent account for FY 24-25	26.26
- from separate CSR unspent account for FY 23-24	46.96
- from separate CSR unspent account for FY 22-23	63.42
Unspent amount as at 31 March 2026	
- with Company	11.23
- in Separate CSR unspent account for FY 24-25	2.89
- in Separate CSR unspent account for FY 23-24	51.06
- in Separate CSR unspent account for FY 22-23	-

ii) Auditors' remuneration **(₹ in lacs)**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
- Audit fee (excluding taxes)	56.10	**57.00**
- Out of pocket expenses (excluding taxes)	4.57	**4.46**
Total	60.67	**61.46**

31. Tax expenses

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Tax expenses		
Current tax	327.90	442.26
Tax earlier years	97.80	**-**
Deferred tax	(106.57)	968.55
Income tax expense recognised in the statement of profit and loss	**319.13**	**1,410.81**

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.17% and the reported tax expense in the statement of profit and loss are as follows:

Accounting profit before income tax	**756.33**	**5,464.10**
Accounting profit before income tax discontinued operation		
At India's statutory income tax rate of 25.17% (31 March 2025: 25.17%)	190.37	1,375.31
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of expenses which will never be allowed	37.75	41.76
Impact of tax rate changes	(4.42)	(12.52)
Earlier year tax paid in current year	97.80	-
Adjustments recognised in the current year in relation to the previous year	(2.38)	6.26
Income tax expense	**319.13**	**1,410.81**

32. Earning per share (EPS)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Net profit as attributable for equity shareholders (₹ in lacs)	437.20	4,053.29
Net profit as attributable for equity shareholders (₹ in lacs)	**437.20**	**4,053.29**
Weighted average number of equity shares for basic EPS	9,73,04,589	9,40,01,922
Effect of dilution - Employee stock options	22,656	83,053.00
Weighted average number of equity shares adjusted for the effect of dilution	**9,73,04,245**	**9,40,84,975**
Basic earnings per share (₹)	0.45	4.31
Diluted earnings per share (₹)	0.45	4.31

33. Fair value disclosures

(i) Fair value hierarchy

Financial assets measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

(ii) Valuation technique used to determine fair value

A. Specific valuation techniques used to value mutual funds include - the use of net asset value for mutual funds on the basis of the statement received from investee party.

B. Derivative asset/ liability not designated as hedgesis measured using forward contract exchange rates at the balance sheet rate as confirmed from banks/ financial institutions.

C. Derivative liabilities designated as hedges are Interest rate swap at the balance sheet rate as confirmed from banks/ financial institutions.

(iii) Financial assets measured at fair value – recurring fair value measurements **(₹ in lacs)**

Particulars	Level	As at 31 March 2026	As at 31 March 2025
Financial assets			
Investments in mutual funds	Level 1	5,457.14	5,801.28
Total financial assets		**5,457.14**	**5,801.28**
Financial liabilities			
Derivative liabilities designated as hedges	Level 2	466.86	559.61
Derivative liabilities not designated as hedges	Level 2	3.23	2.39
Financial liabilities		**470.09**	**562.00**

34. Financial risk management

The accounting classification of each category of financial instruments, and there carrying amounts are set as below:

(₹ in lacs)

Particulars	31 March 2026			31 March 2025		
	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL	Amortised cost
Financial assets						
Investments - mutual funds*	-	5,457.14	-	-	5,801.28	-
Trade receivables	-	-	12,635.42	-	-	13,296.50
Loans (Non-current and current)	-	-	71.34	-	-	72.00
Cash and cash equivalents	-	-	115.14	-	-	2,254.37
Other bank balances (Non-current and current)	-	-	9,098.40	-	-	3,333.18
Other financial assets (Non-current and current)	-	-	998.74	-	-	1,047.04
Total financial assets	-	**5,457.14**	**22,919.04**	-	**5,801.28**	**20,003.09**
Financial liabilities						
Borrowings (Non-current and current)	-	-	33,401.54	-	-	30,030.60
Lease liabilities	-	-	1.25	-	-	1.25
Trade payables	-	-	4,707.54	-	-	3,370.68

(₹ in lacs)

Particulars	31 March 2026			31 March 2025		
	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL	Amortised cost
Security deposits and retentions	-	-	37.60	-	-	-
Derivative liabilities designated as hedges	466.86	-	-	559.61	-	-
Derivative liabilities not designated as hedges	-	3.23	-	-	2.39	-
Other financial liabilities	-	-	822.66	-	-	831.05
Total financial liabilities	**466.86**	**3.23**	**38,970.59**	**559.61**	**2.39**	**34,233.58**

*Investment in equity shares of subsidiaries and joint venture has been accounted at cost in accordance with Ind AS 27. Therefore not within the scope of Ind AS 109, hence not included here

(i) Risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Standalone financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables, other financial assets and investments	Ageing analysis	Diversification of bank deposits and investments, credit limits and letter of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting	Forward contract/hedging, if required
Market risk - Interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect market factors
Price risk - security price	Investments in mutual funds	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, investments, trade receivables and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

The Company provides for expected credit loss based on the following:

Description	Asset group	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss
Moderate credit risk	Trade receivables	Life time expected credit loss
High credit risk	Trade receivables	Life time expected credit loss or fully provided for

Impairment on cash and cash equivalents and other bank balances has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The Company uses a similar approach for assessment of ECLs for cash and cash equivalents to those used for debt securities.

All of the Company's loans at amortised cost are considered to have low credit risk, and the loss allowance, if any, is limited to 12 months' expected losses. Management considers instruments to be low credit risk when they have a low risk of default and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term.

The Company's investments in mutual funds, bonds are considered to have a low risk and the loss allowance recognised is based on the 12 months expected loss. Management considers "low credit risk" for listed bonds and debentures to be those with high quality external credit ratings (investment grade). The Company uses the ratings from the Good Credit Rating Agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2026 and 31 March 2025 is the carrying amounts of financial assets.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period (including extension). Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Below is the bifurcation of assets in various categories of risk: **(₹ in lacs)**

Description	Particulars	As at 31 March 2026	As at 31 March 2025
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	28,376.18	25,759.89
High credit risk	Trade receivables	39.45	44.49

ii) *Concentration of financial assets*

The Company's exposure to credit risk for trade receivables is presented as below. Loans and other financial assets majorly represents loans to employees and security and earnest money deposits given for business purposes.

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Polyester film	10,813.08	10,707.76
Speciality Polymer	1,822.34	2,588.74

b) Credit risk exposure

Provision for expected credit losses

The Company provides for 12 month expected credit losses or lifetime expected credit losses for following financial assets –

31 March 2026 **(₹ in lacs)**

Particulars	Estimated gross carrying amount at default	Expected credit losses (including credit impaired)	Carrying amount net of impairment provision
Trade receivables	12,674.87	39.45	12,635.42
Loans	71.34	-	71.34
Cash and cash equivalents	115.14	-	115.14
Other bank balances	9,098.40	-	9,098.40
Other financial assets	998.74	-	998.74
Investments*	5,457.14	-	5,457.14
Total financial assets	**28,415.63**	**39.45**	**28,376.18**

*Investments comprise of holdings in mutual funds and commercial papers, excluding investments in joint ventures and subsidiary

31 March 2025 **(₹ in lacs)**

Particulars	Estimated gross carrying amount at default	Expected credit losses (including credit impaired)	Carrying amount net of impairment provision
Trade receivables	13,340.99	44.49	13,296.50
Loans	72.00	-	72.00
Cash and cash equivalents	2,254.37	-	2,254.37
Other bank balances	3,333.18	-	3,333.18
Other financial assets	1,047.04	-	1,047.04
Investments*	5,801.28	-	5,801.28
Total financial assets	**25,848.86**	**44.49**	**25,804.37**

*Investments comprise of holdings in mutual funds and commercial papers, excluding investments in joint ventures and subsidiary

Expected credit loss for trade receivables under simplified approach

As at 31 March 2026 **(₹ in lacs)**

Particulars	Less than 6 months	6 months-1 year	1- 2 years	2- 3 years	More than 3 years	Total
Gross carrying value	12,483.42	80.60	48.09	46.90	15.86	12,674.87
Credit impaired	-	-	-	-	-	-
Expected loss rate	0.04%	10.92%	10.00%	10.00%	-	-
Expected credit loss (impairment)	5.29	8.80	4.81	4.69	15.86	39.45
Carrying amount (net of impairment)	**12,478.13**	**71.80**	**43.28**	**42.21**	-	**12,635.42**

As at 31 March 2025 **(₹ in lacs)**

Particulars	Less than 6 months	6 months-1 year	1- 2 years	2- 3 years	More than 3 years	Total
Gross carrying value	13,227.07	51.16	46.91	15.80	0.05	13,340.99
Credit impaired	-	-	-	-	-	-
Expected loss rate	0.12%	16.05%	10.00%	99.98%	-	-
Expected credit loss (impairment)	15.74	8.21	4.69	15.80	0.05	44.49
Carrying amount (net of impairment)	**13,211.33**	**42.95**	**42.22**	-	-	**13,296.50**

(₹ in lacs)

Reconciliation of loss allowance	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening Balance	**44.49**	**30.25**
Increase in loss allowance due to expected credit loss	8.89	26.28
Decrease in credit impaired	(13.93)	(12.04)
Closing Balance	**39.45**	**44.49**

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

(₹ in lacs)

31 March 2026	Less than 1 year	1 - 3 years	More than 3 years	Total
Non-derivatives	-	-	-	
Borrowings (including interest)	21,163.83	10,557.12	6,297.61	**38,018.56**
Trade payables	4,707.54	-	-	**4,707.54**
Other financial liabilities	860.26	-	-	**860.26**
Derivative liabilities designated as hedges	466.86	-	-	**466.86**
Derivative liabilities not designated as hedges	3.23	-	-	**3.23**
Total	**27,201.72**	**10,557.12**	**6,297.61**	**44,056.45**

(₹ in lacs)

31 March 2025	Less than 1 year	1 - 3 years	More than 3 years	Total
Non-derivatives				
Borrowings (including interest)	17,202.41	9,248.74	8,881.37	**35,332.52**
Trade payables	3,370.68	-	-	**3,370.68**
Other financial liabilities	831.05	-	-	**831.05**
Derivative liabilities designated as hedges	559.61	-	-	**559.61**
Derivative liabilities not designated as hedges	2.39	-	-	**2.39**
Total	**21,966.14**	**9,248.74**	**8,881.37**	**40,096.25**

The Company had access to following funding facilities :

As at 31 March 2026 **(₹ in lacs)**

Funding facilities	Total Facility	Drawn	Not drawn
Less than 1 year	30,079.00	16,602.76	13,476.24
Total	**30,079.00**	**16,602.76**	**13,476.24**

As at 31 March 2025 **(₹ in lacs)**

Funding facilities	Total Facility	Drawn	Not drawn
Less than 1 year	30,079.00	14,971.63	15,107.37
Total	**30,079.00**	**14,971.63**	**15,107.37**

(C) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

Interest rate risk exposure

The Company's variable rate borrowing is subject to interest rate risk. Below is the overall exposure of the borrowing:

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Variable rate borrowing	33,109.32	29,636.71
Fixed rate borrowing	293.47	395.14
Total borrowings	**33,402.79**	**30,031.85**

Sensitivity

Profit or loss and other equity is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates.

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Interest sensitivity*		
Interest rates – decrease by 50 basis point (31 March 2025: 50 basis point)	123.88	110.89
Interest rates – increase by 50 basis point (31 March 2025: 50 basis point)	(123.88)	(110.89)

* *Holding all other variables constant*

The Company is exposed to interest rate risk on account of variable rate borrowings. The company's risk management policy is to mitigate its interest rate exposure in accordance with the exposure limits advised from time to time.

Hedges of highly probable forecasted transactions

The Company has hedged its floating rate interest payment cash flows. Consequently, interest rate swap has been designated in cash flow hedge relationship with borrowings. Hedged item and hedging instruments have been identified in below paragraphs.

Hedge effectiveness is determined at inception of the hedge relationship and at every reporting period end through the assessment of the hedged items and hedging instrument to determine whether there is still an economic relationship between the two.

All derivative financial instruments used for hedge accounting are recognised initially at fair value and reported subsequently at fair value in the standalone balance sheet.

To the extent the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity. Any ineffectiveness in the hedge relationship is recognised immediately in profit or loss.

At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income.

If a forecast transaction is no longer expected to occur, any related gain or loss recognised in other comprehensive income is transferred immediately to profit or loss. If the hedging relationship ceases to meet the effectiveness conditions, hedge accounting is discontinued, and the related gain or loss is held in the equity reserve until the forecast transaction occurs.

The effect of hedge accounting on the balance sheet and performance is as follows, including the outline timing and profile of the hedging instruments:

Particulars	As at 31 March 2026	As at 31 March 2025
Carrying amounts	-	-
Interest rate swap	466.86	559.61
Line item affected in balance sheet	Other financial liability	Other financial liability
Notional amount- Interest rate swap	$10.81 million	$10.01 million
Hedge ratio	1:1	1:1
Maturity date	June 2030	June 2030
Average fixed interest rate	9.75%	9.75%
Amounts in cash flow hedge reserve	65.77	(314.27)

The following movements in the cash flow hedge reserve **(₹ in lacs)**

Particulars	As at 31 March 2026	As at 31 March 2025
Opening Balance	(314.27)	-
Change in fair value of derivatives during the period	253.48	(343.87)
Amount reclassified from OCI to PL (finance cost)	(160.50)	(79.78)
Deferred tax	(27.21)	109.38
Closing Balance	(248.50)	(314.27)

The amounts reclassified to profit and loss account has been included in the finance costs

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts

The Company assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships the main source of ineffectiveness are:

The effect of the counterparty's and the Company's own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in interest rates; and differences in repricing dates between the swaps and the borrowings.

The Company does not frequently reset hedging relationships because both the hedging instrument and the hedged item frequently change (ie, the entity does not use a dynamic process in which neither the exposure nor the hedging instruments used to manage that exposure remain the same for a long period). If it did, then it would be exempt from providing the disclosures required by paragraphs 23A and 23B of Ind AS 107, but would instead provide information about the ultimate risk management strategy, how it reflects its risk management strategy in its hedge accounting and designations, and how frequently hedging relationships are discontinued and restarted. If the volume of these hedges is unrepresentative of normal volumes during the year (ie. the volume at the reporting date does not reflect the volumes during the year), then the entity would disclose that fact and the reason it believes the volumes are unrepresentative

(ii) Foreign exchange risk

Foreign exchange risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities. The Investment and Borrowing Committee evaluates foreign exchange rate exposure arising from foreign currency transactions on periodic basis and follows appropriate risk management policies.

The Company has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions (imports and exports). Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency.

Foreign currency risk exposure

Particulars	Currency	Amount in Foreign Currency (In absolute figures)		Amount (₹ in lacs)	
		31 March 2026	31 March 2025	31 March 2026	31 March 2025
Financial assets					
Trade receivable	USD	46,35,356.14	95,17,747.57	4,386.90	8,144.34
	GBP	18,753.99	1,57,342.97	23.56	174.21
	EURO	7,65,563.14	7,15,585.04	834.16	659.55
Financial liabilities					
Trade payables	EURO	3,581.54	722.04	3.90	0.65
	USD	1,49,055.52	5,07,895.00	141.14	432.44
Acceptances	USD	-	2,96,800.00	-	254.12
Foreign currency secured loan	USD	89,19,429.88	1,00,33,725.09	8,442.24	8,377.08
Interest accrued on Foreign currency secured loan	USD	16,907.91	-	16.00	-

Sensitivity

The following table illustrates the sensitivity of profit in regards to the Company's financial assets and financial liabilities and the USD/INR exchange rate, EUR/INR exchange rate and GBP/INR exchange rate 'all other things being equal'. It assumes a +/- 5.00% change of the INR/USD exchange rate for the year ended at 31st March, 2026 (2025: 5.00%). A +/- 5.00% change is considered for the INR/EUR exchange rate (2025: 5.00%). A +/- 5.00 % change is considered for the INR/GBP exchange rate (2025: 5.00 %).

(₹ in lacs)

Particulars	Impact on profit after tax and other equity	
	31 March 2026	31 March 2025
USD sensitivity		
INR/USD increase by 5.00% (31 March 2025- 5.00%)	(152.33)	(34.40)
INR/USD decrease by 5.00% (31 March 2025- 5.00%)	152.33	34.40
		-
GBP sensitivity		-
INR/GBP increase by 5.00% (31 March 2025- 5.00%)	0.88	6.52
INR/GBP decrease by 5.00% (31 March 2025- 5.00%)	(0.88)	(6.52)
EUR sensitivity		
INR/EUR increase by 5.00% (31 March 2025- 5.00%)	31.06	24.65
INR/EUR decrease by 5.00% (31 March 2025- 5.00%)	(31.06)	(24.65)

Derivative contracts

The Company is exposed to exchange rate risk that arises from its foreign exchange revenues and expenses, primarily in US Dollars, Euros etc. The Company uses foreign currency forward contracts ("derivatives") to mitigate its risk of changes in foreign currency exchange rates. The counterparty for these contracts is generally a bank or a financial institution.

The Company is also exposed to interest rate risk as most of the borrowings are carries interest rate linked to SOFR. The Company has put in place a Board approved policy to manage and hedge risks associated with borrowings which prescribes the structure and organisation for management of associated risks. The Company's risk management policy which aims to hedge interest rate arising from its borrowings.

The Company has hedged its floating rate interest payment cash flows. Consequently, interest rate swap has been designated in cash flow hedge relationship with borrowings. Hedged item and hedging instruments have been identified in below paragraphs.

Hedges of highly probable forecasted transactions

The Company has hedged its floating rate interest payment cash flows. Consequently, interest rate swap has been designated in cash flow hedge relationship with borrowings. Hedged item and hedging instruments have been identified in below paragraphs.

The following table gives details in respect of the notional amount of outstanding foreign exchange derivative contracts:

Hedge Type	31 March 2026	31 March 2025
Derivatives not designated as hedges		
Forward contracts	3.23	2.39
Total	**3.23**	**2.39**

(iii) Price risk

The Company's exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Sensitivity analysis

Profit or loss and other equity is sensitive to higher/ lower prices of instruments on the Company's profit for the year -

Particulars	31 March 2026	31 March 2025
Investments in mutual funds		
Price increase by (5%) - FVTPL instrument	204.18	217.05
Price decrease by (5%) - FVTPL instrument	(204.18)	(217.05)

35. Segment reporting

The Company operates in two segments manufacturing and sale of polyester film and speciality polymer. The Company has chosen business segments considering the dominant source of nature of risks and returns, internal organisation, management structure and the manner chief operating decision maker (CODM) review the financial performance of the business for allocating the economic resources. A brief description of the reportable segment is as follows:

Polyester chips and film: Polyester chips and films that are used in primarily flexible packaging and other industrial application. Polyester film is known for high tensile strength, chemical and dimensional stability, transparency, reflective, gas and aroma barrier properties and electrical insulation. PET chips is the main raw material used to manufacture the film.

Speciality Polymer: Specialty Polymers are Polymers that are high performance material catering to the global needs of the industries / applications such as carpets, textiles, food and beverages, consumer electronics, industrial etc. which cannot be met by commodity PET grades.

A. Segment Disclosure

Year ended 31 March 2026 **(₹ in lacs)**

Particulars	Polyester chips and film	Speciality Polymers	Total of segments	Unallocable	Net Total
Revenue					
External customers	85,916.18	18,596.61	1,04,512.79	-	**1,04,512.79**
Total revenue	**85,916.18**	**18,596.61**	**1,04,512.79**	-	**1,04,512.79**
Income/expenses					
Other income	-	-	-	1,443.90	**1,443.90**
Cost of material consumed	61,022.53	9,398.98	70,421.51	-	**70,421.51**
Changes in inventories of finished goods and work-in-progress	(1,424.42)	324.73	(1,099.69)	-	**(1,099.69)**
Depreciation and amortisation	3,265.07	444.61	3,709.68	612.90	**4,322.58**
Finance costs	-	-	-	3,508.99	**3,508.99**
Other expenses	17,999.79	2,533.07	20,532.86	7,514.11	**28,046.97**
Segment results	**5,053.21**	**5,895.22**	**10,948.43**	**(10,192.10)**	**756.33**
Tax expense	-	-	-	-	**319.13**
Profit after tax	-	-	-	-	**437.20**

Year ended 31 March 2025 **(₹ in lacs)**

Particulars	Polyester chips and film	Speciality Polymers	Total of segments	Unallocable	Net Total
Revenue					
External	91,167.80	15,878.42	1,07,046.22	-	**1,07,046.22**
Inter - segment			-	-	-
Total revenue	**91,167.80**	**15,878.42**	**1,07,046.22**	-	1,07,046.22
Income/expenses					-
Other income	-	-	-	1,447.15	**1,447.15**
Cost of material consumed	61,296.28	7,717.05	69,013.33	-	**69,013.33**

Year ended 31 March 2025 (₹ in lacs)

Particulars	Polyester chips and film	Speciality Polymers	Total of segments	Unallocable	Net Total
Changes in inventories of finished goods and work-in-progress	202.31	(472.37)	(270.06)	-	**(270.06)**
Depreciation and amortisation	3,418.71	397.74	3,816.45	521.45	**4,337.90**
Finance costs	-	-	-	3,567.86	**3,567.86**
Other expenses (including employee benefits expense)	17,378.76	2,493.79	19,872.55	6,507.68	**26,380.23**
Segment results	**8,871.74**	**5,742.21**	**14,613.95**	**(9,149.84)**	**5,464.11**
Tax expense	-	-	-	-	**1,410.81**
Profit after tax	-	-	-	-	**4,053.29**

Year ended 31 March 2026

Particulars	Polyester chips and film	Speciality Polymers	Total of segments
Segment assets	50,062.34	11,342.07	**61,404.41**
Segment liabilities	7,813.46	246.38	**8,059.84**
Addition/Reduction to non current assets*	(977.49)	(293.35)	**(1,270.84)**

*It consist of non-current assets other than loans and advances and investment in subsidiary and joint venture.

Year ended 31 March 2025

Particulars	Polyester chips and film	Speciality Polymers	Total of segments
Segment assets	47,529.64	11,453.31	**58,982.95**
Segment liabilities	5,903.79	550.76	**6,454.55**
Addition/Reduction to non current assets*	(2,053.02)	(197.77)	**(2,250.79)**

*It consist of non-current assets other than loans and advances and investment in subsidiary and joint venture.

Revenue as per geographical market (₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from external customers:		
India	70,416.94	69,595.23
Outside India	34,095.85	37,450.99
Total revenue per statement of profit or loss	**1,04,512.79**	**1,07,046.22**
Segment receivables		
India	7,390.80	4,318.40
Outside India	5,244.62	8,978.10
Total	**12,635.42**	**13,296.50**

The totals presented for the operating segments reconcile to the key financial figures as presented in its financial statements as follows:

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit or loss		
Total segment profit	10,948.43	14,613.95
Depreciation and amortisation	(612.90)	(521.46)
Administrative & other expenses	(2948.66)	(3430.50)
Employee benefits expense	(4074.81)	(3120.25)
Other manufacturing expenses	(427.90)	(448.85)
Other income	1,443.90	1,447.15
Other comprehensive income	(62.74)	491.92
Finance cost	(3508.99)	(3567.86)
Total profit before tax	**756.33**	**5,464.10**

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Assets		
Total segment assets	61,404.41	58,982.95
Investments*	54,507.14	51,001.28
Other Unallocable assets**	24,542.04	21,585.94
Total assets	**1,40,453.59**	**1,31,570.17**
Liabilities		
Total segment liabilities	8,059.84	6,454.55
Borrowings	33,401.54	30,030.60
Other Unallocable liabilities***	4,041.39	4,284.51
Total liabilities	**45,502.77**	**40,769.66**

* It includes the investments in equity shares of subsidiaries and joint venture and mutual funds.
** Other unallocable assets includes common property plant and equiplments, land, cash and cash equivalents etc
*** Other unallocable liabilities includes deferred tax liability, other provisions and trade payables etc.

Information about major customer

During the year ended 31 March 2026 revenue of approximately 12.39 % (31 March 2025: 14.47%) was derived from a single external customer in the polyester chips and film business and approximately 27.74% in 31 March 2026 (31 March 2025: 22.79%) was derived from a single external customer in the speciality polymer business.

Non-current assets

Non-current assets of the Company (property, plant and equipment, capital work-in-progress, intangible assets) are held in India.

The Company has identified its operating segments as below:

a) Polyester chips and film

b) Speciality polymers

Following an operational realignment during the year and a revised approach by the Chief Operating Decision Maker (CODM) for performance evaluation and resource allocation, the recycled Polyester Chips (rPET) business has been reclassified from the "Speciality Polymers" segment to the "Polyester Chips and Film" segment. In accordance with the requirements of Ind AS 108 Operating Segments, the segment information for prior periods has been restated to reflect this change, ensuring consistency and comparability across reporting period.

36. Capital management

The Company's objectives when managing capital are to:

- To ensure Company's ability to continue as a going concern, and

- To provide adequate return to shareholders

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would attract penalty/ financial interest. There have been few breaches in the financial covenants due to decline in performance of the Company. However, default in financial covenant doesn't lead to calling of loan by banks.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The amounts managed as capital by the Company are summarised as follows:

(a) **Debt equity ratio**

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Total borrowings*	33,402.79	30,031.85
Total equity	94,950.82	90,800.51
Net debt to equity ratio	**35%**	**33%**

**Total borrowings include non-current borrowings, current borrowings and leases.*

(b) **Dividends** (₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Equity shares - Dividend Paid		
Final dividend for the year ended 31 March 2025 of ₹ 0.60 per share (including tax)*	585.52	-
Final dividend for the year ended 31 March 2024	-	-

*Includes dividend amounts transferred to the Unpaid Dividend Account in accordance with applicable statutory requirements.

The Board of Directors of the Company at its meeting held on 13 May 2026, has recommended final dividend of ₹ 0.25 per equity share for the year ended 31 March 2026, subject to the approval of shareholders of the Company in the forthcoming Annual General Meeting.

37. Related party transactions

In accordance with the requirements of Ind AS 24 the names of the related parties where control exists/ able to exercise significant influence along with the aggregate transactions and year end balances with them as identified and certified by the management are given below:

i) Parties where control exists:	Nature of related party	
Name of the related parties	**31 March 2026**	**31 March 2025**
Goldring Investments Corporation	Ultimate Holding Company	Ultimate Holding Company
Wilemina Finance Corporation	Holding Company	Holding Company
Ester Filmtech Limited	Wholly owned Subsidiary Company	Wholly owned Subsidiary Company
Ester Loop Infinite Technologies (ELITe) Private Limited	-	Wholly owned Subsidiary Company (Till 11 Feb 2025)
Ester Loop Infinite Technologies (ELITe) Private Limited	Joint Venture (w.e.f. 12 Feb 2025)	Joint Venture (w.e.f. 12 Feb 2025)
Mr. Arvind Singhania	Chairman Key Managerial Personnel w.e.f 27th March 2026	Chairman and Chief Executive Officer, Key Managerial Personnel
Mr. Vaibhav Jha	Chief Executive Officer, Key Managerial Personnel (w.e.f. 27th March 2026)	Deputy Chief Executive Officer, Key Managerial Personnel (w.e.f. 16 Dec 2024)
Mr. Pradeep Kumar Rustagi	Executive Director-Corporate Affairs, Key Managerial Personnel	Executive Director-Corporate Affairs, Key Managerial Personnel
Mr. Sourabh Agarwal	Chief Financial Officer, Key Managerial Personnel	Chief Financial Officer, Key Managerial Personnel
Mr. Ayush Vardhan Singhania	Whole-time Director, Key Managerial Personnel	Whole-time Director, Key Managerial Personnel
Mrs. Poornima Gupta	Company Secretary, Key Managerial Personnel	Company Secretary, Key Managerial Personnel
Mrs. Archana Singhania	Non Executive Director (Till 30th April 2025)	Non Executive Director
Mr. Sandeep Dinodia	-	Independent Director (Till 31 March 2025)
Mrs. Padmaja Shailen Ruparel	Independent Director	Independent Director
Mr. Alok Dhir	Independent Director (till 26 August 2025)	Independent Director
Mr. Atul Aggarwal	Independent Director	Independent Director
Mr. Abhay Anant Gupte	Independent Director (w.e.f 6 May 2025)	-
Mrs. Uma Devi Singhania	Relatives of Key Managerial Personnel	Relatives of Key Managerial Personnel
Mr. Jai Vardhan Singhania	Relatives of Key Managerial Personnel	Relatives of Key Managerial Personnel
Fenton Investments Private Limited	Enterprise over which Key Managerial Personnel exercise significant influence	Enterprise over which Key Managerial Personnel exercise significant influence
MOVI Limited	Enterprise over which Key Managerial Personnel exercise significant influence	Enterprise over which Key Managerial Personnel exercise significant influence
Modi Rubber Limited	Enterprise controlled by a immediate relative of Key Managerial Personnel	Enterprise controlled by a immediate relative of Key Managerial Personnel
Ester Industries Limited Employee's Provident Trust	Enterprise which is post-employment benefit plan for the benefit of employees	Enterprise which is post-employment benefit plan for the benefit of employees

(a) Transactions during the year with related parties carried out in the ordinary course of business:

(₹ in lacs)

Sr. No.	Particulars	Key managerial personnel and relatives		Wholly owned Subsidiary Company and Joint Venture		Holding Company		Enterprises over which directors exercise significant influence		Total	
		31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
1	**Managerial remuneration**										
	Arvind Singhania	522.72	288.72	-	-	-	-	-	-	**522.72**	**288.72**
	Vaibhav Jha	188.90	72.96							**188.90**	**72.96**
	Pradeep Kumar Rustagi	169.43	132.17	-	-	-	-	-	-	**169.43**	**132.17**
	Ayush Vardhan Singhania	127.02	122.26	-	-	-	-	-	-	**127.02**	**122.26**
	Sourabh Agarwal	125.08	95.52	-	-	-	-	-	-	**125.08**	**95.52**
	Poornima Gupta	20.79	16.44	-	-	-	-	-	-	**20.79**	**16.44**
2	**Sitting Fees**										
	Archana Singhania	-	0.60	-	-	-	-	-	-	-	**0.60**
	Sandeep Dinodia	0.20	1.80	-	-	-	-	-	-	**0.20**	**1.80**
	Padmaja Shailen Ruparel	1.20	1.40	-	-	-	-	-	-	**1.20**	**1.40**
	Alok Dhir	0.10	0.60	-	-	-	-	-	-	**0.10**	**0.60**
	Atul Aggarwal	1.90	1.80	-	-	-	-	-	-	**1.90**	**1.80**
	Abhay Anant Gupte	1.40	-	-	-	-	-	-	-	**1.40**	-
3	**Dividend paid**										
	Wilemina Finance Corp	-	-	-	-	295.91	-	-	-	**295.91**	-
	Movi Limited	-	-	-	-	-	-	34.97	-	**34.97**	-
	Modi Rubber Limited	-	-	-	-	-	-	15.86	-	**15.86**	-
	Arvind Singhania	15.79	-	-	-	-	-	-	-	**15.79**	-
	Fenton Investments Private Limited	-	-	-	-	-	-	2.94	-	**2.94**	-
	Ayush Vardhan Singhania	1.07	-	-	-	-	-	-	-	**1.07**	-
	Jai Vardhan Singhania	0.75	-	-	-	-	-	-	-	**0.75**	-
	Pradeep Kumar Rustagi	-	-	-	-	-	-	-	-	-	-
	Uma Devi Singhania	-	-	-	-	-	-	-	-	-	-
4	**Investment in Subsidiary**										
	Ester Filmtech Limited	-	-	3,000.00	6,200.00	-	-	-	-	**3,000.00**	**6,200.00**
	Investment in joint venture										
	Ester Loop Infinite Technologies (ELITe) pvt Ltd	-	-	850.00	1,700.00	-	-	-	-	**850.00**	**1,700.00**
5	**Liability of Gratuity and Leave encashment (due to transfer of employees)**										
	Ester Filmtech Limited	-	-	1.69	-	-	-	-	-	**1.69**	-
6	**Corporate Guarantees given to Lender (banks) of -**										
	Ester Filmtech Limited	-	-	1,042.66	-	-	-	-	-	**1,042.66**	-
7	**Corporate Guarantees received from Holding Company**										
	Wilemina Finance Corporation	-	-	-	-	1,633.30	-	-	-	**1,633.30**	-
8	**Guarantees given by KMP to lender banks**										-
	Arvind Singhania	3,471.85	-	-	-	-	-	-	-	**3,471.85**	-
9	**Company's contribution to provident fund trust:**										-
	Ester Industries Limited Employee's Provident Trust	-	-	-	-	-	-	377.16	313.50	**377.16**	**313.50**
	Transactions with Wholly Owned Subsidiary										
10	Purchases of goods	-	-	408.46	237.21	-	-	-	-	**408.46**	**237.21**
11	Sale of goods	-	-	11,689.36	13,549.73	-	-	-	-	**11,689.36**	**13,549.73**
12	Management fees	-	-	120.00	120.00	-	-	-	-	**120.00**	**120.00**

(a) Transactions during the year with related parties carried out in the ordinary course of business (cont'd):

(₹ in lacs)

Sr. No.	Particulars	Key managerial personnel and relatives		Wholly owned Subsidiary Company and Joint Venture		Holding Company		Enterprises over which directors exercise significant influence		Total	Total
		31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
	Transactions with Joint venture										-
13	Business Support services	-	-	217.90	626.08	-	-	-	-	**217.90**	**626.08**
14	Engineering Services/ R&D Services- Ester industries Limited	-	-	216.67	-	-	-	-	-	**216.67**	-

(b) Closing balance with subsidiary in the ordinary course of business: (₹ in lacs)

Sr. No.	Particulars	Year	Amount
1	**Investment in Subsidiary**		
	Ester Filmtech Limited	31 March 2026	46,500.00
		31 March 2025	43,500.00
2	**Corporate Guarantees given to Lender (banks) of -**		
	Ester Filmtech Limited	31 March 2026	50,095.59
		31 March 2025	49,052.92
3	**Payable**		
	Ester Filmtech Limited	31 March 2026	112.34
		31 March 2025	11.49
4	**Receivable**		
	Ester Filmtech Limited	31 March 2026	2,146.03
		31 March 2025	563.50

(c) Closing balance with joint venture in the ordinary course of business: (₹ in lacs)

Sr. No.	Particulars	Year	Amount
1	**Investment in joint venture**		
	Ester Loop Infinite Technologies (ELITe) Pvt Ltd	31 March 2026	2,550.00
		31 March 2025	1,700.00
2	**Receivable**		
	Ester Loop Infinite Technologies (ELITe) Pvt Ltd	31 March 2026	234.00
		31 March 2025	114.75

(d) Closing balance with key managerial personnel in the ordinary course of business: (₹ in lacs)

Sr. No.	Guarantees given (jointly and severally) against loans taken by the Company	Year	Amount
1	Arvind Singhania**	31 March 2026	33,108.56
		31 March 2025	29,636.71

(e) Closing balance with holding company in the ordinary course of business: (₹ in lacs)

Sr. No.	Particulars	Year	Amount
1	**Guarantees given against loans taken (jointly and severally) by the Company**		
	Wilemina Finance Corporation**	31 March 2026	15,674.51
		31 March 2025	14,041.21

(e) Key managerial personnel compensation: (₹ in lacs)

Nature of transactions	31 March 2026	31 March 2025
Short-term employee benefits	1,153.94	728.07
Post-employment benefits	47.59	21.64
Other long-term benefits	13.60	3.17
Total	**1215.13**	**752.88**

The Company's related party transactions during the years ended 31 March 2026 and 31 March 2025 and outstanding balances as at 31 March 2026 and 31 March 2025 are at arm's length and in the ordinary course of business. Outstanding balances at the year-end are unsecured and gross amounts are settled in cash.

**The Company has received guarantees from Key managerial personnel and Holding Company; for detailed terms and conditions, including the related loans and guarantee arrangements, refer to Note 18.

38. Contingent liabilities and commitments

(₹ in lacs)

Particulars A. Contingent liabilities*		31 March 2026	31 March 2025
1	Claims against the Company not acknowledged as debts^	22.50	109.00
2	Additional bonus for financial year 2014-15 due to Payment of Bonus (Amendment) Act, 2015 #	22.87	22.87
3	There is a contingent liability of:$		
i)	Excise duty/custom duty/service tax demands not acknowledged as liability	1,185.71	1,182.58
ii)	Demand raised by Income Tax department, disputed by the Company and pending in appeal	27.20	33.88

* The amounts indicated as contingent liability or claims against the Company only reflect the basic value. Interest, penalty if any or legal costs, being indeterminable are not considered.

^ These claims represents various civil cases filed against the Company by various vendors and ex-employees of the Company.

In view of the amendment in The Payment of Bonus Act, 1965 notified on 01 January 2016, the Company has made a provision for incremental bonus for the financial year i.e. for 2015-16. Though the amendment was effective retrospectively from 01 April 2014, the Company on the legal advice has decided not to consider it on account of interim order of various Hon'ble High Courts allowing stay on the amendment with retrospective effect till the time its constitutional validity is established.

$ The Company is contesting the above demands and the management, based on legal advice, believe that its position will be upheld in the appellate process. Hence, no tax expense has been accrued in the standalone financial statements for these tax demands.

(₹ in lacs)

B. Commitments		31 March 2026	31 March 2025
1	Estimated amount of contracts remaining to be executed on capital account and not provided for	1,327.31	1,488.33
2	Estimated amounts of contracts remaining to be executed on other than capital account and not provided for	4,933.36	6,556.86
3	Corporate guarantees given to Lender (banks) of Ester Filmtech Limited (subsidiary) (refer note 37)	50,095.59	49,052.92
4	The Company has given letter of comfort to Ester Filmtech Limited (Subsidiary). As per the terms of letter of comfort, the Company undertakes that in an event the subsidiary is unable to meet its financial liability including interest and debt repayment obligations, the Company will provide necessary financial support to the Subsidiary to enable it to meet its obligations for the foreseeable future.	-	-

39. Leases disclosure as lessee

Lease liabilities are presented in the statement of financial position as follows: (₹ in lacs)

Particulars	31 March 2026	31 March 2025
Current liabilities (amount due within one year)	-	-
Non current liabilities (amount due over one year)	1.25	1.25

The Company's leased asset consist of leases for land and building . With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security.

Right of use asset as at 31 March 2026 amounting to ₹ 55.33 lacs (31 March 2025 amounting to ₹ 56.09 lacs) are for the leases of equipments and lease of land.

A Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The Company does not have any liability to make variable lease payments for the right of use the underlying asset recognised in the standalone financial statement.

The expense relating to payments not included in the measurement of the lease liability for short term leases is ₹7.48 lacs (31 March 2025 amounting to ₹ 7.84 lacs).

B Total cash outflow for leases for the year ended 31 March 2026 was ₹ 0.15 lacs (year ended 31 March 25 was ₹ 0.15 lacs).

C **Maturity of lease liabilities**

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

(₹ in lacs)

Particulars	Minimum lease payments due as on 31 March 2026						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 Years	Total
Lease payments	0.15	0.15	0.15	0.15	0.15	10.2	**10.95**
Interest expense	(0.15)	(0.15)	(0.15)	(0.15)	(0.15)	(8.95)	**(9.70)**
Net present values	-	-	-	-	-	**1.25**	**1.25**

D **Information about extension and termination options**

Leases entered into	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Land for sitarganj manufacturing facility	1	73 years	73 years	-	None	-

E Expected future cash outflow on account of variable lease payments as at 31 March 2026 is of ₹ Nil.

F The total future cash outflows as at 31 March 2026 for leases that had not yet commenced is of ₹ Nil.

40. Employee benefits obligations

I **Gratuity**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of continuous service gets a gratuity on departure at fifteen day salary (last drawn salary) for each completed year of service in terms of the provisions of the Payments of Gratuity Act, 1972. The Company provides for liability in its books of accounts based on actuarial valuation.

The following table summaries the components of net benefit expense recognised in statement of profit and loss and the amount recognised in the balance sheet for gratuity benefit:

(i) *Amounts recognised in the balance sheet* **(₹ in lacs)**

Particulars	As at 31 March 2026	As at 31 March 2025
Current liability	331.45	361.83
Non-current Liability	857.01	747.04
Total	**1,188.46**	**1,108.87**

(ii) *Movement in the liability recognised in the balance sheet is as under:* **(₹ in lacs)**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Present value of defined benefit obligation at the beginning of the year	1,108.87	1,061.13
Acquisition Adjustment (In)	(1.09)	-
Past Service Cost including curtailment gains/losses	192.84	-
Current service cost	96.44	78.69
Interest cost	75.51	75.87
Actuarial loss (net)	30.24	68.28
Benefits paid	(314.35)	(175.10)
Present value of defined benefit obligation at the end of the year	**1,188.46**	**1,108.87**

(iii) *Expenses recognised in statement of profit and loss* **(₹ in lacs)**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current service cost	289.28	78.69
Interest cost	75.51	75.87
Cost recognised during the year	**364.79**	**154.56**

(iv) *Expenses recognised in other comprehensive income* (₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial gain/loss net on account of:		
- Changes in financial assumptions	(48.69)	17.28
- Changes in experience adjustment	78.93	51.00
(Income)/cost recognised during the year	**30.24**	**68.28**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
- Changes in experience adjustment loss/ (gain)	78.93	51.00	89.75	(27.91)	44.17

(v) *Expected contribution for the next annual reporting period* (₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Service cost	102.82	76.22
Interest cost	89.73	75.51
Expected expense for the next annual reporting period	**192.55**	**151.73**

(vi(a)) *For determination of the liability of the Company the following actuarial assumptions were used:*

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Discount rate	7.55%	6.81%
Salary escalation rate	5.00%	5.00%
Normal Retirement age (years)	58 Years*	58 Years*
Average past service (years)	9.45 Years	11.10 Years
Average age	39.95 Years	40.92 Years
Average remaining working life	18.05 Years	17.15 Years
Weighted average duration	14.52 Years	13.71 Years
Withdrawal rate		
Up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

Mortality rates inclusive of provision for disability -100% of IALM (2012 – 14)
*The Retirement age can vary from 58/60/61/62/63/64/67 years

(vi(b)) *Maturity profile of defined benefit obligation* (₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Less than a year	331.45	361.83
Between one to two years	177.60	118.15
Between two to five years	232.07	232.44
Over five years	447.34	396.45

(vii) *Sensitivity analysis* (₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
a) Impact of the change in discount rate		
Present value of obligation at the end of the year	**1,188.46**	**1,108.87**
Impact due to increase of 0.50%	(30.78)	(25.63)
Impact due to decrease of 0.50%	32.88	27.37
b) Impact of the change in salary increase		
Present value of obligation at the end of the year	**1,188.46**	**1,108.87**
Impact due to increase of 0.50%	33.54	27.72
Impact due to decrease of 0.50%	(31.65)	(26.18)

Sensitivities due to mortality and withdrawals are not material. Hence impact of change is not calculated.
Sensitivities as to rate of inflation and life expectancy are not applicable being a lump sum benefit on retirement.

Risk	Particulars
Salary increases	Actual salary increases will increase the defined benefit liability. Increase in salary increment rate assumption in future valuations will also increase the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the liability.
Mortality and disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact defined benefit liability.

II Provident fund

Provident fund for certain eligible employees is managed by the Company through trust "Ester Industries Limited Employee's Provident Trust" in line with the Provident Fund and Miscellaneous Provision Act, 1952. The plan guarantees interest at the rate as notified by the Provident Fund authority. The contribution by the employer and employee together with the interest thereon are payable to the employee at the time of separation from the Company or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the employee. In this regard, actuarial valuation as at 31 March 2026 was carried out by actuary to find out value of projected defined benefit obligation arising due to interest rate guarantee by the Company towards provident fund. For the remaining employees of the company, contributions towards the Provident Fund are made directly to the Employees' Provident Fund Organisation (EPFO), in accordance with the applicable statutory provisions.

(₹ in lacs)

(i)

Projected benefit obligation	For the year ended 31 March 2026	For the year ended 31 March 2025
Projected benefit obligation at beginning of year	2,708.64	2,345.86
Current service cost	165.48	138.29
Interest cost	224.12	200.02
Contributions by plan participants/ employees	204.91	171.05
Actuarial loss due to interest guarantee	0.63	3.36
Benefits paid	(402.96)	(160.84)
Settlements/ transfer In	48.20	10.90
Projected benefit obligation at end of year	2,949.02	2,708.64

(₹ in lacs)

(ii)

Reconciliation of plan assets	For the year ended 31 March 2026	For the year ended 31 March 2025
Fair value of plan asset at beginning of year	2,779.88	2,430.58
Actual return on plan asset	203.68	189.90
Employer contribution	165.47	138.29
Plan participants/ employee contribution	204.91	171.05
Benefit paid	(402.96)	(160.84)
Settlements/ transfer in	48.20	10.90
Fair value of plan asset at the end of the year	2,999.18	2,779.88

The principal assumptions used in determining liability towards shortfall in provident liability are shown below:

(iii)

Economic assumptions	For the year ended 31 March 2026	For the year ended 31 March 2025
i) Interest rate	8.25%	8.25%
ii) Discount rate	7.55%	6.81%
iii) Expected shortfall in Interest earning on the fund	0.05%	0.05%

(iv)

Demographic assumptions	For the year ended 31 March 2026	For the year ended 31 March 2025
i) Mortality	IALM (2012-14)	IALM (2012-14)
ii) Normal Retirement Age	58	58

(₹ in lacs)

(v)

Actuarial (Gain)/Loss on Obligation	For the year ended 31 March 2026	For the year ended 31 March 2025
i) Actuarial (gain)/ loss on arising from change in financial assumption	(1.28)	0.49
ii) Actuarial loss on arising from experience adjustment	1.91	2.87

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
- Changes in experience adjustment loss	1.91	2.87	1.70	0.06

(vi)

Major categories of plan assets (as percentage of total plan assets)	As at 31 March 2026	As at 31 March 2025
i) Central government bonds	9.81%	10.78%
ii) State government bonds	49.60%	48.12%
iii) Public sector bonds	32.40%	30.61%
iv) Private sector bonds	6.41%	8.22%
v) Equity/Mutual fund	1.78%	1.89%
vi) RBI special deposit bonds	0.00%	0.38%
Total	**100.00%**	**100.00%**

(vii) **Maturity profile of defined benefit obligation**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Less than a year	1,196.07	1,335.16
Between two and five years	339.94	141.94
Between five and ten years	215.30	307.67
Beyond ten years	1,197.71	923.86

III The Company has made contribution to certain defined contribution plans as captured in the table below. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Employer's contribution to Ester Industries Limited Employee's Provident Trust	165.47	138.29
Employer's contribution to other Provident Fund	134.72	135.56
Employer's contribution to Superannuation Fund	31.53	35.94
Employer's contribution to labour welfare fund and employee state insurance	7.32	7.77

41 Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

(i) Identify the contracts with customer;

(ii) Identify separate performance obligations in the contract;

(iii) Determine the transaction price;

(iv) Allocate the transaction price to the performance obligations; and

(v) Recognise revenue when a performance obligation is satisfied.

(a) Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

For the year 31 March 2026

(₹ in lacs)

Revenue from operations	Sale of products (at a point of time)	Other operating revenue*	Total
Revenue by geography			
Domestic	69,234.83	345.20	69,580.02
Export	34,095.85	-	34,095.85
Total	**1,03,330.68**	**345.20**	**1,03,675.87**

For the year ended 31 March 2025 (₹ in lacs)

Revenue from operations	Sale of products (at a point of time)	Other operating revenue*	Total
Revenue by geography			
Domestic	68,223.76	420.64	68,644.40
Export	37,450.99	-	37,450.99
Total	**1,05,674.75**	**420.64**	**1,06,095.39**

(b) Assets and liabilities related to contracts with customers (₹ in lacs)

Description	31 March 2026		31 March 2025	
	Non-current	Current	Non-current	Current
Contract liabilities				
Revenue received in advance	-	295.42	-	129.77

(c) Reconciliation of revenue recognised in Statement of Profit and Loss with Contract price (₹ in lacs)

Description	31 March 2026	31 March 2025
Contract price*	1,03,825.31	1,06,343.27
Less: Discount, rebates, credits etc.	149.43	247.88
Revenue from operations as per Statement of Profit and Loss	**1,03,675.87**	**1,06,095.39**

* Other operating revenue amounting to ₹ 836.91 lacs (31 March 2025:₹ 950.83 lacs) in the nature of export incentives are not covered under the scope of Ind AS 115.

Refer note 35 Segment reporting for information about major customer

(d) Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

(₹ in lacs)

Description	As at 31 March 2026	As at 31 March 2025
Opening balance	129.77	77.87
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	129.77	77.87
Contract liabilities arised during the year	295.42	129.77
Closing balance	**295.42**	**129.77**

Trade receivables	As at 31 March 2026	As at 31 March 2025
Opening balance	13,296.50	10,823.14
Closing balance	12,635.42	13,296.50

(e) In the normal course of business, the payment terms given to domestic customers ranges from 0 to 60 days and for export customers, it ranges from 0 to 105 days.

(f) All the contracts are for periods of one year or less or are billed based on time incurred. As per practical expedient given under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

42 (i). Share based payment

Employee Stock Option Plan (ESOP) 2021

The Nomination and Remuneration Committee of the Company had at its meeting held on 01 April 2021, approved grant of 2,48,179 (face value of ₹ 5/- per share) to the eligible employees of the Company under the of Ester Share based expenses Plan-2021, at an exercise price of ₹ 105 per option (being 10% less that the closing price at NSE on 31 March 2021 i.e. immediately preceding the grant date), each option being convertible in to one Equity Share of the Company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the terms and conditions of the Ester Share based expenses Plan-2021. The terms and conditions of the grant as per the Ester Share based expenses Plan-2021 are as under:

A. Vesting period

Vesting of the options shall take place as per the following schedule:
- 10% of options shall vest at the end of a period of 1 (one) year from date of grant
- 20% of options shall vest at the end of a period of 2 (two) years from date of grant
- 30% of options shall vest at the end of a period of 3 (three) years from date of grant
- 40% of options shall vest at the end of a period of 4 (four) years from date of grant

B. Exercise period

8 (Eight) years from the date of grant. The employee shall have a right to exercise all the option vested in him at one time or various points of time within the exercise period.

Particulars of options outstanding as on 31 March 26 is as follows:

Particulars	Grant 1			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Outstanding stock options (numbers) at the beginning of the year	10,171	20,343	30,514	40,685
Options (numbers) granted during the year	-	-	-	-
Options (numbers) exercised during the year	-	-	-	-
Outstanding options (numbers) at the end of the year	10,171	20,343	30,514	40,685
Weighted average exercise price (₹)	105.00	105.00	105.00	105.00
Vesting date	01 April 2022	01 April 2023	01 April 2024	01 April 2025

Weighted average remaining contractual life as on 31 March 2026 (3 years) and 31 March 2025 (4 years).

Particulars of options outstanding as on 31 March 25 is as follows:

Particulars	Grant 1			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Outstanding stock options (numbers) at the beginning of the year	24,818	49,636	74,454	99,272
Options (numbers) granted during the year	-	-	-	-
Options (numbers) exercised during the year	14,647	29,293	43,940	-
Options (numbers) Lapsed during the year	-	-	-	58,587
Outstanding options (numbers) at the end of the year	10,171	20,343	30,514	40,685
Weighted average exercise price (₹)	105.00	105.00	105.00	105.00
Vesting date	01 April 2022	01 April 2023	01 April 2024	01 April 2025

Weighted average remaining contractual life as on 31 March 2025 (4 years) and 31 March 2024 (5 years).

Fair value of options granted during the financial year 2021-22, has been determined using Black-Scholes model with following inputs:

Particulars	Grant 1			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Date of Grant	01 April 2021	01 April 2021	01 April 2021	01 April 2021
Stock price on the grant date (₹)	116.75	116.75	116.75	116.75
Exercise price (₹)	105.00	105.00	105.00	105.00
Expected term (years)	8 years	8 years	8 years	8 years
Weighted average fair value as on grant date (₹)	57.97	60.08	64.91	67.29
Expected price volatility	55.72%	55.64%	60.05%	61.03%
Risk free interest rate	5.49%	5.64%	5.77%	5.90%
Expected dividend yield	1.79%	1.79%	1.79%	1.79%

Risk free return has been considered as Zero Coupon Bond Yield (continuous compound) for a term equal to the expected option life of the ESOP's, available on The Clearing Corporation of India Limited's (CCIL) website. Expected volatility calculation is based on historical daily closing stock prices of competitors using standard deviation of daily change in stock price. The minimum life of the stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which options cannot be exercised. The expected life has been considered based on average of maximum life and minimum life and may not necessarily be indicative of exercise patterns that may occur.

42 (ii). Employee Stock Option Plan (ESOP) 2024

(A) Grant -1

The Nomination and Remuneration Committee of the Company had at its meeting held on 14 January 2025, approved grant of 1,43,742 (face value of ₹ 5/- per share) to the eligible employees of the Company under the of "Ester Industries Limited Employees Stock Option Plan 2024 ("ESOP 2024"), at an exercise price of ₹ 114 per option (being 20% less that the closing price at NSE on 13 January 2025 i.e. immediately preceding the grant date), each option being convertible in to one Equity Share of the Company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the terms and conditions of the "Ester Industries Limited Employees Stock Option Plan 2024 ("ESOP 2024").

The terms and conditions of the grant as per the "Ester Industries Limited Employees Stock Option Plan 2024 ("ESOP 2024") are as under:

A. Vesting period

Vesting of the options shall take place on the basis of time based Vesting condition or performance based vesting condition or a combination of both as per the following schedule:

Time based vesting for 50 % Options:

-12.5 % of the Options will vest on 14th January 2026 i.e. post completion of 1 (One) year from date of Grant

-12.5 % of the Options will vest on 14th January 2027 i.e. post completion of 2 (Two) years from date of Grant
-12.5 % of the Options will vest on 14th January 2028 i.e. post completion of 3 (Three) years from date of Grant

-12.5 % of the Options will vest on 14th January 2029 i.e. post completion of 4 (Four) years from date of Grant

Performance based Vesting for 50 % of Options:

-Up to 12.5 % of the Options will vest on 14th January 2026 i.e. post completion of 1 (One) year from date of Grant

-Up to 12.5 % of the Options will vest on 14th January 2027 i.e. post completion of 2 (Two) years from date of Grant

-Up to 12.5 % of the Options will vest on 14th January 2028 i.e. post completion of 3 (Three) years from date of Grant

-Up to 12.5 % of the Options will vest on 14th January 2029 i.e. post completion of 4 (Four) years from date of Grant

B. Exercise period

Maximum 5 (five) years from the date of respective Vesting for the particular Option.

(B) Grant -2

The Nomination and Remuneration Committee of the Company had at its meeting held on 8 January 2026, approved grant of 19,188 (face value of ₹ 5/- per share) to the eligible employees of the Company under the of "Ester Industries Limited Employees Stock Option Plan 2024 ("ESOP 2024"), at an exercise price of ₹ 79 per option (being 20% less that the closing price at NSE on 7 January 2026 i.e. immediately preceding the grant date), each option being convertible in to one Equity Share of the Company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the terms and conditions of the "Ester Industries Limited Employees Stock Option Plan 2024 ("ESOP 2024").

The terms and conditions of the grant as per the "Ester Industries Limited Employees Stock Option Plan 2024 ("ESOP 2024") are as under:

A. Vesting period

Vesting of the options shall take place on the basis of time based Vesting condition or performance based vesting condition or a combination of both as per the following schedule:

Time based vesting for 50 % Options:

-12.5 % of the Options will vest on 08th January 2027 i.e. post completion of 1 (One) year from date of Grant

-12.5 % of the Options will vest on 08th January 2028 i.e. post completion of 2 (Two) years from date of Grant

-12.5 % of the Options will vest on 08th January 2029 i.e. post completion of 3 (Three) years from date of Grant

-12.5 % of the Options will vest on 08th January 2030 i.e. post completion of 4 (Four) years from date of Grant

Performance based Vesting for 50 % of Options:

-Up to 12.5 % of the Options will vest on 08th January 2027 i.e. post completion of 1 (One) year from date of Grant

-Up to 12.5 % of the Options will vest on 08th January 2028 i.e. post completion of 2 (Two) years from date of Gran

-Up to 12.5 % of the Options will vest on 08th January 2029 i.e. post completion of 3 (Three) years from date of Grant

-Up to 12.5 % of the Options will vest on 08th January 2030 i.e. post completion of 4 (Four) years from date of Grant

B. Exercise period

Maximum 5 (five) years from the date of respective Vesting for the particular Option.

Particulars of options outstanding as on 31 March 26 is as follows:

Particulars	Grant 1			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Outstanding stock options (numbers) at the beginning of the year	35,936	35,936	35,935	35,935
Options (numbers) granted during the year	-	-	-	-
Options (numbers) exercised during the year	-	-	-	-
Outstanding options (numbers) at the end of the year	35,936	35,936	35,935	35,935
Weighted average exercise price (₹)	114.00	114.00	114.00	114.00
Vesting date	14 January 2026	14 January 2027	14 January 2028	14 January 2029

Particulars of options outstanding as on 31 March 26 is as follows:

Particulars	Grant 2			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Outstanding stock options (numbers) at the beginning of the year	-	-	-	-
Options (numbers) granted during the year	4,797	4,797	4,797	4,797
Options (numbers) exercised during the year	-	-	-	-
Outstanding options (numbers) at the end of the year	4,797	4,797	4,797	4,797
Weighted average exercise price (₹)	79.00	79.00	79.00	79.00
Vesting date	08 January 2027	08 January 2028	08 January 2029	08 January 2030

Particulars of options outstanding as on 31 March 25 is as follows:

Particulars	Grant 1			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Outstanding stock options (numbers) at the beginning of the year	-	-	-	-
Options (numbers) granted during the year	35,936	35,936	35,935	35,935
Options (numbers) exercised during the year	-	-	-	-
Outstanding options (numbers) at the end of the year	35,936	35,936	35,935	35,935
Weighted average exercise price (₹)	114.00	114.00	114.00	114.00
Vesting date	14 January 2026	14 January 2027	14 January 2028	14 January 2029

Fair value of options granted during the previous financial year 2024-25, has been determined using Black-Scholes model with following inputs:

Particulars	Grant 1			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Date of Grant	14 January 2025	14 January 2025	14 January 2025	14 January 2025
Stock price on the grant date (₹)	143.00	143.00	143.00	143.00
Exercise price (₹)	114.00	114.00	114.00	114.00
Expected term (years)	3.5 years	4.5 years	5.5 years	6.5 years
Weighted average fair value as on grant date (₹)	71.00	79.00	87.00	92.00
Expected price volatility	47.07%	48.84%	51.06%	50.47%
Risk free interest rate	6.68%	6.68%	6.72%	6.73%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%

Fair value of options granted during the financial year 2025-26, has been determined using Black-Scholes model with following inputs:

Particulars	Grant 2			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Date of Grant	08 January 2026	08 January 2026	08 January 2026	08 January 2026
Stock price on the grant date (₹)	98.89	98.89	98.89	98.89
Exercise price (₹)	79.00	79.00	79.00	79.00
Expected term (years)	3.5 years	4.5 years	5.5 years	6.5 years
Weighted average fair value as on grant date (₹)	47.00	51.00	56.00	61.00
Expected price volatility	48.03%	47.25%	48.86%	51.94%
Risk free interest rate	5.97%	6.27%	6.39%	6.49%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%

Risk Free return has been considered as Annual yield on Government Securities for a term equal to the expected option life of the ESOP's available on the Financial Benchmarks India Private Limited website. Expected volatility calculation is based on historical daily closing stock prices of competitors using standard deviation of daily change in stock price. The minimum life of the stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which options cannot be exercised. The expected life has been considered based on average of maximum life and minimum life and may not necessarily be indicative of exercise patterns that may occur.

Summary of the expenses recognised in the statement of profit and loss: **(₹ in lacs)**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Share based payment expense	54.25	21.49

43. Disclosure pursuant to section 186(4) of The Companies Act, 2013

(₹ in lacs)

Nature of the transaction (Investments made/ guarantees given)	Purpose	As at 31 March 2026	As at 31 March 2025
Investments in equity shares	Repayment of borrowings		
Ester Filmtech Limited		46,500.00	43,500.00
Guarantees given			
Corporate Guarantees given to lender (banks) of - Ester Filmtech Limited		50,095.59	49,052.92

44. Ratios

The ratios for the years ended 31 March 2026 and 31 March 2025 are as follows:

Particulars	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	Variance (in %)
Current ratio	Current assets	Current liabilities	1.75	1.85	(5.22)
Debt-Equity ratio	Total debt[1]	Shareholder's equity	0.35	0.33	6.60
Debt service coverage ratio	Earnings available for debt service[2]	Debt service[3]	1.27	0.69	83.55
Return on equity	Net profit after taxes	Average shareholder's equity	0.47%	4.67%	(89.92)
Inventory turnover ratio	Cost of goods sold	Average inventory	4.81	5.68	(15.36)
Trade receivables turnover ratio	Net sales	Average accounts receivable	7.97	8.76	(9.03)
Trade payables turnover ratio	Net credit purchases[5]	Average trade payables	21.26	23.75	(10.47)
Net capital turnover ratio	Net sales	Working capital	5.10	5.76	(11.52)
Net profit ratio	Net profit after taxes	Net sales	0.42%	3.84%	(88.98)
Return on capital employed (ROCE)	Earning before interest and taxes	Capital employed[4]	3.26%	7.33%	(55.49)
Return on investment	Gain from investment[6]	Cost of investment[7]	3.75%	6.50%	(42.38)

[1] Total debt represents short-term and long-term borrowings and total lease liabilities

[2] Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest on term loans and lease liabilities + other adjustments like loss on sale of fixed assets etc.

[3] Interest and lease payments during the year + Principal repayments during the year

[4] Tangible net worth (Total equity - other intangible assets) + Total debt + Deferred tax liabilities

[5] Cost of material consumed + Consumption of stores and spares + Consumption of packing material + Power and fuel + (Closing inventories of raw materials and Store and spares - opening inventories of raw materials and Store and spares).

[6]Gain/ loss on sale and change in fair value of mutual funds and commercial papers are considered for the purpose of computing return on investment.

[7]Cost of investment does not include bank deposits

Reason where change more than 25%

Due to lower scheduled repayments during the current year as compared to last financial year.

* Due to decrease in profits during the current year as compared to last financial year

**Due to lower returns from equity-oriented mutual funds compared to the previous year.

45. Audit trail

The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the current year, the audit trail (edit logs) feature for any direct changes made at the database level was not enabled for the accounting software SAP S/4 HANA used for maintenance of books of account. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention from the date the audit trail was enabled for the accounting software

46. Additional regulatory information not disclosed elsewhere in the standalone financials statements.

(a) 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.

(b) The Company does not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956, except for the parties mentioned below

(₹ in lacs)

Name of the struck off company	Nature of transactions with struck off company	31 March 2026		31 March 2025	
		Transactions during the year	Closing Balance	Transactions during the year	Closing Balance
Shakun & Company (Services) Pvt. Ltd.	Trade Payable	-	-	0.08	0.08
Stic-on Papers Pvt. Ltd.	Trade receivable	-	-	20.87	-
A.M.P Polymers India Private Limited	Advance from Customer	-	-	47.07	-
Yadav Constructions*	Trade Payable	7.37	-	8.59	3.24
Steer Engineering Pvt Ltd*	Trade Payable	-	-	2.95	-
Igus (India) Pvt. Ltd.*	Trade Payable	-	-	1.66	-
Shakun And Company Services Private Limited*	Trade Payable	-	-	0.08	-
Venlon Polyester Film Ltd*#	Shareholder (dividend paid)	0.00	-	-	-

The above information regarding struck off companies has been determined to the extent such parties have been identified on the basis of information available with the Company.

* These companies are struck off in the current year

Dividend payment of ₹60 to Venlon Polyster Film Ltd.

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

(d) The Company has complied with the number of layers of companies prescribed under the Companies Act, 2013.

(e) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(f) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

(g) No funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.

(h) No funds have been received by the Company from any persons or entities, including foreign entities ('the 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.

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

(j) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(k) 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.

47 The previous year numbers have been regrouped/ reclassified wherever necessary to conform to current year presentation.

48 Effective November 21, 2025, the Government of India has consolidated multiple existing labour legislations into a unified framework comprising four labour Codes collectively referred to as the 'New Labour Codes'. Under Ind AS 19, changes to employee benefit plans arising from legislative amendments constitute a plan amendment, requiring recognition of past service cost immediately in the statement of profit and loss. The New Labour Codes have resulted in one time increase in provision for employee benefits. The estimated incremental impact of the same amounting to ₹253.53 Lacs on account of gratuity (₹192.84 Lacs) and leave encashment (₹60.69 Lacs) has been recognised in the Statements of Profit and Loss for the year ended March 2026. The Company continues to monitor the finalisation of Central/State Rules and any clarifications from the Government on other aspects of the New Labour Codes and would provide appropriate accounting effect in the relevant period on the basis of such developments as needed.

49 No subsequent event occurred post balance sheet date which requires adjustment in the standalone financial statements for the year ended 31 March 2026.

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

For and on behalf of the Board of Directors of
Ester Industries Limited

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
Sandeep Mehta	**Ayush Vardhan Singhania**	**Pradeep Kumar Rustagi**	**Vaibhav Jha**	**Sourabh Agarwal**	**Poornima Gupta**
Partner	**Whole Time Director**	**Executive Director - Corporate Affairs**	**Chief Executive Officer**	**Chief Financial Officer**	**Company Secretary**
Membership No.099410	**DIN: 05176205**	**DIN: 00879345**			**Membership No.A49876**
Place: New Delhi	**Place: New Delhi**	**Place: New Delhi**	**Place: New Delhi**	**Place: New Delhi**	**Place: New Delhi**
Date: 13 May 2026	**Date: 13 May 2026**	**Date: 13 May 2026**	**Date: 13 May 2026**	**Date: 13 May 2026**	**Date: 13 May 2026**

INDEPENDENT AUDITOR'S REPORT

To the Members of Ester Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Ester Industries Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), and its joint venture, as listed in Appendix 1, which comprise the Consolidated Balance Sheet as at 31 March 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, 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 ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and its joint venture, as at 31 March 2026, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint venture 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.

Key Audit Matter

4. 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 period. 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.

5. We have determined the matter described below to be the key audit matter to be communicated in our report.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>Revenue recognition – Sale of products
Refer Note 4.5.1 and Note 24 to the accompanying consolidated financial statements for the material accounting policy on revenue recognition and details of revenue recognized during the year in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115').
Revenue of the Group majorly comprises of revenue from sale of polyester films and specialty polymers. The Group sells its products through various distribution channels involving a high volume of sale transactions.
The Group recognises revenue at a point in time when the control of products being sold is transferred to the customer and there is no unfulfilled obligation. The revenue is measured based on the transaction price specified in the contract, net of discounts and goods and services tax.</td><td>Our audit procedures included, but were not limited, to the following:
• Obtained an understanding of the process of identification and recording of revenue transactions and assessed the appropriateness of the Group's revenue recognition accounting policies in accordance with Ind AS 115;
• Evaluated the design, implementation and tested the operating effectiveness of key controls over revenue recognition;
• Performed substantive analytical procedures on revenue which included ratio analysis, product mix analysis, region wise analysis, etc;
• Evaluated on a sample basis, the terms and conditions of the contracts, including incoterms to assess the accuracy and completeness of revenue recognised during the year in accordance with Ind AS 115;
• On a sample basis, tested revenue transactions recorded during the year, and revenue transactions recorded in the specific period before and after year-end, with supporting documents such as invoices, agreements with customers and proof of deliveries, to ensure that the correct amount of revenue is recorded in the correct period;</td></tr>
</table>

Revenue recognition is determined to be an area involving significant audit risk primarily as there is a risk that revenue is recognised on sale of goods before the control in the goods is transferred and hence, requires significant auditor attention. Revenue is also a key performance indicator of the Group and accordingly, testing occurrence of revenue transactions is a key focus area for our audit. Considering the volume of sales transactions, materiality of amount involved and significant attention required by auditor as mentioned above, revenue recognition has been considered as a key audit matter for the current year audit.	• Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns; • Tested manual journal entries impacting revenue including credit notes, claims etc., which were material or irregular in nature with supporting documents and evaluated business rationale thereof; and • Assessed the adequacy and appropriateness of disclosures made in the consolidated financial statement in accordance with the requirements of applicable accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report 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 will 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.

   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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture 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 Group or to cease operations, or has no realistic alternative but to do so.

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

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

10. 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

    - 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;

- 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 financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' 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 Group and its joint venture 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 Group and its joint venture to cease to continue as a going concern;
- 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; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, and its joint venture, 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.

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

13. 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.

14. 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 period 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

15. As required by section 197(16) of the Act, based on our audit, we report that the Holding Company has paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that subsidiary and joint venture incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary and joint venture.

16. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us, of companies included in the consolidated financial statements for the year ended 31 March 2026 and covered under the Act we report that:

    Following is the qualification reported by us in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2026 for which such Order reports have been issued till date:

S No	Name	CIN	Holding Company / subsidiary / Associate / Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Ester Industries Limited	L24111UR1985PLC015063	Holding Company	Clause vii(a) and vii(b)

17. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) Except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account 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;

c) The consolidated financial statements 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;

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the directors of the Holding Company, its subsidiary and joint venture and taken on record by the Board of Directors of the Holding Company, its subsidiary and joint venture, covered under the Act, none of the directors of the Holding Company, its subsidiary and joint ventures, are disqualified as on 31 March 2026 from being appointed as a director in terms of section 164(2) of the Act.

f) The qualification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 17(b) above on reporting under section 143(3)(b) of the Act and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary and joint venture covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and

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

    i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures as detailed in Note 38 to the consolidated financial statements;

    ii. The Holding Company, its subsidiary and joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2026;

    iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary and joint venture during the year ended 31 March 2026;

    iv. a. The respective managements of the Holding Company and its subsidiary and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief as disclosed in note 45(g) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary and joint venture to or in any persons or entities, including foreign entities ('the 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 Holding Company, or any such subsidiary and joint venture ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

    b. The respective managements of the Holding Company and its subsidiary and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the note 45(h) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary, and joint venture from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary and joint venture shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

    c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

    v. As stated in note 35(b) to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2026 which is subject to the approval of the members at the ensuing Annual

General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. The final dividend paid by the Holding Company during the year ended 31 March 2026 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

vi. As stated in Note 43B to the consolidated financial statements and based on our examination which included test checks, the Holding Company and its subsidiary in respect of financial year commencing on 1 April 2025, have used an accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that, the audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Holding Company and its subsidiary. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled. Furthermore, the audit trail has been preserved by the Holding Company and its subsidiary as per the statutory requirements for record retention where such feature is enabled.

As stated in Note 43B of the consolidated financial statements and based on our examination, the joint venture, in respect of financial year commencing on 1 April 2025, have used an accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility. However, the audit trail feature in the accounting software used for maintenance of accounting records was enabled with effect from 02 June 2025 and remained operational for all relevant transactions recorded in the software thereafter throughout the year. During the course of our audit, we did not come across any instance of audit trail feature being tampered with for the period where audit trail is enabled. Further, the audit trail has been preserved by the Company as per the statutory requirements for record retention from the date the audit trail was enabled for the accounting software.

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

Sd/-
Sandeep Mehta
Partner
Membership No.: 099410
UDIN: 26099410WUAJFH4925

Place: New Delhi
Date: 13 May 2026

Appendix 1

Name of the Holding Company:
Ester Industries Limited

Name of the Subsidiary Company
Ester Filmtech Limited

Name of the Joint Venture Company
Ester Loop Infinite Technologies Private Limited

Annexure A

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Ester Industries Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group') and its joint venture as at and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company and its joint venture company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary company and its joint venture company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the Group and its joint venture 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. 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 the Company's 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. The audit of internal financial controls with reference to financial statements of a joint venture company, which is a company covered under the Act, and reporting under section 143(3)(i) is exempted vide MCA notification no. G.S.R. 583(E) dated 13 June 2017 read in corrigendum dated 14 July 2017. Consequently, our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. 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 financial statements of the Holding Company and its subsidiary company as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion the Holding Company and its subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to consolidated financial statements criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-
Sandeep Mehta
Partner
Membership No.: 099410
UDIN: 26099410WUAJFH4925

Place: New Delhi
Date: 13 May 2026

Annexure B

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Ester Industries Limited ('the Company') as at and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-
Sandeep Mehta
Partner
Membership No.: 099410
UDIN: 26099410YVQYNO9207

Place: New Delhi
Date: 13 May 2026

Consolidated Balance Sheet as at 31 March 2026

(All amounts are ₹ in lacs, unless otherwise stated)

	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, Plant and Equipment	6A	97,752.47	97,627.47
Right of use asset	6B	55.33	56.09
Capital work-in-progress	6C	3,618.30	3,921.86
Intangible assets	6A	32.82	45.20
Financial assets			
Investments	7A	2,378.57	1,679.60
Loans	8A	15.55	24.87
Other financial assets	9A	1,596.34	1,553.16
Income tax assets (net)	23A	277.42	147.35
Other non-current assets	10	1,029.44	1,707.86
Total non-current assets		**1,06,756.24**	**1,06,763.46**
Current assets			
Inventories	11	20,871.43	16,142.19
Financial assets			
Investments	7B	5,457.14	5,801.28
Trade receivables	12	18,494.01	17,033.62
Cash and cash equivalents	13	117.09	2,256.39
Bank balances other than cash and cash equivalents	14	10,368.95	4,547.87
Loans	8B	66.47	64.12
Other financial assets	9B	140.39	198.36
Other current assets	15	5,114.21	4,483.88
Total current assets		**60,629.69**	**50,527.71**
Total Assets		**1,67,385.93**	**1,57,291.17**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	4,879.31	4,702.09
Other equity	17	73,393.69	72,549.88
Total equity		**78,273.00**	**77,251.97**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18A	40,494.73	40,478.44
Lease liability	39	1.25	1.25
Provisions	19A	1,225.07	1,026.84
Deferred tax liabilities (net)	20	2,379.88	2,468.09
Other non-current liabilities	21A	2,909.62	2,879.11
Total non-current liabilities		**47,010.55**	**46,853.73**
Current liabilities			
Financial liabilities			
Borrowings	18B	32,404.96	25,538.15
Trade payables			
a) total outstanding dues of micro enterprises and small enterprises		1,809.94	922.28
b) total outstanding dues of creditors her than micro enterprises and small enterprises	22	4,842.99	3,781.96
Other financial liabilities	23	1,493.68	1,678.26
Other current liabilities	21B	1,018.23	691.35
Provisions	19B	400.11	453.01
Income tax liabilities (net)	23B	132.47	120.46
Total current liabilities		**42,102.38**	**33,185.47**
Total equity and liabilities		**1,67,385.93**	**1,57,291.17**
Material accounting policy information	1-5		

The accompanying notes are integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

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

For and on behalf of the Board of Directors of
Ester Industries Limited

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Sandeep Mehta	Ayush Vardhan Singhania	Pradeep Kumar Rustagi	Vaibhav Jha	Sourabh Agarwal	Poornima Gupta
Partner	Whole Time Director	Executive Director - Corporate Affairs	Chief Executive Officer	Chief Financial Officer	Company Secretary
Membership No.099410	DIN: 05176205	DIN: 00879345			Membership No.A49876
Place: New Delhi	Place: New Delhi	Place: New Delhi	Place: New Delhi	Place: New Delhi	Place: New Delhi
Date: 13 May 2026	Date: 13 May 2026	Date: 13 May 2026	Date: 13 May 2026	Date: 13 May 2026	Date: 13 May 2026

Consolidated Statement of Profit and Loss for the period ended 31 March 2026

(All amounts are ₹ in lacs, unless otherwise stated)

	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
Income			
Revenue from operations	24 and 41	1,37,519.49	1,28,214.21
Other income	25	1,752.80	1,689.86
Total income		**1,39,272.29**	**1,29,904.07**
Expenses			
Cost of materials consumed	26A	90,332.72	79,245.11
Changes in inventories of finished goods and work-in-progress	26B	(1,947.10)	248.59
Employee benefits expense	27	8,295.70	7,115.45
Finance costs	28	6,490.98	6,732.69
Depreciation and amortisation expenses	6	6,992.94	6,875.25
Other expenses	29	31,383.99	26,885.94
Total expenses		**1,41,549.23**	**1,27,103.03**
Profit/ (loss) before share of (loss) of joint venture and tax		**(2,276.94)**	**2,801.04**
Share of loss of joint venture		(151.03)	(20.41)
Profit/ (loss) before tax		**(2,427.97)**	**2,780.63**
Profit/ (loss) before tax		**(2,427.97)**	**2,780.63**
Tax expense	30		
Current tax		327.90	442.26
Tax earlier years		97.80	-
Deferred tax	20	(106.57)	968.55
Total tax expenses		**319.13**	**1,410.81**
Profit/ (loss) for the year		**(2,747.10)**	**1,369.82**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement loss on defined benefit plans	40	(27.57)	(71.24)
Income tax effect on items that will not be reclassified to profit and loss		8.85	17.63
Items that will be reclassified to profit or loss			
Effective portion of gain on hedging instruments in cost of hedge			6.90
Effective portion of loss on hedging instruments in cash flow hedge		92.98	(423.63)
Income tax effect on items that will be reclassified to profit and loss		(27.21)	109.38
Total other comprehensive (loss) for the year		**47.05**	**(360.96)**
Total comprehensive income / (loss)		**(2,700.05)**	**1,008.86**
Profit/ (loss) for the year		**(2,747.10)**	**1,369.82**
Attributable to owners of the Holding Company		(2,747.10)	1,369.82
Total other comprehensive (loss)/ income for the year, net of tax		**47.05**	**(360.96)**
Attributable to owners of the Holding Company		47.05	(360.96)
Total comprehensive income / (loss)		**(2,700.05)**	**1,008.86**
Attributable to owners of the Holding Company		(2,700.05)	1,008.86
Earnings per equity share			
Basic (₹)	31	(2.82)	1.46
Diluted (₹)	31	(2.82)	1.46
Material accounting policy information	1-5		

The accompanying notes are integral part of the consolidated financial statements.

This is the consolidated statement of profit and loss referred to in our report of even date.

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

For and on behalf of the Board of Directors of
Ester Industries Limited

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Sandeep Mehta	Ayush Vardhan Singhania	Pradeep Kumar Rustagi	Vaibhav Jha	Sourabh Agarwal	Poornima Gupta
Partner	Whole Time Director	Executive Director - Corporate Affairs	Chief Executive Officer	Chief Financial Officer	Company Secretary
Membership No.099410	DIN: 05176205	DIN: 00879345			Membership No.A49876
Place: New Delhi	Place: New Delhi	Place: New Delhi	Place: New Delhi	Place: New Delhi	Place: New Delhi
Date: 13 May 2026	Date: 13 May 2026	Date: 13 May 2026	Date: 13 May 2026	Date: 13 May 2026	Date: 13 May 2026

Consolidated Cash flow statement for the period ended 31 March 2026

(All amounts are ₹ in lacs, unless otherwise stated) **(₹ in lacs)**

	Particulars		For the period ended 31 March 2026	For the year ended 31 March 2025
A	**Cash flow from operating activities**			
	Profit/ (loss) before tax		(2,427.97)	2,780.63
	Adjustments for:			
	Depreciation and amortisation expense	6	6,992.94	6,875.25
	Share based payment expense	27	54.25	21.49
	Loss on sale of property, plant and equipments (net)	29	21.53	42.22
	Finance costs	28	5,739.79	5,972.21
	Interest income on financials assets measured at amortised cost	25	(861.18)	(704.96)
	Unrealised foreign exchange loss (net)		3,589.92	509.94
	Bad debts, advances and irrecoverable balances written off	29	6.01	13.70
	Profit on sale of investments (net)	25	(38.56)	(130.30)
	Cash flow hedge gain reclassified from OCI	28	160.50	79.78
	Provisions/liabilities no longer required written back	25	(55.09)	(57.16)
	Mark to market loss on derivative contracts	29	(178.02)	179.59
	Income recognised on account of government assistance	25	(284.59)	(297.57)
	Allowance for expected credit loss and advances	29	45.82	28.03
	Gain on fair valuation of financial assets	25	(30.45)	(76.24)
	Share of loss of joint venture		151.03	20.41
	Provision for obsolete inventories	29	4.54	2.26
	Operating profit/ (loss) before working capital changes and other adjustments:		**12,890.47**	**15,259.28**
	Working capital changes and other adjustments:			
	Decrease in current and non-current loans		6.97	1.43
	(Increase)/ decrease in other non-current and current assets		(628.11)	1,958.13
	Increase in inventories		(4,674.54)	(1,681.85)
	Increase in other financial and non-financial liabilities		772.80	129.02
	Increase/ (decrease) in provisions		117.76	(5.79)
	Decrease/ (increase) in other non-current and current financial assets		34.52	(107.56)
	Increase in trade receivables		(1,160.32)	(2,445.45)
	Increase/ (decrease) in trade payables		2,038.68	(1,590.81)
	Cash flow from operating activities post working capital changes		**9,398.23**	**11,516.40**
	Income tax paid (net of refunds)		(543.76)	(296.92)
	Net cash flow from operating activities (A)		**8,854.47**	**11,219.48**
B	**Cash flows from investing activities**			
	Purchase of property plant and equipment (including capital work-in-progress and intangible assets)		(6,144.19)	(3,100.41)
	Proceeds from sale of property, plant and equipment		25.55	126.71
	Investment in bank deposits (net)		(5,697.85)	(2,564.74)
	Investment in pledged deposits		(136.06)	(332.64)
	Interest received		733.18	642.01
	Investment in joint venture		(850.00)	(1,700.00)
	Investment in mutual funds and commercial papers		(1,740.64)	(7,323.61)
	Proceeds from sales of investment in mutual funds and commercial papers		2,167.41	8,604.24
	Net cash used in investing activities (B)		**(11,642.60)**	**(5,648.44)**
C	**Cash flows from financing activities**			
	Proceeds from issue of share capital		177.22	92.27
	Proceeds from share warrants		4,022.78	4,375.00
	Proceeds from long-term borrowings		6,983.82	11,274.62
	Repayment of long-term borrowings		(8,963.83)	(18,358.44)
	Cash payment for interest portion of lease liabilities		(0.15)	(0.15)
	Proceeds/(repayments) from short-term borrowings (net)		4,678.11	(4,898.41)
	Finance cost paid		(5,663.61)	(5,796.13)
	Dividend paid (refer note 36)		(585.52)	-
	Net cash flow in financing activities (C)		**648.82**	**(13,311.24)**

D	Net increase in cash and cash equivalents (A+B+C)		(2,139.30)	(7,740.20)
E	Cash and cash equivalents at the begining of the year (refer note no. 13)		2,256.39	9,996.59
F	**Cash and cash equivalents at the end of the year (D+E) (refer note no. 13)**		117.09	2,256.39
	Reconciliation of cash and cash equivalents as per cash flow statement			
	Cash in hand		3.08	4.82
	Balances with banks:			
	In current accounts		111.20	82.86
	Bank deposits with original maturity upto 3 months		2.81	2,168.71
	Total of cash and cash equivalents		**117.09**	**2,256.39**

This is the consolidated cash flow statement referred to in our report of even date.

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

For and on behalf of the Board of Directors of
Ester Industries Limited

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
Sandeep Mehta	**Ayush Vardhan Singhania**	**Pradeep Kumar Rustagi**	**Vaibhav Jha**	**Sourabh Agarwal**	**Poornima Gupta**
Partner	**Whole Time Director**	**Executive Director - Corporate Affairs**	**Chief Executive Officer**	**Chief Financial Officer**	**Company Secretary**
Membership No.099410	**DIN: 05176205**	**DIN: 00879345**			**Membership No.A49876**
Place: New Delhi	**Place: New Delhi**	**Place: New Delhi**	**Place: New Delhi**	**Place: New Delhi**	**Place: New Delhi**
Date: 13 May 2026	**Date: 13 May 2026**	**Date: 13 May 2026**	**Date: 13 May 2026**	**Date: 13 May 2026**	**Date: 13 May 2026**

Consolidated statement of changes in equity as at 31 March 2026

(All amounts are ₹ in lacs, unless otherwise stated)

Equity share capital

(₹ in lacs)

Particulars	Opening balance as at 01 April 2024	Changes in equity share capital during the year	Balance as at 31 March 2025	Changes in equity share capital during the year	Balance as at 31 March 2026
Equity share capital	4,697.70	4.39	4,702.09	177.22	4,879.31

Other equity

(₹ in lacs)

Particulars	Reserves and surplus						Items of OCI		Money received against share warrants	Total
	Securities premium	Capital reserve	Capital redemption reserve	General reserve	Share options outstanding account	Retained earnings	Effective portions of cash flow hedge	Effective portions of cost of hedge		
Balance as at 31 March 2024	**15,569.43**	**3,520.74**	**335.37**	**1,528.16**	**142.64**	**45,960.32**	-	-	-	**67,056.66**
Profit for the year	-	-	-	-	-	1,369.82	-	-	-	**1,369.82**
Other comprehensive income										
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	(53.61)	-	-	-	**(53.61)**
Effective portion of (loss)/gain on hedging instruments in cash flow hedge (net of tax)	-	-	-	-	-	-	(314.25)	-	-	**(314.25)**
Effective portion of (loss)/gain on hedging instruments in cost of hedge (net of tax)	-	-	-	-	-	-	-	6.90	-	**6.90**
Share based payment expense	-	-	-	-	21.48	-	-	-	-	**21.48**
Exercise of Employee Stock Option	142.49	-	-	-	(54.61)	-	-	-	-	**87.88**
On account of lapse of Employee Stock Option	-	-	-	32.03	(32.03)	-	-	-	-	-
Money received against share warrants	-	-	-	-	-	-	-	-	4,375.00	**4,375.00**
Balance as at 31 March 2025	**15,711.92**	**3,520.74**	**335.37**	**1,560.19**	**77.48**	**47,276.53**	**(314.25)**	**6.90**	**4,375.00**	**72,549.89**
Others*	-	-	-	-	-	59.25	-	-	-	**59.25**
Loss for the year	-	-	-	-	-	(2,747.10)	-	-	-	**(2,747.10)**
Dividend	-	-	-	-	-	(585.52)	-	-	-	**(585.52)**
Other comprehensive income										
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	(18.72)	-	-	-	**(18.72)**
Effective portion of gain on hedging instruments in cash flow hedge (net of tax)	-	-	-	-	-	-	65.77	-	-	**65.77**
Effective portion of (loss)/gain on hedging instruments in cost of hedge (net of tax)	-	-	-	-	-	-	-	(6.90)	-	**(6.90)**
Share based payment expense	-	-	-	-	54.25	-	-	-	-	**54.25**
Money received against share warrants	-	-	-	-	-	-	-	-	4,200.00	**4,200.00**
Issue of share capital against warrants	5,422.78	-	-	-	-	-	-	-	(5,600.00)	**(177.22)**
Balance as at 31 March 2026	**21,134.70**	**3,520.74**	**335.37**	**1,560.19**	**131.73**	**43,984.44**	**(248.48)**	-	**2,975.00**	**73,393.69**

*Represents the elimination of unrealised profit recognised in the previous year reversed in the current year.

This is the consolidated statement of change in equity referred to in our report of even date.

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

For and on behalf of the Board of Directors of
Ester Industries Limited

Sd/-
Sandeep Mehta
Partner
Membership No.099410
Place: New Delhi
Date: 13 May 2026

Sd/-
Ayush Vardhan Singhania
Whole Time Director
DIN: 05176205
Place: New Delhi
Date: 13 May 2026

Sd/-
Pradeep Kumar Rustagi
Executive Director - Corporate Affairs
DIN: 00879345
Place: New Delhi
Date: 13 May 2026

Sd/-
Vaibhav Jha
Chief Executive Officer
Place: New Delhi
Date: 13 May 2026

Sd/-
Sourabh Agarwal
Chief Financial Officer
Place: New Delhi
Date: 13 May 2026

Sd/-
Poornima Gupta
Company Secretary
Membership No.A49876
Place: New Delhi
Date: 13 May 2026

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(All amounts are ₹ in lacs, unless otherwise stated)

1. **Nature of operations**

   Ester Industries Limited ('the Holding Company') and its subsidiary i.e. Ester Filmtech Limited (the Holding Company and its subsidiary together referred to as 'the Group') and its joint venture is a manufacturer of polyester film and specialty polymers. The Holding Company is domiciled in India and its registered office is situated at Pilibhit Road, Sohan Nagar PO – Charubeta, Khatima District – Udham Singh Nagar, Uttarakhand – 262308.

2. **General information and compliance with Ind AS**

   These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies for the periods presented. The Holding Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

   The consolidated financial statements for the year ended 31 March 2026 along with the comparative financial information were authorized and approved for issue by the Board of Directors on 13 May 2026.

   The revision to the consolidated financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

   The consolidated financial statements have been prepared on going concern basis in accordance with generally accepted accounting principles in India. Further, the consolidated financial statements have been prepared on a historical cost basis except for following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value as explained in relevant accounting policies.
Net defined benefits (assets)/liability	Fair value of plan assets less present value of defined benefits obligations.
Share based payment	Fair value as explained in relevant accounting policies.

3. **Basis of Consolidation**

   Subsidiary

   Subsidiary is the entity over which the Holding Company has control. The Holding Company controls an entity when the Holding Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Holding Company can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements.

   Subsidiary is fully consolidated from the date on which control is transferred to the Holding Company. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiary acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

   The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Holding Company for its separate financial statements.

   Intercompany transactions, balances and unrealised gains or losses on transactions between Holding Company and its subsidiary are eliminated. Accounting policies of subsidiary is consistent with the policies adopted by the Holding Company.

   Equity-accounted investment

   The Group's interests in equity-accounted investments comprise interests in joint venture.

   A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

   Interests in the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

4. **Summary of material accounting policies**

   The consolidated financial statements have been prepared using the material accounting policies and measurement basis summarised below. These were used throughout all periods presented in the consolidated financial statements.

4.1 Current versus non-current classification

All assets and liabilities are classified into current and non-current.

Assets

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

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

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

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

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

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

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

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non- current.

4.2 Property, plant and equipment (PPE) and capital work in progress

Recognition and initial measurement

Property plant and equipment, capital work in progress are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised 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 repair and maintenance costs are recognised in statement of profit and loss as incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories

Expenditure related to and incurred on implementation of new project is included under capital work-in-progress until the relevant assets are ready for its intended use. All other expenditure (including trail run/test run expenditures) during construction/erection period (net of income) are shown as part of pre-operative expenditure allocation/capitalisation and the same is allocated to the respective asset on completion of its construction/erection.

Capital work-in-progress represents expenditure incurred in respect of capital projects and are carried at cost. Cost comprises of purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful life estimated by the management. The identified components are depreciated separately over their respective useful life; the remaining components are depreciated over the life of the principal asset. The Group has used the following rates to provide depreciation on its property, plant and equipment.

Asset class	Useful life
Factory buildings*	3 to 51 years
Administrative buildings*	5 to 58 years
Plant and equipment*	1 to 65 years
Furniture and fixtures*	2 to 20 years
A.C. and Refrigeration*	5 to 10 years
Office equipment*	2 to 15 years
Computers*	3 to 6 years
Vehicles*	5 to 8 years

Depreciation on the amount of additions made to fixed assets due to upgradations / improvements is provided over the remaining useful life of the asset to which it relates. Depreciation on fixed assets added/disposed off during the year is provided on a pro-rata basis to the date, the asset is retired from active use.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

*For these class of assets, based on detailed technical assessment, the management believes that the useful life as given above best represents the period over which management expects to use these assets. Hence, the useful life for these assets is different from the useful life as prescribed under Part C of Schedule II of the Companies Act, 2013.

De-recognition

An item of property, plant and equipment and any significant component initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset/significant component (calculated as the difference between the net disposal proceeds and the carrying amount of the asset/significant component) is recognised in statement of profit and loss, when the asset is derecognised.

4.3 Intangible assets

Recognition and initial measurement

Intangible assets (softwares and patents) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortisation)

Software's are amortized on a straight-line basis over its useful life, which is considered to be of a period of three years.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

The amortisation expense on intangible assets with finite life is recognised in the statement of profit and loss under the head Depreciation and amortisation expense.

De-recognition

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal.

4.4 Inventories

Inventories are valued as follows:

Raw materials, components and stores and spares

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis. Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories.

Work-in-progress and finished goods

Work-in-progress and finished goods is measured at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on moving weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realisable value of such inventories.

4.5 Revenue recognition

4.5.1: Revenue from contracts with customers

Revenue arises mainly from the sale of manufactured goods. To determine whether to recognise revenue, the Group follows a 5-step process:

1) Identifying the contract with a customer
2) Identifying the performance obligations
3) Determining the transaction price
4) Allocating the transaction price to the performance obligations
5) Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is measured at transaction price (net of variable consideration), which is the consideration, net of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax (GST). In case of multi-element revenue arrangements, which involve delivery or performance of multiple products, services, evaluation will be done of all deliverables in an arrangement to determine whether they represent separate units of accounting at the inception of arrangement. Total arrangement consideration related to the bundled contract is allocated among the different elements based on their relative fair values (i.e., ratio of the fair value of each element to the aggregated fair value of the bundled deliverables). In case the relative fair value of different components cannot be determined on a reasonable basis, the total consideration is allocated to the different components based on residual value method. The Group applies the revenue recognition criteria to each separately identifiable component of the revenue transaction as set out below.

Advance from customers ("contract liability") is recognised when the Group has received consideration from the customer before it delivers the goods.

Sale of goods

Revenue from sale of goods is recognized when control over ownership of the goods have been passed to the buyer. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. The Group collects GST on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

Export benefits

Export benefits constituting duty draw back, merchandise export from India scheme and advance license scheme are accounted for on accrual basis when there is reasonable assurance that the Group will comply with the conditions attached to them and the export benefits will be received. Export benefits under duty draw back and merchandise export from India scheme are considered as other operating income.

4.5.2: Other income

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to the purchase of property, plant and equipment are recognised as deferred income and are credited to statement of profit and loss based on the conditions for which the grant was obtained and presented within other income.

Interest

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Insurance claims income

Claims receivable on account of insurance are accounted for to the extent the Group is reasonably certain of their ultimate collection.

4.6 Leases

The Group as a lessee

The Group's leased asset primarily consists of lease for land and building, including warehouses and related facilities. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

4.7 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. While the Standard requires the estimation of the discount rate on a pre-tax basis, in theory the discounting post-tax cash flows on post-tax discount rate and discounting pre-tax cash flows on pre-tax discount rates should yield the same results. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. Impairment losses are recognized in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

4.8 Foreign currency

Functional and presentation currency

The consolidated financial statements are presented in Indian Rupee ('₹') which is also the functional and presentation currency of the Group.

Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange difference

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise

4.9 Financial instruments

Initial recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets (except for trade receivables) and financial liabilities are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Trade receivables are initially measured at the transaction price. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. **Financial assets carried at amortised cost** – A 'financial asset' is measured at the amortised cost if both the following conditions are met:

   - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
   - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

   After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. **Investments in equity instruments of joint venture** – Investments in equity instruments of joint venture are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in joint venture, the difference between net disposal proceeds and carrying amounts are recognised in the Statement of Profit and Loss.

iii. **Investments in other equity instruments –** Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Group makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iv. **Investments in mutual funds -** The Group has measured its investment in mutual fund at FVTPL in its financial statements. Profit or loss on fair value of mutual fund is recognised in statement of profit and loss.

De-recognition of financial assets

A financial asset is primarily de-recognised when the contractual rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments such as interest rate swaps to hedge its variable interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability. For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.

- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

i) Fair value hedges: Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

ii) Cash flow hedges: The effective portion of changes in the fair value of the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in statement of profit and loss.

The Company has entered into certain forward (derivative) contracts to hedge risks which are not designated as hedges. These derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Any profit or loss arising on cancellation or renewal of such derivative contract is recognised as income or as expense in statement of profit and loss.

Forward contracts

The Group has entered into certain forward (derivative) contracts to hedge risks which are not designated as hedges. These derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Any profit or loss arising on cancellation or renewal of such derivative contract is recognised as income or as expense in statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.10 Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Group assesses on forward looking basis the expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk. An impairment loss is recognised based on the 12 months probability of default or life time probability of default and the expected loss good default estimated for each financial asset.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

4.11 Income taxes

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity).

The Group offsets current tax assets and current tax liabilities; deferred tax assets and deferred tax liabilities; where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

4.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, balance with banks in current accounts and other short term highly liquid investments with original maturity of three months and less.

4.13 Employee benefits

Provident fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as defined contribution plan as the Group does not carry any further obligations, apart from the contributions made on a monthly basis. In addition, for other employees, the provident fund trust set-up by the Group is treated as a defined benefit plan to the extent the Group has to meet the interest shortfall, if any. Accordingly, the contribution paid or payable and the interest shortfall, if any is recognized as an expense in the period in which services are rendered by the employee.

Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service cost on the Group's defined benefit plan is included in employee benefits expense. Net interest expense on the net defined benefit liability is included in finance costs. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Compensated absences

The Group also provides benefit of compensated absences to its employees which are in the nature of long -term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Superannuation fund

Contribution made towards superannuation fund (funded by payments to Life Insurance Corporation of India) is charged to statement of profit and loss on accrual basis.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

4.14 Provisions

Provisions are recognized when the Group has a present obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Provisions are discounted to their present values, where the time value of money is material.

4.15 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

4.16 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, right issue and share split transaction.

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

4.17 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

The Group's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are Manufacturing and Sale of Polyester film and Specialty Polymer.

Inter segment transfers

Inter segment transfers of goods, as marketable products produced by separate segments of the Group for captive consumption, are not accounted for in the books of account of the Group. For the purpose of segment disclosures, however, inter segment transfers have been taken at cost.

Allocation of common costs

Common allocable costs are allocated to each segment in proportion to the turnover of the segment, except where a more logical allocation is possible.

Unallocated items

Corporate income and expense are considered as a part of un-allocable income and expense, which are not identifiable to any business segment.

4.18 Significant management judgement and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Contingent liabilities – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Allowance for expected credit losses – The allowance for doubtful debts reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Group's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Group's debtors compared to that already taken into consideration in calculating the allowances recognised in the consolidated financial statements.

Allowance for obsolete and slow-moving inventory - The allowance for obsolete and slow-moving inventory reflects management's estimate of the expected loss in value and has been determined on the basis of past experience and historical and expected future trends in the market. A worsening of the economic and financial situation could cause a further deterioration in conditions compared to that taken into consideration in calculating the allowances recognized in the consolidated financial statements.

Provisions – At each balance sheet date basis management estimate, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Impairment of non-financial assets- If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

4.19 Share based payment

Employees of the Holding Company receive remuneration in the form of share-based payments in consideration of the services rendered (equity settled transactions).

Under the equity settled share-based payment, the fair value on the grant date of the Options given to employees is recognised as 'employee benefit expense' with a corresponding increase in equity over the vesting period. The fair value of the options on the grant date is calculated using an appropriate valuation model.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. An additional expense is recognised for any modification that increases the total fair value of the shares-based payment transactions or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. When the options are exercised, the Holding Company issues fresh equity shares.

5.1 Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies amendments to Indian Accounting Standards ('lnd AS') from time to time under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015.

Standards and amendments effective for the year ended 31 March 2026

The following amendments became effective for annual reporting periods beginning on or after 1 April 2025 and have been applied by the Company where relevant:

Amendments to lnd AS 21 - The Effects of Changes in Foreign Exchange Rates

The amendments prescribe accounting and disclosure requirements in situations where a currency is not exchangeable, including guidance on estimating the spot exchange rate when exchangeability is lacking and related disclosures.

Amendments to lnd AS 1 - Presentation of Financial Statements

These amendments clarify the principles for classification of liabilities as current or non-current, particularly in relation to the assessment of the right to defer settlement and the impact of covenants.

Amendments to lnd AS 12 - lncome Taxes

The amendments introduce a temporary exception from the recognition of deferred tax assets and liabilities arising from the OECD's Pillar Two global minimum tax regime and prescribe additional disclosures relating to exposure to such taxes.

Amendments to lnd AS 7 - Statement of Cash Flows and lnd AS 107 - Financial lnstruments: Disclosures

These amendments introduce enhanced disclosure requirements for supplier finance arrangements.

lnd AS 19 - Employee Benefits and Labour Codes

During the year, the Government of lndia implemented the Code on Wages, 2019; the Code on Social Security, 2020; The Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 with effect from 2l November 2025.

The Company has evaluated the impact of the above amendments and concluded that they do not have any material impact on the Company's financial statements for the year ended 31 March 2026, considering the nature and extent of the Company's operations.

5.2 Standards issued but not yet effective lnd AS 1 - Presentation of Financial Statements

lf covenant breach occurs on or before the reporting date and the liability becomes payable on demand, it must be classified as current, even if the lender subsequently agrees not to demand repayment. lt is classilied as current because, at the reporting date, the entity does not have the right to defer settlement for at least 12 months. However, if the lender has already provided-by the reporting date-a grace period extending at least 12 months beyond that date, during which the breach can be rectified and repayment cannot be demanded, the liability is classified as non-current. This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with lnd AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

Notes to the Consolidated financial statements as at 31 March 2026

(All amounts are ₹ in lacs, unless otherwise stated)

6A. Property, Plant and Equipment and Intangible Assets

(₹ in lacs)

Particulars	Property, Plant and Equipment							Intangible Assets	
	Land-freehold	Building	Vehicles	Office equipments	Furniture and fixtures	Plant and machinery	Total	Software	Total
Gross carrying amount									
As at 01 April 2024	**7,200.40**	**16,167.01**	**871.53**	**397.47**	**526.86**	**98,440.46**	**1,23,603.73**	**367.83**	**367.83**
Additions	64.04	44.91	263.93	90.61	8.03	5,395.19	**5,866.71**	2.53	**2.53**
Disposal/adjustments	-	-	(76.33)	(12.20)	(25.44)	(341.59)	**(455.56)**	-	-
As at 31 March 2025	**7,264.44**	**16,211.92**	**1,059.13**	**475.88**	**509.45**	**1,03,494.06**	**1,29,014.88**	**370.36**	**370.36**
Additions	-	25.72	76.90	74.11	13.97	6,989.12	**7,179.82**	1.37	**1.37**
Disposal/adjustments	-	(23.80)	(85.58)	(0.78)	(0.10)	(454.91)	**(565.17)**	-	-
As at 31 March 2026	**7,264.44**	**16,213.84**	**1,050.45**	**549.21**	**523.32**	**1,10,028.27**	**1,35,629.53**	**371.73**	**371.73**
Accumulated depreciation and amortisation									
As at 01 April 2024	-	**1,992.69**	**186.97**	**100.35**	**222.45**	**22,359.65**	**24,862.11**	**287.24**	**287.24**
Depreciation and amortisation charge for the year	-	630.60	138.82	99.44	45.30	5,922.42	**6,836.58**	37.92	**37.92**
Disposal/adjustments	-	-	(26.22)	(9.00)	(18.88)	(257.18)	**(311.28)**	-	-
As at 31 March 2025	-	**2,623.29**	**299.57**	**190.79**	**248.87**	**28,024.89**	**31,387.41**	**325.16**	**325.16**
Depreciation and amortisation charge for the year	-	631.39	149.49	90.00	44.35	6,063.20	**6,978.43**	13.75	**13.75**
Disposal/adjustments	-	(1.77)	(76.26)	(0.52)	(0.10)	(410.13)	**(488.78)**	-	-
As at 31 March 2026	-	**3,252.91**	**372.80**	**280.27**	**293.12**	**33,677.96**	**37,877.06**	**338.91**	**338.91**
Net block									
As at 01 April 2024	**7,200.40**	**14,174.32**	**684.56**	**297.12**	**304.41**	**76,080.81**	**98,741.62**	**80.59**	**80.59**
As at 31 March 2025	**7,264.44**	**13,588.63**	**759.56**	**285.09**	**260.58**	**75,469.17**	**97,627.47**	**45.20**	**45.20**
As at 31 March 2026	**7,264.44**	**12,960.93**	**677.65**	**268.94**	**230.20**	**76,350.31**	**97,752.47**	**32.82**	**32.82**

Footnotes:

(i) Refer note 38B for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Refer note 18 for information on property, plant and equipment pledged as security by the group.

6B. Right of use asset

(₹ in lacs)

Particulars	Land
Gross carrying amount	
As at 31 March 2024	**59.88**
Additions	-
As at 31 March 2025	**59.88**
Additions	-
As at 31 March 2026	**59.88**
Accumulated depreciation	
As at 31 March 2024	**3.03**
Charge for the year	0.76
Disposal on lease	-
As at 31 March 2025	**3.79**
Charge for the year	0.76
Disposal on lease	-
As at 31 March 2026	**4.55**
Net carrying amount	
As at 31 March 2025	**56.09**
As at 31 March 2026	**55.33**

6C. Capital work-in-progress

(₹ in lacs)

Description	Amount
As at 31 March 2024	**8,281.97**
Additions	687.20
Capitalised	(5,043.73)
Disposal	(3.58)
As at 31 March 2025	**3,921.86**
Additions	6,131.70
Capitalised	(6,409.00)
Disposal	(26.26)
As at 31 March 2026	**3,618.30**

The capital work-in- progress ageing schedule for the years ended 31 March 2026 and 31 March 2025 is as follows:

Amount in capital work-in-progress 31 March 2026 (₹ in lacs)

Description	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	767.63	7.42	1.86	14.73	**791.64**
Capital work-in-progress temporarily suspended	-	33.59	2,212.65	580.42	**2,826.66**
Total	**767.63**	**41.01**	**2,214.51**	**595.15**	**3,618.30**

Amount in capital work-in-progress 31 March 2025 (₹ in lacs)

Description	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	127.08	1.86	13.78	7.06	**149.78**
Capital work-in-progress temporarily suspended	33.59	2,351.68	1,321.24	65.57	**3,772.08**
Total	**160.67**	**2,353.54**	**1,335.02**	**72.63**	**3,921.86**

There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original/ revised plan.

7A. Investments

	As at 31 March 2026	As at 31 March 2025
A) Non-current		
Investment accounted for using the equity method		
Joint Venture		
Ester Loop Infinite Technologies Private Limited- equity Shares (unquoted)#	2,378.57	1,679.60
[2,55,00,000 (31 March 2025 : 1,70,00,000) shares of ₹ 10 each]		
	2,378.57	**1,679.60**

#Accounted using Equity Method (refer note 44B)

On 1 May 2024, the Holding Company entered into a partnership agreement with Loop Industries Inc., headquarter In Canada, to establish a 50:50 joint venture in India, referred to as the 'India JV.' The India JV aims to construct and manage an infinite loop manufacturing facility in India, which will produce DMT and/or MEG through the depolymerisation of PET and/or Polyester waste utilizing Loop's patented technology. On 22 July 2024, the Holding Company established a private limited entity named 'ESTER LOOP INFINITE TECHNOLOGIES PRIVATE LIMITED (ELITe)' in India and 100% shares of ELITe were held by the Holding Company. On 12 February 2025, ELITe transitioned into a joint venture through the issuance of new shares to Loop Industries Inc., resulting in Loop holding 50% or ELITe's share capital. Accordingly ELITe was accounted as a subsidiary till 12 February 2025 and subsequently as a joint venture.

7B. Investments

(₹ in lacs)

Quoted instruments	As at 31 March 2026	As at 31 March 2025
Current		
Investments carried at fair value through profit and loss - Mutual funds and commercial papers		
IIFL Commercial Yield Fund	878.00	1,124.20
Units 97,35,545.52 (31 March 2025 : 97,65,708.95)		
BOI Liquid fund-Flexi Cap Fund	142.53	142.26
Units 4,48,351.688 (31 March 2025 : 4,48,351.688)		
BOI Liquid fund-Flexi Cap Fund	71.27	71.13
Units 2,24,175.844 (31 March 2025 : 2,24,175.844)		

Quoted instruments	As at 31 March 2026	As at 31 March 2025
Tata Arbitrage Fund	296.61	279.43
Units 19,77,123.542 (31 March 2025 : 19,77,123.542)		
Tata Equity Plus Absolute Returns Fund	-	272.40
Units NIL (31 March 2025 : 25,015.774)		
MNCL Capital Compounder Fund 2	310.47	323.55
Units 3,00,000 (31 March 2025 : 3,00,000)		
Bank of India Multi Asset Allocation Fund REGULAR PLAN - GROWTH 1,00,00,000.00	-	171.19
Units NIL (31 March 2025 : 20,35,520.27)		
BARODA BNP PARIBAS ARBITRAGE FUND- DIRECT GROWTH (AR-DG-G)	-	208.38
Units NIL (31 March 2025 : 12,50,312.60)		
ICICI Prudential Multi-Asset Fund	423.41	402.78
Units 55,960.02 (31 March 2025 : 55,960.02)		
Aditya Birla Sun Life Money Manager Fund	441.11	414.12
Units 1,14,062.01 (31 March 2025 : 1,14,062.01)		
SBI Magnum Gilt Fund	418.59	413.30
Units 6,32,648.51 (31 March 2025 : 6,32,648.51)		
UTI Multi Asset Allocation Fund	500.13	484.14
Units 6,91,940.84 (31 March 2025 : 6,91,940.84)		
Baroda BNP Paribas Nifty 200 Momentum 30 Index Fund Regular Growth (NM-RG-G)	-	18.71
Units NIL (31 March 2025 : 2,49,977.50)		
BANK of INDIA Consumption Fund Regular Plan - Growth (CFRGG)	383.58	381.58
Units 39,99,800.01 (31 March 2025 : 39,99,800.01)		
ICICI Pru Bluechip Fund	313.83	204.62
Units 3,14,242.90 (31 March 2025 : 1,98,817.77)		
HDFC Balanced Advantage Fund	318.75	203.37
Units 65,926.68 (31 March 2025 : 41,476.42)		
Bank of India Mutual Fund NFO	-	202.56
Units NIL (31 March 2025 : 19,99,900.01)		
360 ONE PRIME LTD 179 DAYS 25-AUG-25	-	483.56
Units NIL (31 March 2025 : 100)		
BOI Mid Cap Fund Regular Growth	266.39	-
Units 29,99,850.007 (31 March 2025 : NIL)		
Baroda BNP Paribas Business Conglomerates Fund Regular Growth(BL-RG-G)	22.27	-
Units 2,49,987.50 (31 March 2025 : NIL)		
360 ONE PRIME Limited 364 Days CP 31-Aug-26	482.83	-
Units 100 (31 March 2025 : NIL)		
SBI Balanced Fund	99.38	-
Units 6,62,944.443 (31 March 2025 : NIL)		
BOI Banking and Financial Services Fund Regular Growth	87.99	-
Units 9,99,950.00 (31 March 2025 : NIL)		
Total current investment	**5,457.14**	**5,801.28**
Aggregate amount of quoted investments (this represents market value as well)	**5,457.14**	**5,801.28**
Aggregate amount of impairment in the value of investments	-	-

8. Loans

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
A) Non-current		
Loans considered good- unsecured		
Loans to employees*	15.55	24.87
Total non-current loans (A)	**15.55**	**24.87**
B) Current		
Loans considered good- unsecured		
Loans to employees*	66.47	64.12
Total current loans (B)	**66.47**	**64.12**
Total loans (A+B)	**82.02**	**88.99**

*There are no debt/ loans due by directors or other officers of the group or any of them either severally or jointly with any other person or amounts due by firms or private Companies respectively in which any director is a partner or a director or a member.

9. Other financial assets

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
A) Non-current (carried at amortised cost)		
(Unsecured considered good)		
Bank deposits with maturity of more than 12 months (refer note 14)	310.77	306.58
Security deposits*	1,285.57	1,246.58
Total non-current other financial assets (A)	**1,596.34**	**1,553.16**
B) Current		
(Unsecured considered good)		
Insurance claim recoverable	11.57	90.00
Security deposits (carried at amortised cost)	61.04	59.78
Others (carried at amortised cost)	67.78	48.58
Total current other financial assets (B)	**140.39**	**198.36**
Total other financial assets(A+B)	**1,736.73**	**1,751.52**

*Deposits includes deposits with Uttarakhand Power Corporation Limited which carries interest of 6.50% per annum (31 March 2025: 6.75% per annum).

10. Other non-current assets

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Capital advances	1,021.98	1,698.17
Prepaid expenses	4.87	7.10
Balances with government authorities	2.59	2.59
Total other non-current assets	**1,029.44**	**1,707.86**

11. Inventories

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials {including goods in transit ₹ 842.61 lacs (31 March 2025: ₹ 1,058.08 lacs)}	7,277.32	5,247.42
Work-in-progress	2,706.44	2,015.10
Finished goods {including goods in transit ₹ 3,138.46 lacs (31 March 2025: ₹ 2,376.58 lacs;)}	6,296.37	5,040.62
Stores and spares {including goods in transit ₹ 63.69 lacs (31 March 2025: ₹ 44.72 lacs)}	4,591.30	3,839.05
Total inventories	**20,871.43**	**16,142.19**

(i) During the year ended 31 March 2026, NIL lacs (31 March 2025: ₹ 35.77 lacs) was recognised as an expense for inventories carried at net realisable value.

(ii) The Group has provision outstanding of ₹ 379.49 lacs for raw material and ₹ 55.79 lacs for stores and spares as at 31 March 2026 (31 March 2025 : raw material ₹ 373.83 lacs and stores and spares ₹ 51.25 lacs).

12. Trade receivables *#

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables considered good - unsecured	18,589.81	17,083.61
Less: Allowance for expected credit losses	(95.80)	(49.99)
Total trade receivables	**18,494.01**	**17,033.62**

* For credit risk related disclosures, refer note 33(i)A(b).

Trade receivables is part of contract balances as per Ind AS 115. These are non-interest bearing and are generally on terms of 7 to 90 days

(i) Trade receivables ageing schedule is as follows: **(₹ in lacs)**

Particulars	As at 31 March 2026					
	Outstanding for following period from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	18,244.38	72.04	135.18	42.41	-	**18,494.01**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	19.31	9.11	46.81	4.71	15.86	**95.80**
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Gross trade receivables	**18,263.69**	**81.15**	**181.99**	**47.12**	**15.86**	**18,589.81**
Less: allowance for expected credit losses						**(95.80)**
Total trade receivables						**18,494.01**

(₹ in lacs)

Particulars	As at 31 March 2025					
	Outstanding for following period from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	16,903.47	86.92	43.23	-	-	**17,033.62**
(ii) Undisputed trade receivables – which have significant increase in credit risk	16.45	12.89	4.80	15.80	0.05	**49.99**
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Gross trade receivables	**16,919.92**	**99.81**	**48.03**	**15.80**	**0.05**	**17,083.61**
Less: allowance for expected credit losses						**(49.99)**
Total trade receivables						**17,033.62**

13. Cash and cash equivalents

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Cash on hand	3.08	4.82
Balances with banks		
In current accounts	111.20	82.86
Bank deposits with original maturity upto 3 months	2.81	2,168.71
Total cash and cash equivalents	**117.09**	**2,256.39**

14. Bank balances other than cash and cash equivalents

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Earmarked bank balances		
Unpaid dividend accounts *	77.22	73.56
Unpaid CSR Account for FY 22-23*	-	63.42
Unpaid CSR Account for FY 23-24*	51.06	98.02
Unpaid CSR Account for FY 24-25*	2.89	-
Bank deposits**		
Deposits with remaining maturity for less than 12 months	10,237.78	4,312.87
Deposits with remaining maturity for more than 12 months	310.77	306.58
Total	**10,679.72**	**4,854.45**
Less:- Amount disclosed under non-current financial assets (refer note 9)	(310.77)	(306.58)
Total other bank balances	**10,368.95**	**4,547.87**

* The Holding Company can utilise these balances only toward settlement of the respective unpaid dividend and CSR expenses.

** Margin money deposit (including interest accrued) of ₹ 2445.09 lacs (31 March 2025: ₹ 2,251.02 lacs) are subject to lien of lending banks for securing letter of credit ,bank guarantee and other facilities sanctioned by them.

15. Other current assets

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Considered good		
Receivables under export benefit scheme	397.16	331.22
Advance to vendors	2,356.71	815.27
Prepaid expenses	360.81	329.59
Balances with government authorities#	1,772.33	2,854.93
EPR Credit Inventory	204.30	-
Other advances*	22.90	152.87
	5,114.21	**4,483.88**
Considered doubtful		
Receivables under export benefit scheme	2.16	2.16
Other advances	60.88	60.88
Less: Provision of export benefit receivable	(2.16)	(2.16)
Less: Provision of other advances	(60.88)	(60.88)
	-	-
Total other current assets	**5,114.21**	**4,483.88**

#includes balance of goods and service tax

16 A. Equity share capital

i) Authorised	As at 31 March 2026		As at 31 March 2025	
	Number	Amount (₹ in lacs)	Number	Amount (₹ in lacs)
Equity shares of ₹ 5 each	15,00,00,000	7,500.00	15,00,00,000	7,500.00
Equity shares of ₹ 10 each	4,79,60,000	4,796.00	4,79,60,000	4,796.00
		12,296.00		**12,296.00**
ii) Issued, subscribed and fully paid up				
Equity shares of ₹ 5 each	9,75,86,191	4,879.31	9,40,41,889	4,702.09
		4,879.31		**4,702.09**

iii) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Equity shares	As at 31 March 2026		As at 31 March 2025	
	Number	Amount (₹ in lacs)	Number	Amount (₹ in lacs)
Balance at the beginning of the year	9,40,41,889	4,702.09	9,39,54,009	4,697.70
Add: Equity shares issued during the year	35,44,302	177.22	87,880	4.39
Balance at the end of the year	**9,75,86,191**	**4,879.31**	**9,40,41,889**	**4,702.09**

iv) Rights, preferences and restrictions attached to equity share

The Holding Company has only one class of equity share having a par value of ₹ 5 per share. Each equity shareholder is entitled for one vote per share. The Holding Company declares and pays dividend in Indian rupees (₹). The final dividend proposed by the Board of Director is subject to the approval of the shareholder in the ensuing annual general meeting. In the event of liquidation of the Holding Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. This distribution will be in proportion to the number of equity shares held by the shareholder.

v) Shares held by Holding Company

Name of the equity shareholder	As at 31 March 2026		As at 31 March 2025	
	Number	Amount (₹ in lacs)	Number	Amount (₹ in lacs)
Wilemina Finance Corporation, Holding Company				
Equity shares of ₹ 5 each fully paid	4,93,18,012	2,465.90	4,93,18,012	2,465.90
	4,93,18,012	**2,465.90**	**4,93,18,012**	**2,465.90**

vi)Shareholding of promoters are as follows:

Promoter Name	As at 31 March 2026		
	No. of shares	% of total shares	% change during the period
Arvind Singhania	-	-	(2.80%)
Uma Devi Singhania	175	-	-
Jai Vardhan Singhania	1,24,858	0.13	-
Ayush Vardhan Singhania	9,34,318	0.96	0.77%
Fenton Investments Private Limited	4,90,000	0.50	(0.02%)
MOVI Limited	77,04,645	7.90	4.39%
Wilemina Finance Corporation	4,93,18,012	50.54	(1.90%)
Modi Rubber Limited	26,29,019	2.69	(0.12%)

Promoter Name	As at 31 March 2025		
	No. of shares	% of total shares	% change during the period
Arvind Singhania	26,32,285	2.80	-
Uma Devi Singhania	175	-	-
Jai Vardhan Singhania	1,24,858	0.13	-
Ayush Vardhan Singhania	1,78,033	0.19	-
Fenton Investments Private Limited	4,90,000	0.52	-
MOVI Limited	32,97,000	3.51	-
Wilemina Finance Corporation	4,93,18,012	52.44	-
Modi Rubber Limited	26,42,705	2.81	-

vii) Details of shareholder holding more than 5% shares in the Holding Company

Nmae of the Shareholders	As at 31 March 2026		As at 31 March 2025	
	Number	%	Number	%
Wilemina Finance Corporation, Holding Company				
Equity shares of ₹ 5 each fully paid	4,93,18,012	50.54%	4,93,18,012	52.44%
Movi Limited, Promotor Group Company				
Equity shares of ₹ 5 each fully paid	77,04,645	7.90%	32,97,000	3.51%
Vettel International Limited, Public Shareholder				
Equity shares of ₹ 5 each fully paid	80,86,861	8.29%	80,86,861	8.60%

viii) No shares were allotted as fully paid up by way of bonus issue and/or brought back in the current reporting year and in last five years immediately preceding the current reporting year.

16 B. Preference shares

(₹ in lacs)

i) Authorised	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Cumulative convertible preference shares of ₹ 50 each	6,00,000	300.00	6,00,000	300.00
Redeemable cumulative preference shares of ₹ 50 each	80,00,000	4,000.00	80,00,000	4,000.00
		4,300.00		**4,300.00**

No preference shares have been issued as yet.

17. Other equity (refer statement of changes in equity)

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Reserves and surplus		
Capital reserve	3,520.74	3,520.74
Securities premium *	21,134.70	15,711.92
Capital redemption reserve	335.37	335.37
General reserve	1,560.19	1,560.19
Retained earnings	43,984.44	47,276.53
Share options outstanding account	131.73	77.48
B. Items of other comprehensive income		
Effective portions of cash flow hedge	(248.48)	(314.25)
Effective portions of cost of hedge	-	6.90
C. Money received against share warrant	2,975.00	4,375.00
Total	**73,393.69**	**72,549.88**

i) Nature and purpose of other reserves

Capital reserve

Capital reserve was created under the previous GAAP out of the profit earned from a specific transaction of capital nature. Capital reserve is not available for the distribution to the shareholders.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Companies Act, 2013.

Capital redemption reserve

The same has been created in accordance with provision of Companies Act, 2013

General reserve

The Holding Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

Retained earnings

Retained earnings represents surplus in the Statement of profit and loss.

Share options outstanding account

The Holding Company has allotted equity shares to certain employees under an employee share purchase scheme. The share options outstanding account is used to recognise the value of equity settled share based payments provided to such employees as part of their remuneration. Refer note 42 for further details of the scheme.

Effective portions of cash flow hedge

This comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Effective portions of cost of hedge

This comprises the effective portion of the cumulative net change in the fair value of cost of hedging instruments related to hedged transactions that have not yet occurred.

Share Warrants

Share warrants are issued to promoters and others in terms of the Guidelines for preferential issues viz., SEBI (Issue of Capital and Disclosure Requirements), Since shares are yet to be allotted against the same, these are not reflected as part of share capital but as a separate line item – 'Money received against share warrants.(Refer note below for details)

Share warrants were issued to promoters and non-promoters in accordance with the provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, governing preferential issues. Since equity shares against such warrants were pending allotment as at the reporting date, the amount received has been disclosed separately under the head "Money Received Against Share Warrants" and not as part of the share capital.

Pursuant to the approval granted by the Board of Directors at its meeting held on 14 September 2024 and the approval of the shareholders obtained through postal ballot on 16 October 2024, the Preferential Issue Committee of the Board, at its meeting held on 16 September 2024, approved the issuance of up to 1,10,75,941 fully convertible warrants of face value INR 5/- each at an issue price of INR 158/- per warrant, aggregating up to INR 1,74,99,98,678/- (Rupees One Hundred Seventy-Four Crores Ninety-Nine Lakhs Ninety-Eight Thousand Six Hundred Seventy-Eight Only) on a preferential basis. The issuance was duly approved by the shareholders of the Company through a postal ballot dated 16th October 2024.

Upon receipt of ₹43.75 crores, representing 25% of the total consideration towards the subscription of the warrants from all allottees, the Board of Directors, through a circular resolution dated 13th November 2024, allotted 1,10,75,941 Fully Convertible Warrants at an issue price of ₹158/- per warrant. These warrants are convertible, at the option of the warrant holder(s), in one or more tranches within 18 (Eighteen) months from the date of allotment, into an equivalent number of fully paid-up equity shares of face value ₹ 5/- each, aggregating a total subscription amount of ₹1,74,99,98,678/- for cash.

During the year, the Board of Directors, through a circular resolution dated 30 April 2025, approved the allotment of 35,44,302 fully paid-up equity shares of face value INR 5/- each at an issue price of INR 158/- per equity share, pursuant to the conversion of an equivalent number of fully convertible warrants. Against such conversion, the Company received consideration aggregating to INR 41,99,99,789.10/-.

Further, subsequent to the closure of the financial year and upon expiry of the 18-month conversion period on 13 May 2026, the Company, upon receipt of balance consideration aggregating to INR 79,49,98,843.50/-, converted 67,08,851 warrants into 67,08,851 fully paid-up equity shares pursuant to a circular resolution passed by the Board of Directors on 12 May 2026.

The names of the allottees are mentioned below:

Sr. No.	Name	Promoter and promoter group/ non-promoter	Total amount in ₹
1.	Mr. Arvind Singhania	Promoter	59,99,99,944
2.	MOVI Limited	Promoter and promoter group	39,99,99,910
3.	K&K Ventures through its partners viz. Mr. Kavish Vaibhav Shah and Mr. Krishang Vaibhav Shah	Non-promoter	24,99,99,924
4.	Mr. Malay Ashok bhai Shah	Non-promoter	2,49,99,866
5.	Master Reeyan Rohan Shah through his Legal Guardian Mr. Rohan Shah	Non-promoter	2,49,99,866
6.	Mr. Raj Vardhan Kejriwal	Non-promoter	9,99,99,938
7.	Riti Foundation (Trust)	Non-promoter	6,99,99,846
8.	RR Foundation (Trust)	Non-promoter	6,99,99,846
9.	S.R. Foundation (Trust)	Non-promoter	6,99,99,846
10.	Suruchi Foundation (Trust)	Non-promoter	6,99,99,846
11.	Swati Foundation (Trust)	Non-promoter	6,99,99,846
		Total	**1,74,99,98,678**

18. (A) Borrowings

(₹ in lacs)

A) Non-current* Secured loans	As at 31 March 2026	As at 31 March 2025
Term loans from:		
Banks	18,390.59	18,002.11
Financial institution	21,945.17	22,242.57
Vehicle loans	158.97	233.76
Total borrowings - non-current	**40,494.73**	**40,478.44**

Refer Note 18 (B) for current maturity of long term debt of ₹ 1,0590.98 lacs (31 March 2025 ₹ 8,402.28 lacs)

* For liquidity risk related disclosures, refer note 33(B)

I. Term loans

a) Outstanding loan from Tata Capital Limited, a loan with outstanding balance of ₹ NIL lacs (31 March 2025 : ₹ 94.69 lacs) was sanctioned for infusion of funds in Subsidiary Company of borrower (Ester Filmtech Limited). The term loan is secured by equitable mortgage by way of deposit of title deeds of land and corporate office building constructed thereupon in Gurgaon and first and exclusive charge over the hypothecation of certain plant and equipments installed at factory premises at Uttarakhand and further secured by irrevocable guarantee of its holding company and personal guarantee of Mr. Arvind Singhania. The term loan bearing floating interest at the LTLR minus 9.10% per annum. The loan is repayable in 54 equal monthly instalments starting from Dec 2020.

b) From Tata Capital Limited, a loan with outstanding balance of ₹ 512.40 lacs (31 March 2025 : ₹ 950.37 lacs) was sanctioned for infusion of funds in Subsidiary Company of borrower (Ester Filmtech Limited), general corporate and capex. The term loan bearing floating interest at the LTLR minus 11.25% per annum. The loan is repayable in 60 equal monthly instalments starting from June 2022. #

c) From Tata Capital Limited, a loan with outstanding balance ₹ 451.35 lacs (31 March 2025 : ₹ 593.46 lacs) was sanctioned for infusion of funds in Subsidiary Company of borrower (Ester Filmtech Limited),general corporate and capex. The term loan is secured by equitable mortgage by way of deposit of title deeds of land and corporate office building constructed thereupon in Gurgaon and further secured by irrevocable guarantee of its Holding Company and personal guarantee of Mr. Arvind Singhania. The term loan bearing floating interest at the LTLR minus 11.25% per annum. The loan is repayable in 84 equal monthly instalments starting from June 2022.

d) From Tata Capital Limited, a loan with outstanding balance ₹ 2,056.89 lacs (31 March 2025 : ₹ 2,304.34 lacs) was sanctioned for infusion of funds in Subsidiary Company of borrower (Ester Filmtech Limited),general corporate and capex. The term loan is secured by equitable mortgage by way of deposit of title deeds of land and corporate office building constructed thereupon in Gurgaon and further secured by irrevocable personal guarantee of Mr. Arvind Singhania.. The term loan bearing floating interest at the LTLR minus 11.80% per annum. The loan is repayable in 84 equal monthly instalments starting from Oct 2023.

e) From Bajaj Finance Limited of ₹ 599.18 lacs (31 March 2025 : ₹ 1,146.64 lacs) as loan for general corporate and capex purpose. The term loan bearing floating interest linked to BFL IRR at the rate of 8.00% per annum. The term loan is repayable in 60 equal monthly instalments starting from April 2022 .##

f) From Bajaj Finance Limited of ₹ 1,197.49 lacs (31 March 2025 : ₹ 1,794.31 lacs) as loan for general corporate and capex purpose. The term loan bearing floating interest linked to BFL IRR at the rate of 7.35% per annum. The term loan is repayable in 20 equal quarterly instalments starting from May 2023 .##

g) From IDFC First Bank Limited of USD 8.919 million equivalent to ₹ 8329.46 lacs (31 March 2025 : ₹ 8,408.92 lacs)as foreign currency term loan to takeover of Term loan from Shinhan Bank & Qatar National Bank amounting to ₹ 3333.33 lacs & ₹2571.43 lacs respectively and balance loan for reimbursement of capital expenditure. The term loans is secured by first pari passu charge on fixed assets of the Company (both present and future) including factory land and building at Pilibhit Road, Sohan Nagar, P.O. Charubeta, Khatima-262308, Distt Udham Singh Nagar, Uttarakhand with other lenders, except fixed assets that are exclusively charged to Tata Capital Limited and second Pari passu charge on current assets and further secured by irrevocable personal guarantee of Mr. Arvind Singhania .The term loan is also secured by first charge on Debt Service Reserve Account (DSRA) to be created to meet debt service requirements of the project for the ensuring 90 days principal and interest payment. The term loan bearing interest ranging from 9.73% to 9.75% per annum. The term loan is repayable in 24 quarterly instalments starting September 2024.

h) From Tata Capital Limited of ₹ 1,843.48 lacs (31 March 2025 : ₹ 1,941.29) has been sanctioned for infusion of funds in Subsidiary Company of borrower (Ester Filmtech Limited),general corporate and capex. The term loan is secured by equitable mortgage by way of deposit of title deeds of land and corporate office building constructed thereupon in Gurgaon and further secured by irrevocable personal guarantee of Mr. Arvind Singhania. The term loan bearing floating interest at the LTPLR plus 1.70% per annum. The loan is repayable in 84 equal monthly instalments starting from Oct 2024.

i) From Bajaj Finance Limited of ₹ 3,407.55 lacs (31 March 2025 : ₹ NIL) as loan for general corporate and capex purpose. The term loan bearing floating interest linked to BFL IRR at the rate of 8.90% per annum. The term loan is repayable in 42 equal monthly instalments starting from March 2026 .##

j) Outstanding term loan of ₹ 4,428.99 lacs (31 March 2025: ₹ 5,468.40 lacs) from Bank of India to set up a new BOPET Film manufacturing project at floating interest at the rate of 1 Year MCLR plus 0.60% per annum. The term loan is repayable in 28 equal quarterly instalments starting to commencing from September 2023.###

k) Outstanding term loan of ₹ 4,198.36 lacs (31 March 2025: ₹ 5,183.38 lacs) from Bank of Baroda to set up a new BOPET Film manufacturing project at floating interest at the rate of 1 Year MCLR plus 0.85% per annum. The term loan is repayable in 28 equal quarterly instalments starting to commencing from September 2023.###

l) Outstanding term loan of ₹ 1,854.08 lacs (31 March 2025: ₹ 2,287.95 lacs) from HDFC Bank to set up a new BOPET Film manufacturing project at floating interest at the rate of 1 Year MCLR plus 0.75% per annum. The term loan is repayable in 26 equal quarterly instalments starting to commencing from March 2024.###

m) Outstanding term loan of Euro 17.44 million equivalent to ₹ 18,510.40 lacs (31 March 2025: ₹ Euro 20.61 million which is in ₹ 18,299.22 lacs) from OLB Bank, Germany to set up a new project with interest at the rate EURIBOR plus 0.75% per annum.The term loan is secured by first and exclusive charge on plant and equipment financed by OLB bank and further secured by irrevocable guarantee of its holding Company (Ester Industries Limited). The term loan is repayable in 17 equal half yearly instalments starting to commence from June 2023.

As a risk mitigation strategy the Company has taken cross currency Principal only swap in USD of 25% of EURO exposure .

n) Outstanding term loan of ₹ 3,401.44 lacs (31 March 2025: ₹ NIL lacs) from Yes Bank for reimbursement/ For capex requirements for upgradation of machinery/capex at existing plant at floating interest at the rate of 3 months TBill+4.22% per annum. The term loan is repayable in 60 equal quarterly instalments starting to commencing from June 2027.# The term loans are secured by first pari passu charge on fixed assets of the Company (both present and future) including factory land and building at Chandanvally,shahbad mandal, Hyderabad ,Telangana with other lenders and Second Pari passu charge by way of Hypothecation on current assets of the Borrower.

#Above term loans are secured by first pari passu charge on fixed assets of the Company (both present and future) including factory land and building at Pilibhit Road, Sohan Nagar, P.O. Charubeta, Khatima-262308, Distt Udham Singh Nagar, Uttarakhand with other lenders, except fixed assets that are exclusively charged to Tata Capital Financial Services Limited & Vehicles and second Pari passu charge on current assets and further secured by irrevocable guarantee of its Holding company and personal guarantee of Mr. Arvind Singhania.

##Above term loans are secured by first pari passu charge on fixed assets of the Company (both present and future) including factory land and building at Pilibhit Road, Sohan Nagar, P.O. Charubeta, Khatima-262308, Distt Udham Singh Nagar, Uttarakhand with other lenders, except fixed assets that are exclusively charged to Tata Capital Financial Services Limited and second Pari passu charge on current assets and further secured by irrevocable personal guarantee of Mr. Arvind Singhania.

Above term loans are secured by first pari passu charge on fixed assets of the Company (both present and future) including factory land and building at Chandanvally,shahbad mandal, Hyderabad ,Telangana with other lenders, except plant and equipment that are exclusively charged to OLB Bank,Germany for ECA funding and first charge on Debt Service Reserve Account (DSRA) to be created to meet debt service requirements of the project for the ensuring 90 days principal and interest payment. Second Pari passu charge on current assets and further secured by irrevocable guarantee of its Holding Company (Ester Industries Limited) and personal guarantee of Mr. Arvind Singhania.

II. Vehicle loans are secured by hypothecation of specific vehicles acquired out of proceeds of the loans. Vehicle loans bearing interest rates ranging from 7.25% per annum to 10.25% per annum. These loans are repayable in monthly instalments till Jan 2030.

(₹ in lacs)

18. (B) Current borrowings*	As at 31 March 2026	As at 31 March 2025
Secured		
Loan repayable on demand		
Working capital loans from banks	18,511.91	14,303.28
Other loans		
Acceptances	3,302.07	2,832.59
Current maturities of long term loan	10,590.98	8,402.28
Total borrowings - current	**32,404.96**	**25,538.15**

* For liquidity risk related disclosures, refer note 33(B).

Working capital loans, bills discounting, acceptances and buyer's credit for raw materials : These loans are secured by first charge by way of hypothecation of raw materials, finished goods, semi finished goods, stores and spares, book debts and other receivables (both present and future) and further secured by irrevocable guarantees of its Holding Company and personal guarantee of Mr. Arvind Singhania. Working capital, bill discounting facilities, acceptances and buyer's credit for raw materials are further secured by way of second charge in respect of immovable properties and movable fixed assets except fixed assets that are exclusively charged to Tata Capital Limited and Vehicle. The working capital loans from banks bear floating interest rate at MCLR plus ranging from 0.30% per annum to 3.00% per annum.

The quarterly returns/statements of current assets filed by the Company with banks or financial institutions in relation to secured borrowings / sanctioned loans, wherever applicable, are in agreement with the books of accounts

The changes in the entities liabilities arising from financing and non financing activities can be classified as follows:

(₹ in lacs)

Particulars	Borrowings		
	Non-current borrowings	Current	Lease liabilities
1 April 2025	**40,478.44**	**25,538.15**	**1.25**
Cash flows:			
- Repayments	(8,963.83)	4,678.11	(0.15)
- Proceeds net of amortisation of upfront fees	6,983.82	-	-
- Net impact of reclassification as per scheduleIII	(2,188.70)	2,188.70	-
Non cash:			
- Finance cost adjustment for effective interest rate	260.68	-	0.15
- Unrealised foreign exchange loss	3,924.32	-	-
31 March 2026	**40,494.73**	**32,404.96**	**1.25**
1 April 2024	43,851.33	33,400.47	1.25
Cash flows:			
- Repayments	(18,358.44)	(4,898.41)	(0.15)
- Proceeds net of amortisation of upfront fees	11,274.62	-	-
- Net impact of reclassification as per scheduleIII	2,963.91	(2,963.91)	-
Non cash:			
- Finance cost adjustment for effective interest rate	237.08	-	0.15
- Unrealised foreign exchange loss	509.94	-	-
31 March 2025	**40,478.44**	**25,538.15**	**1.25**

19. Provisions

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
A) Provisions - non-current		
Provision for gratuity (refer note 40)	914.15	780.30
Provision for compensated absence	310.92	246.54
Total provisions - non-current	**1,225.07**	**1,026.84**
B) Provisions - current		
Provision for gratuity (refer note 40)	332.35	362.20

Provision for compensated absence	67.76	90.81
Total provisions - current	**400.11**	**453.01**
Total provisions (A+B)	**1,625.18**	**1,479.85**

20. Deferred tax liabilities (net)

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax liabilities	3,011.23	3,106.55
Less: Deferred tax assets	631.35	638.46
Deferred tax liabilities (net)	**2,379.88**	**2,468.09**

(₹ in lacs)

Particulars	As at 01 April 2025	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2026
Deferred tax liabilities arising on account of :				
Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	3,106.56	(95.33)	-	3,011.23
Total	**3,106.56**	**(95.33)**	-	**3,011.23**
Deferred tax assets arising on account of :				
Effect of expenditure debited to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	423.64	30.14	-	453.78
Employee benefits	-	(8.85)	8.85	-
Derivatives designated as Hedges	141.44	4.08	(27.21)	118.31
Others	73.38	(14.12)	-	59.26
Total	**638.46**	**11.25**	**(18.36)**	**631.35**
Deferred tax liabilities (net)	**2,468.10**	**(106.57)**	**18.36**	**2,379.88**

(₹ in lacs)

Particulars	As at 01 April 2024	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2025
Deferred tax liabilities arising on account of :				
Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	3,217.27	(110.71)	-	3,106.56
Total	**3,217.27**	**(110.71)**	-	**3,106.56**
Deferred tax assets arising on account of :				
Effect of expenditure debited to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	423.50	0.14	-	423.64
Employee benefits	-	(17.63)	17.63	-
Derivatives designated as Hedges	-	32.06	109.38	141.44
Brought forward losses/ depreciation	1,156.04	(1,156.04)	-	-
Others	11.17	62.21	-	73.38
Total	**1,590.71**	**(1,079.26)**	**127.01**	**638.46**
Deferred tax liabilities (net)	**1,626.56**	**968.55**	**(127.01)**	**2,468.10**

Note - Unused tax losses on which deferred tax has not been recognized to the extent of liability - (₹ in lacs)

Nature of loss/allowance	Pertaining to AY	Expire in AY	Amount
Business loss	2023-24	2031-32	1,469.73
Business loss	2024-25	2032-33	4,762.25
Business loss	2025-26	2033-34	-
Unabsorbed depreciation	2021-22	No expiry	1.22
Unabsorbed depreciation	2022-23	No expiry	17.27
Unabsorbed depreciation	2023-24	No expiry	3,796.10
Unabsorbed depreciation	2024-25	No expiry	7,166.61
Unabsorbed depreciation	2025-26	No expiry	6,110.11
Unabsorbed depreciation	2026-27	No expiry	2,695.47

In absence of reasonable certainty that future taxable profits of subsidiary will be available against which temporary differences can be utilised, the deferred tax assets of subsidiary are created to the extent of deferred tax liabilities and further no deferred tax assets have been recognised on any temporary differences and unused tax losses.

21. Other liabilities

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
A) Non-current		
Deferred income*	2,909.62	2,879.11
Total non current liabilities (A)	**2,909.62**	**2,879.11**
B) Current		
Deferred income*	292.93	271.88
Revenue received in advance	363.81	173.21
Statutory dues	361.49	246.26
Total current liabilities (B)	**1,018.23**	**691.35**
Total other liabilities (A+B)	**3,927.85**	**3,570.46**

* Represents government assistance in form of duty benefit availed under Export Promotion Capital Goods ('EPCG') scheme on purchase of property, plant and equipment accounted for as government grants and being amortised over useful life of such assets. Refer to Note 4.5.2 for the detailed accounting policy.

22. Trade payable

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Trade payables		
-total outstanding dues of micro enterprises and small enterprises	1,809.94	922.28
-total outstanding dues of creditors other than micro enterprises and small enterprises	4,842.99	3,781.96
Total trade payables	**6,652.93**	**4,704.24**

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
i. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
Principal amount*	1,875.85	968.68
Interest due thereon	-	-
ii. The amount paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;		
Principal amount	-	-
Interest due thereon	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23.	-	-

The above information regarding Micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Holding Company.

*includes capital creditors of ₹ 65.91 lacs. (31 March 2025: 46.40 Lacs)

Trade payables ageing is as follows: (₹ in lacs)

Particulars	As at 31 March 2026				
	Outstanding for following periods from the due date of payment				
	Less than 1 Year	1-2 Years	2 to 3 years	More than 3 Years	Total
(i) Micro enterprises and small enterprises	1,809.94	-	-	-	1,809.94
(ii) Others	4,784.47	57.13	0.24	1.15	4,842.99
(iii) Disputed- Micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed- Others	-	-	-	-	-
Total	**6,594.41**	**57.13**	**0.24**	**1.15**	**6,652.93**

Particulars	As at 31 March 2025				
	Outstanding for following periods from the due date of payment				
	Less than 1 Year	1-2 Years	2 to 3 years	More than 3 Years	Total
(i) Micro enterprises and small enterprises	922.28	-	-	-	922.28
(ii) Others	3,717.41	19.82	3.60	41.13	3,781.96
(iii) Disputed- Micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed- Others	-	-	-	-	-
Total	**4,639.69**	**19.82**	**3.60**	**41.13**	**4,704.24**

23. Other financial liabilities

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
A) Current		
Capital creditors*	177.57	149.63
Interest accrued	213.25	230.50
Unpaid dividend	77.22	73.56
Deposits from dealer/customer and others	39.60	37.70
Derivative liability^	251.13	521.17
Employee related payables	463.60	439.40
Others payables#	271.31	226.30
Total other financial liabilities	**1,493.68**	**1,678.26**

*includes payable to micro enterprises and small enterprises of ₹ 65.91 lacs. (31 March 2025: 46.40 Lacs)
includes sales commission payable of ₹ 152.99 lacs (31 March 2025 ₹ 138.15 lacs).

^Derivative liability (net of derivative assets)

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Interest rate swap used for hedging (FVTOCI)	466.86	559.61
Other forward contract (FVTPL)	-	2.39
Less: Derivative assets		
Currency options designated as cash flow hedge (FVTOCI)	-	(11.07)
Currency Swap (FVTPL)	(214.92)	(10.46)
Other forward contract (FVTPL)	(0.81)	(19.30)
Total derivative liability	**251.13**	**521.17**

23 A. Income tax assets (net)

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Advance income tax (net of provisions ₹ 8,953.02 lacs (31 March 2025 ₹ 8,530.51 lacs))	277.42	147.35

23 B. Income tax liabilities (net)

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for tax (net of advance tax ₹ 18,846.45 lacs (31 March 2025 ₹ 18,846.45 lacs))	132.47	120.46

24. Revenue from operations

(₹ in lacs)

Particulars	For the period ended 31 March 2026	For the year ended 31 March 2025
Revenue from contracts with customers		
Sale of products (recognised at a point of time)	1,35,940.13	1,26,500.86
Other operating revenue (refer note (i) below)	1,579.36	1,713.35
Total revenue from operations	**1,37,519.49**	**1,28,214.21**
i) Other operating revenue comprises of the following income:		
Sales of scrap	266.59	267.59
Other income from tolling*	147.65	233.54
Duty drawback earned	1,165.12	1,212.22
Total revenue from operations (refer note 41)	**1,579.36**	**1,713.35**

*includes income from tolling services provided to Radici for production of engineering plastic products at Khatima facility.

25. Other income

(₹ in lacs)

Particulars	For the period ended 31 March 2026	For the year ended 31 March 2025
Interest income:		
- Fixed deposits carried at amortised cost	657.11	445.38
- Trade receivable	1.14	3.93
- Commercial Papers and others	131.82	180.34
- Other financial assets carried at amortised cost	71.11	75.31
Other non-operating income:		
Insurance claim	36.03	147.83
Provisions/liabilities no longer required written back	55.09	57.16
Profit/(loss) on sale of investments	38.56	130.30
Income recognised on account of government assistance*	284.59	297.57
Gain on fair valuation of financial assets	30.45	76.24
Mark to market gain on derivative contracts	178.02	-
Miscellaneous income #	268.88	275.80
Total other income	**1,752.80**	**1,689.86**

* This represent income recognised in relation Export Promotion Capital Goods ('EPCG'), considered as government assistance.

This comprises of gain on loss of control in Ester Loop Infinite Technologies Private Limited (ELITe) of ₹ NIL Lacs (31 March 2025 ₹97.94 Lacs).

26A. Cost of material consumed

(₹ in lacs)

Particulars	For the period ended 31 March 2026	For the year ended 31 March 2025
Inventories at the beginning of the year	5,247.42	3,805.17
Add: Purchases	92,362.62	80,687.36
Less: Inventories at the end of the year	(7,277.32)	(5,247.42)
Cost of material consumed	**90,332.72**	**79,245.11**

26B. Changes in inventories of finished goods and work-in-progress

(₹ in lacs)

Particulars	For the period ended 31 March 2026	For the year ended 31 March 2025
Closing stock		
- Finished goods	6,296.37	5,040.62
- Work-in-progress	2,706.44	2,015.10
	9,002.81	**7,055.72**
Opening stock		
- Finished goods	5,040.62	5,263.16
- Work-in-progress	2,015.10	2,041.15
	7,055.72	**7,304.31**
Total changes in inventories	**(1,947.10)**	**248.59**

27. Employee benefits expense

Particulars	For the period ended 31 March 2026	For the year ended 31 March 2025
Salaries and wages	7,058.46	6,209.93
Share based expenses expense (refer note 42)	54.25	21.49
Contribution to provident fund and other funds	441.34	394.65
Gratuity (refer note 40)	391.27	167.47
Staff welfare expenses	350.38	321.91
Total employee benefits expense	**8,295.70**	**7,115.45**

28. Finance cost

(₹ in lacs)

Particulars	For the period ended 31 March 2026	For the year ended 31 March 2025
Interest :		
-Term loans	4,004.20	4,258.33
-Working capital	1,735.44	1,713.73
-Lease liabilities	0.15	0.15
-Statutory dues	28.92	0.13
-Others	2.39	4.60
-Ineffective portion of fair value changes on interest rate swap designated as cash flow hedges	160.50	79.78
Other borrowing costs*	559.38	675.97
Total finance cost	**6,490.98**	**6,732.69**

*Other borrowing costs majorly comprises of Letter of credit charges, Bank guarantee charges and working capital demand loan (WCDL) processing fees.

29. Other expenses

(₹ in lacs)

Particulars	For the period ended 31 March 2026	For the year ended 31 March 2025
Manufacturing expenses		
Consumption of stores and spare parts	2,692.26	2,226.05
Consumption of packing materials	2,719.10	2,458.89
Power and fuel	13,255.36	12,057.84
Material handling charges	1,134.59	971.86
Provision for obsolete inventories	4.54	2.26
Total manufacturing expenses (A)	**19,805.85**	**17,716.90**
Selling expenses		
Freight	2,775.13	3,228.36
Commission and brokerage	396.18	361.70
Total selling expenses (B)	**3,171.31**	**3,590.06**
Administration and other expenses		
Rent	43.90	33.49
Rates and taxes	62.05	97.05
Insurance	570.56	551.79
Repairs and maintenance:		
- Building	230.94	197.67
- Plant and machinery	563.98	539.65
- Others	643.63	563.69
Corporate social responsibility expenditure (refer note (i) below)	40.86	135.68
Travelling and conveyance	898.13	746.19
Communication expenses	52.00	46.47
Legal and professional charges	1,110.29	945.81
Printing and stationery	23.43	16.93
Donations (other than political parties)	3.55	0.57
Director's sitting fees	5.50	7.00
Auditors' remuneration (refer note (ii) below)	76.92	80.48
Loss on sale of property, plant and equipment (net)	21.53	42.22
Bad debts, advances and irrecoverable balances written off	6.01	13.70
Allowance for expected credit loss on debts/advances	45.82	28.03
Security services	487.77	453.47
Foreign exchange fluctuation loss (net)	2,693.42	396.11
Mark to market gain on derivative contracts	-	179.59
EPR Compliance Expense	327.34	-
Miscellaneous expenses	499.20	503.39
Total administrative and other expenses (C)	**8,406.83**	**5,578.98**
Total other expenses (A+B+C)	**31,383.99**	**26,885.94**

i) Corporate social responsibility expenses

As per Section 135 of the Companies Act, 2013, a Holding Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are Promoting education, promoting health care including preventive health and sanitation and making available safe drinking water. A CSR committee has been formed by the Holding Company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

(₹ in lacs)

Particulars	For the period ended 31 March 2026	For the year ended 31 March 2025
i) Amount required to be spent by the Holding company during the year	39.86	132.20
ii) Amount of expenditure incurred as follows:		
- Constructions/ acquisition of any assets	6.50	29.65
- Others (refer point (vi) below)	23.13	76.88
- Less Set off from the excess amount spent in FY 2024-25	3.48	-
iii) Unspent at the end of the year deposited in unspent CSR account*	11.23	29.15
(iv) Excess at the end of the year {(ii)+(iii)-(i)}	4.48	3.48

v) Reason for shortfall

For the year ended 31 March 2026	For the year ended 31 March 2025
There is no shortfall in the amount to be incurred for CSR, as the unspent amount in respect of ongoing project identified by the Company is deposited into "unspent CSR Account" within the time period prescribed under Section 135(6) of the Companies Act, 2013.	There is no shortfall in the amount to be incurred for CSR, as the unspent amount in respect of ongoing project identified by the Company is deposited into "unspent CSR Account" within the time period prescribed under Section 135(6) of the Companies Act, 2013.
In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has identified the following ongoing CSR projects: 1. Ester Navsrijan Programme-3 – Providing free education, books, uniforms and transport facilities to underprivileged and economically weaker section students residing in and around Khatima. An amount of ₹9.92 lakhs remained unspent as at the end of FY 2025-26 towards the ongoing commitment of the project and has been transferred to the Unspent CSR Account within the prescribed timeline. The amount shall be utilised within the succeeding 3 financial years. 2. Action for Autism – Providing vocational skills training in permaculture and food processing for autistic youth at "Ananda – The Assisted Living Facility", Gurugram, including procurement of equipment and remuneration of a Permaculture Specialist. An amount of ₹1.31 lakhs remained unspent as at the end of FY 2025-26 towards the ongoing commitment of the project and has been transferred to the Unspent CSR Account within the prescribed timeline. The amount shall be utilised during FY 2026-27.	In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has identified an ongoing CSR project titled "UDAAN" aimed at reducing vulnerabilities of migrant Odia populations working in brick-making units in Telangana by improving their living conditions through provision of basic amenities, medical services and support for children's education. An amount of ₹29.15 lakhs** remained unspent as at the end of FY 2024-25 towards the ongoing commitment of the project and has been transferred to the Unspent CSR Account within the prescribed timeline.

**Out of ₹29.15 lakhs, amount of ₹26.26 lakhs has been utilised during FY 2025–26, and the remaining amount is expected to be utilised during FY 2026–27.

vi) Nature of CSR activities

For the year ended 31 March 2026	For the year ended 31 March 2025
As covered under Item No (i), (ii), (vii) & (x) of Schedule VII of the Companies Act, 2013 including: (a) promoting health care including preventive health and sanitation and making available safe drinking water (b) Promoting education (c) Training to promoter rural sports (d) Rural development projects	As covered under Item No (i), (ii) & (iv)of Schedule VII of the Companies Act, 2013 including: (a) Eradicating hunger, poverty and malnutrition and promoting health care including preventive health and sanitation and making available safe drinking water (b) Promoting Education (c) Ensuring environment sustainability

*The unspent amount has been subsequently transferred to unspent CSR account in accordance with the Companies Act, 2013 read with the CSR Amendment Rules.

Unspent amount of CSR **(₹ in lacs)**

Particulars	Amount
Unspent amount as at 31 March 2025	
- with Holding Company	
- in Separate CSR unspent account for FY 24-25	29.15
- in Separate CSR unspent account for FY 23-24	98.02
- in Separate CSR unspent account for FY 22-23	63.42
Amount spent during the year	
- from separate CSR unspent account for FY 24-25	26.26
- from separate CSR unspent account for FY 23-24	46.96
- from separate CSR unspent account for FY 22-23	63.42

Unspent amount as at 31 March 2026	
- with Holding Company	11.23
- in Separate CSR unspent account for FY 24-25	2.89
- in Separate CSR unspent account for FY 23-24	51.06
- in Separate CSR unspent account for FY 22-23	-

ii) Auditors' remuneration **(₹ in lacs)**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
- Audit fee (excluding taxes)	71.10	75.00
- Out of pocket expenses (excluding taxes)	5.82	5.48
	76.92	**80.48**

30. Tax expenses

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current tax	327.90	442.26
Tax earlier years	97.80	-
Deferred tax	(106.57)	968.55
Income tax expense recognised in the statement of profit and loss	**319.13**	**1,410.81**

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Group at 25.17% and the reported tax expense in the statement of profit and loss are as follows:

Accounting profit before income tax	(2,427.97)	**2,780.63**
At India's statutory income tax rate of 25.17% (31 March 2025: 25.17%)	(611.12)	699.88

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Tax impact of expenses which will never be allowed	37.75	41.76
Impact of tax rate changes	(4.42)	(12.52)
Earlier year tax paid in current year	97.80	-
Others	(2.37)	6.26
Tax impact on loss in subsidiary	801.49	675.43
Income tax expense	**319.13**	**1,410.81**

31. Earning per share (EPS)

Particulars	For the period ended 31 March 2026	For the year ended 31 March 2025
Profit attributable to equity shareholders (₹ in lacs)	(2,747.10)	1,369.82
Profit attributable to equity shareholders adjusted for the effect of dilution (₹ in lacs)	**(2,747.10)**	**1,369.82**
Weighted average number of equity shares for basic EPS	9,73,04,589	9,40,01,922
Effect of dilution - Employee stock options	22,656	83,053.00
Weighted average number of equity shares adjusted for the effect of dilution	**9,73,27,245**	**9,40,84,975**
Earnings per equity share		
Basic (₹)	(2.82)	1.46
Diluted (₹)	(2.82)	1.46

32. Fair value disclosures

(i) Fair value hierarchy

Financial assets measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

(ii) Valuation technique used to determine fair value

A. Specific valuation techniques used to value mutual funds include - the use of net asset value for mutual funds on the basis of the statement received from investee party.

B. Derivative asset/ liability not designated as hedges is measured using forward contract exchange rates at the balance sheet rate as confirmed from banks/ financial institutions.

C. Derivative liabilities designated as hedges are Interest rate swap at the balance sheet rate as confirmed from banks/ financial institutions.

(iii) Financial assets and liabilities measured at fair value – recurring fair value measurements **(₹ in lacs)**

Particulars	Level	As at 31 March 2026	As at 31 March 2025
Financial assets			
Investments in mutual funds	Level 1	5,457.14	5,801.28
Derivative asset not designated as hedges	Level 2	(215.73)	(27.37)
Total financial assets		**5,241.41**	**5,773.91**
Financial liabilities			
Derivative liabilities designated as hedges	Level 2	466.86	548.54
Derivative liabilities not designated as hedges	Level 2	-	-
Total financial liabilities		**466.86**	**548.54**

33. Financial risk management

The accounting classification of each category of financial instruments, and there carrying amounts are set as below:

(₹ in lacs)

Particulars	As at 31 March 2026			As at 31 March 2025		
	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL	Amortised cost
Financial assets						
Investments - mutual funds*	-	5,457.14	-	-	5,801.28	-
Trade receivables	-	-	18,494.01	-	-	17,033.62
Loans	-	-	82.02	-	-	88.99
Cash and cash equivalents	-	-	117.09	-	-	2,256.39
Other bank balances (Non-current and current)	-	-	10,679.72	-	-	4,854.45
Derivative asset not designated as hedges	-	(215.73)	-	-	(27.37)	-
Other financial assets (Non-current and current)	-	-	1,641.69	-	-	1,472.31
Total financial assets	**-**	**5,241.41**	**31,014.53**	**-**	**5,773.91**	**25,705.76**
Financial liabilities						
Borrowings	-	-	72,899.69	-	-	66,016.59
Lease liabilities	-	-	1.25	-	-	1.25
Trade payables	-	-	6,652.93	-	-	4,704.24
Derivative liabilities designated as hedges	466.86	-	-	548.54	-	-
Derivative liabilities not designated as hedges	-	-	-	-	38.07	-
Other financial liabilities	-	-	1,026.82	-	-	1,091.65
Total financial liabilities	**466.86**	**-**	**80,580.69**	**548.54**	**38.07**	**71,813.73**

*Investment in equity shares of joint venture has been accounted at cost in accordance with Ind AS 27. Therefore not within the scope of Ind AS 109, hence not included here

(i) Risk management

The Group activities expose it to market risk, liquidity risk and credit risk. The Holding Company's Board of Directors has overall responsibility for the establishment and oversight of the Group risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables, other financial assets	Ageing analysis	Diversification of bank deposits and investments, credit limits and letter of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting	Forward contract/hedging, if required
Market risk - Interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect market factors
Price risk - security price	Investments in mutual funds	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group exposure to credit risk is influenced mainly by cash and cash equivalents, investments, trade receivables and other financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

The Group provides for expected credit loss based on the following:

Description	Asset group	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss
Moderate credit risk	Trade receivables	Life time expected credit loss
High credit risk	Trade receivables	Life time expected credit loss or fully provided for

Impairment on cash and cash equivalents and other bank balances has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The Group uses a similar approach for assessment of ECLs for cash and cash equivalents to those used for debt securities.

All of the Group's loans at amortised cost are considered to have low credit risk, and the loss allowance, if any, is limited to 12 months' expected losses. Management considers instruments to be low credit risk when they have a low risk of default and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term.

The Group's investments in mutual funds, bonds are considered to have a low risk and the loss allowance recognised is based on the 12 months expected loss. Management considers "low credit risk" for listed bonds and debentures to be those with high quality external credit ratings (investment grade). The Group uses the ratings from the Good Credit Rating Agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2026 and 31 March 2025 is the carrying amounts of financial assets.

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period (including extension). Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Below is the bifurcation of assets in various categories of risk: **(₹ in lacs)**

Description	Particulars	As at 31 March 2026	As at 31 March 2025
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	36,255.94	31,479.67
High credit risk/ moderate risk	Trade receivables	95.80	49.99

ii) *Concentration of financial assets*

The Group exposure to credit risk for trade receivables is presented as below. Loans and other financial assets majorly represents loans to employees and security and earnest money deposits given for business purposes.

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Polyester film	16,671.67	14,444.88
Speciality Polymer	1,822.34	2,588.74

b) Credit risk exposure

Provision for expected credit losses

The Group provides for 12 month expected credit losses or lifetime expected credit losses for following financial assets:

As at 31 March 2026 (₹ in lacs)

Particulars	Estimated gross carrying amount at default	Expected credit losses (including credit impaired)	Carrying amount net of impairment provision
Trade receivables	18,589.81	95.80	18,494.01
Loans	82.02	-	82.02
Cash and cash equivalents	117.09	-	117.09
Other bank balances	10,679.72	-	10,679.72
Derivative assets	**(215.73)**	-	(215.73)
Other financial assets	1,641.69	-	1,641.69
Investments*	5,457.14	-	5,457.14
Total financial assets	**36,351.74**	**95.80**	**36,255.94**

*Investments comprise holdings in mutual funds and commercial papers, excluding investments in joint ventures and subsidiaries

As at 31 March 2025 (₹ in lacs)

Particulars	Estimated gross carrying amount at default	Expected credit losses (including credit impaired)	Carrying amount net of impairment provision
Trade receivables	17,083.61	49.99	17,033.62
Loans	88.99	-	88.99
Cash and cash equivalents	2,256.39	-	2,256.39
Other bank balances	4,854.45	-	4,854.45
Derivative assets	(27.37)	-	(27.37)
Other financial assets	1,472.31	-	1,472.31
Investments*	5,801.28	-	5,801.28
Total financial assets	**31,529.66**	**49.99**	**31,479.67**

*Investments comprise holdings in mutual funds and commercial papers, excluding investments in joint ventures and subsidiaries

Expected credit loss for trade receivables under simplified approach

As at 31 March 2026 (₹ in lacs)

Particulars	Less than 6 months	6 months- 1 year	1- 2 years	2- 3 years	More than 3 years	Total
Gross carrying value	18,263.69	81.15	181.99	47.12	15.86	**18,589.81**
Credit impaired	-	-	-	-	-	-
Expected loss rate	0.11%	11.23%	25.72%	10.00%	100.00%	-
Expected credit loss (impairment)	19.31	9.11	46.81	4.71	15.86	**95.80**
Carrying amount (net of impairment)	**18,244.38**	**72.04**	**135.18**	**42.41**	-	**18,494.01**

As at 31 March 2025 (₹ in lacs)

Particulars	Less than 6 months	6 months- 1 year	1- 2 years	2- 3 years	More than 3 years	Total
Gross carrying value	16,919.92	99.81	48.03	15.80	0.05	**17,083.61**
Credit impaired	-	-	-	-	-	-
Expected loss rate	0.10%	12.91%	9.99%	100.00%	100.00%	-
Expected credit loss (impairment)	16.45	12.89	4.80	15.80	0.05	**49.99**
Carrying amount (net of impairment)	**16,903.47**	**86.92**	**43.23**	-	-	**17,033.62**

(₹ in lacs)

Reconciliation of loss allowance	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening Balance	**49.99**	**30.25**
Increase in loss allowance due to expected credit loss	60.09	31.78
decrease in credit impaired	(14.28)	(12.04)
Closing Balance	**95.80**	**49.99**

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors rolling forecasts of the Group liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Group financial liabilities into relevant maturity groupings based on their contractual maturities.

(₹ in lacs)

As at 31 March 2026	Less than 1 year	1 - 3 years	More than 3 years	Total
Non-derivatives				
Borrowings (including interest)	35,801.43	26,107.12	21,850.25	**83,758.80**
Trade payables	6,652.93	-	-	**6,652.93**
Other financial liabilities	1,026.82	-	-	**1,026.82**
Derivative liabilities designated as hedges	466.86	-	-	**466.86**
Total	**43,948.04**	**26,107.12**	**21,850.25**	**91,905.41**

(₹ in lacs)

As at 31 March 2025	Less than 1 year	1 - 3 years	More than 3 years	Total
Non-derivatives				
Borrowings (including interest)	28,845.30	22,337.39	26,179.81	**77,362.50**
Trade payables	4,704.24	-	-	**4,704.24**
Other financial liabilities	1,678.26	-	-	**1,678.26**
Derivative liabilities designated as hedges	548.54			**548.54**
Total	**35,776.34**	**22,337.39**	**26,179.81**	**84,293.54**

The Group had access to following funding facilities:

As at 31 March 2026 (₹ in lacs)

Funding facilities	Total Facility	Drawn	Not drawn
Less than 1 year	42,779.00	23,556.78	19,222.22
Total	**42,779.00**	**23,556.78**	**19,222.22**

As at 31 March 2025 (₹ in lacs)

Funding facilities	Total Facility	Drawn	Not drawn
Less than 1 year	42,779.00	19,835.71	22,943.29
Total	**42,779.00**	**19,835.71**	**22,943.29**

(C) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates.

Interest rate risk exposure

The Group variable rate borrowing is subject to interest rate risk. Below is the overall exposure of the borrowing:

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Variable rate borrowing	72,605.06	65,614.07
Fixed rate borrowing	295.88	403.77
Total borrowings	**72,900.94**	**66,017.84**

Hedges of highly probable forecasted transactions

The Group is also exposed to interest rate risk as most of the borrowings are carries interest rate linked to SOFR. The Group has put in place a Board approved policy to manage and hedge risks associated with borrowings which prescribes the structure and organisation for management of associated risks.

The Group's risk management policy which aims to hedge interest rate arising from its borrowings. The Group has hedged its floating rate interest payment cash flows. Consequently, interest rate swap has been designated in cash flow hedge relationship with borrowings. Hedged item and hedging instruments have been identified in below paragraphs.

Hedge effectiveness is determined at inception of the hedge relationship and at every reporting period end through the assessment of the hedged items and hedging instrument to determine whether there is still an economic relationship between the two.

All derivative financial instruments used for hedge accounting are recognised initially at fair value and reported subsequently at fair value in the standalone balance sheet.

To the extent the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity. Any ineffectiveness in the hedge relationship is recognised immediately in profit or loss.

At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income.

If a forecast transaction is no longer expected to occur, any related gain or loss recognised in other comprehensive income is transferred immediately to profit or loss. If the hedging relationship ceases to meet the effectiveness conditions, hedge accounting is discontinued, and the related gain or loss is held in the equity reserve until the forecast transaction occurs.

The effect of hedge accounting on the balance sheet and performance is as follows, including the outline timing and profile of the hedging instruments: **(₹ in lacs)**

Particulars	As at 31 March 2026	As at 31 March 2025
Carrying amounts	-	-
Interest rate swap	466.86	559.61
Line item affected in balance sheet	Other financial liability	Other financial liability
Notional amount- Interest rate swap	$10.81 million	$10.01 million
Hedge ratio	1:1	1:1
Maturity date	June 2030	June 2030
Average fixed interest rate	9.75%	9.75%
Amounts in cash flow hedge reserve	65.77	(314.25)

The following movements in the cash flow hedge reserve **(₹ in lacs)**

Particulars	As at 31 March 2026	As at 31 March 2025
Opening Balance	(314.25)	-
Change in fair value of derivatives during the period	253.48	(343.85)
Amount reclassified from OCI to PL (finance cost)*	(160.50)	(79.78)
Deferred tax	(27.21)	109.38
Closing Balance	(248.48)	(314.25)

*The amounts reclassified to profit and loss account has been included in the finance costs

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts

The Group assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships the main source of ineffectiveness are:

The effect of the counterparty's and the Group's own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in interest rates; and differences in repricing dates between the swaps and the borrowings.

The Group does not frequently reset hedging relationships because both the hedging instrument and the hedged item frequently change (ie, the entity does not use a dynamic process in which neither the exposure nor the hedging instruments used to manage that exposure remain the same for a long period). If it did, then it would be exempt from providing the disclosures required by paragraphs 23A and 23B of Ind AS 107, but would instead provide information about the ultimate risk management strategy, how it reflects its risk management strategy in its hedge accounting and designations, and how frequently. antly hedging relationships are discontinued and restarted. If the volume of these hedges is unrepresentative of normal volumes during the year (ie. the volume at the reporting date does not reflect the volumes during the year), then the entity would disclose that fact and the reason it believes the volumes are unrepresentative

Sensitivity

Profit or loss and equity is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest sensitivity*#		
Interest rates – decrease by 50 basis point (31 March 2025: 50 basis point)	287.47	259.91
Interest rates – increase by 50 basis point (31 March 2025: 50 basis point)	(287.47)	(259.91)

** Holding all other variables constant*

#Interest sensitivity has been calculated post-tax basis

(ii) Foreign exchange risk

Foreign exchange risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Group's operating, investing and financing activities. The Investment and Borrowing Committee evaluates foreign exchange rate exposure arising from foreign currency transactions on periodic basis and follows appropriate risk management policies.

The Group has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions (imports and exports). Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Group functional currency.

Foreign currency risk exposure

Particulars	Currency	Amount in Foreign Currency (In absolute figures)		Amount (₹ in lacs)	
		As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Receivables					
Trade receivable	USD	82,81,708.96	1,23,53,841.05	7,837.81	10,571.18
	GBP	1,26,742.65	1,84,155.87	159.20	203.90
	EURO	15,77,444.04	12,44,379.39	1,718.78	1,146.94
Payables					
Trade payables	EURO	4,584.79	16,113.32	4.99	14.85
	USD	1,49,055.52	5,07,895.00	141.14	432.44
Acceptances	USD	-	2,96,800.00	-	254.12
Foreign currency secured loan	USD	89,19,429.88	1,00,33,725.09	8,442.24	8,377.08
	EURO	1,74,40,650.74	2,06,10,961.30	19,012.04	19,007.43
Interest accrued on Foreign currency secured loan	EURO	1,26,983.31	1,75,126.46	138.42	161.50
Interest accrued on Foreign currency secured loan	USD	16,907.91	-	16.00	-

*As a risk mitigation strategy the Group has taken cross currency Principal only swap in USD @1.0561per USD for the 25% of EURO exposure.

Sensitivity

The following table illustrates the sensitivity of profit in regards to the Holding Company's financial assets and financial liabilities and the USD/INR exchange rate, EUR/INR exchange rate and GBP/INR exchange rate 'all other things being equal'. It assumes a +/- 5.00% change of the INR/USD exchange rate for the year ended at 31st March, 2026 (2025: 5.00%). A +/- 5.00% change is considered for the INR/EUR exchange rate (2025: 5.00%). A +/- 5.00 % change is considered for the INR/GBP exchange rate (2025: 5.00 %).

(₹ in lacs)

Particulars	Impact on profit after tax and other equity	
	As at 31 March 2026	As at 31 March 2025
USD sensitivity		
INR/USD increase by 5.00% (31 March 2025- 5.00%)	(28.49)	66.12
INR/USD decrease by 5.00% (31 March 2025- 5.00%)	28.49	(66.12)
GBP sensitivity		
INR/GBP increase by 5.00% (31 March 2025- 5.00%)	5.96	6.95
INR/GBP decrease by 5.00% (31 March 2025- 5.00%)	(5.96)	(6.95)
EUR sensitivity		
INR/EUR increase by 5.00% (31 March 2025- 5.00%)	(652.39)	(749.14)
INR/EUR decrease by 5.00% (31 March 2025- 5.00%)	652.39	749.14

Derivative contracts

The Group is exposed to exchange rate risk that arises from its foreign exchange revenues and expenses, primarily in US Dollars, Euros etc. The Group uses foreign currency forward contracts ("derivatives") to mitigate its risk of changes in foreign currency exchange rates. The counterparty for these contracts is generally a bank or a financial institution.

Hedges of highly probable forecasted transactions

The effect of hedge accounting on the balance sheet and performance is as follows, including the outline timing and profile of the hedging instruments:

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Carrying amounts	-	-
Currency option (in EURO)	-	(11.07)
Line item affected in balance sheet	-	Other financial liability
Notional amount- Currency option (in EURO)	-	3.90 lacs (EURO)
Hedge ratio	-	1:1
Maturity date	-	June 2025
Average currency option rate (in EURO)	-	91.00
Amounts in cash flow hedge reserve	-	6.90

The Group designates the spot element of forward foreign exchange contracts to hedge its currency risk and applies a hedge ratio of 1:1. The forward elements of forward exchange contracts are excluded from the designation of the hedging instrument and are separately accounted for as a cost of hedging, which is recognised in equity in a cost of hedging. The Group's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method

In these hedge relationships, the main sources of Ineffectiveness are:

the effect of the counterparties and the Group's own credit risk on the fair value of the forward foreign exchange contracts, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates; and changes in the timing of the hedged transactions.

(iii) Price risk

The Group exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

Sensitivity analysis

Profit or loss is sensitive to higher/lower prices of instruments on the Group profit for the year -

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Investments in mutual funds		
Price increase by (5%) - FVTPL instrument	204.18	217.05
Price decrease by (5%) - FVTPL instrument	(204.18)	(217.05)

34. Segment reporting

The Group operates in two segments manufacturing and sale of polyester film and speciality polymer. The Group has chosen business segments considering the dominant source of nature of risks and returns, internal organisation, management structure and the manner chief operating decision maker (CODM) review the financial performance of the business for allocating the economic resources. A brief description of the reportable segment is as follows:

Polyester chips and film: Polyester chips and films that are used in primarily flexible packaging and other industrial application. Polyester film is known for high tensile strength, chemical and dimensional stability, transparency, reflective, gas and aroma barrier properties and electrical insulation. PET chips is the main raw material used to manufacture the film.

Speciality Polymer: Specialty Polymers are Polymers that are high performance material catering to the global needs of the industries / applications such as carpets, textiles, food and beverages, consumer electronics, industrial etc. which cannot be met by commodity PET grades.

A. Segment Disclosure

Year ended 31 March 2026 **(₹ in lacs)**

Particulars	Polyester film	Speciality Polymers	Total of segments	Unallocable	Net Total
Revenue					
External	1,19,589.18	17,930.31	**1,37,519.49**	-	**1,37,519.49**
Inter - segment	-	-	-	-	-
Total revenue	**1,19,589.18**	**17,930.31**	**1,37,519.49**	-	**1,37,519.49**
Income/expenses					
Other income	-	-	-	1,752.80	**1,752.80**
Cost of material consumed	81,570.11	8,762.61	**90,332.72**	-	**90,332.72**
Changes in inventories of finished goods and work-in-progress	(2,271.83)	324.73	**(1,947.10)**	-	**(1,947.10)**
Depreciation and amortisation	5,935.43	444.61	**6,380.04**	612.90	**6,992.94**
Finance costs	-	-	-	6,490.98	**6,490.98**
Other expenses (including employee benefits expense)	29,632.51	2,533.07	**32,165.58**	7,514.11	**39,679.69**
Loss of equity accounted investments				151.03	**151.03**
Segment results	**4,722.96**	**5,865.29**	**10,588.25**	**(13,016.22)**	**(2,427.97)**
Tax expense	-	-	-	-	**319.13**
Profit after tax					**(2,747.10)**

Year ended 31 March 2025 **(₹ in lacs)**

Particulars	Polyester film	Speciality Polymers	Total of segments	Unallocable	Net Total
Revenue					
External	1,12,695.23	15,518.98	**1,28,214.21**	-	**1,28,214.21**
Inter - segment	-	-	-	-	-
Total revenue	**1,12,695.23**	**15,518.98**	**1,28,214.21**	-	**1,28,214.21**
Income/expenses					
Other income		-	-	1,689.86	**1,689.86**
Cost of material consumed	71,854.85	7,390.26	**79,245.11**	-	**79,245.11**
Changes in inventories of finished goods and work-in-progress	720.96	(472.37)	**248.59**	-	**248.59**
Depreciation and amortisation	5,956.06	397.74	**6,353.80**	521.46	**6,875.26**
Finance costs	-	-	-	6,732.69	**6,732.69**

Other expenses (including employee benefits expense)	24,902.08	2,493.79	**27,395.87**	6,605.51	**34,001.38**
Loss of equity accounted investments				20.41	**20.41**
Segment results	**9,261.28**	**5,709.56**	**14,970.84**	**(12,190.21)**	**2,780.63**
Tax expense	**-**	**-**	**-**	**-**	**1,410.81**
Profit after tax					**1,369.82**

Year ended 31 March 2026 **(₹ in lacs)**

Particulars	Polyester chips and film	Speciality Polymers	Total of segments
Segment assets	1,23,885.07	11,342.06	**1,35,227.13**
Segment liabilities	51,423.61	246.38	**51,669.99**
Addition/Reduction to non current assets*	633.43	(293.35)	**340.08**

*It consist of non-current assets other than loans and advances and investment in subsidiary and joint venture.

Year ended 31 March 2025 **(₹ in lacs)**

Particulars	Polyester chips and film	Speciality Polymers	Total of segments
Segment assets	1,16,811.86	11,453.31	**1,28,265.17**
Segment liabilities	45,173.34	550.76	**45,724.10**
Addition/Reduction to non current assets*	(3,537.20)	(197.77)	**(3,734.97)**

*It consist of non-current assets other than loans and advances and investment in subsidiary and joint venture.

Revenue as per geographical market **(₹ in lacs)**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from external customers:		
India	89,564.08	80,548.23
Outside India	47,955.41	47,665.98
Total revenue per statement of profit or loss	**1,37,519.49**	**1,28,214.21**
Segment receivables		
India	8,778.39	5,121.50
Outside India	9,715.62	11,912.12
Total	**18,494.01**	**17,033.62**

The totals presented for the operating segments reconcile to the key financial figures as presented in its financial statements as follows:

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit or loss		
Total segment profit	10,588.25	14,970.84
Depreciation and amortisation	(612.90)	(521.46)
Administrative & other expenses	(2945.99)	(3531.28)
Employee benefits expense	(4074.81)	(3120.25)
Other manufacturing expenses	(427.90)	(448.85)
Other income	1,752.80	1,689.86
Other comprehensive income	(65.41)	494.87
Loss of equity accounted investments	(151.03)	(20.41)
Finance cost	(6490.98)	(6732.69)
Total profit before tax	**(2,427.97)**	**2,780.63**

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Assets		
Total segment assets	1,35,227.13	1,28,265.17
Investments*	7,835.71	7,480.88
Other Unallocable assets**	24,323.09	21,545.12
Total assets	**1,67,385.93**	**1,57,291.17**

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Liabilities		
Total segment liabilities	51,669.99	45,724.10
Borrowings	33,401.54	30,030.60
Other Unallocable liabilities***	4,041.39	4,284.50
Total liabilities	**89,112.92**	**80,039.20**

* It includes the investments in joint venture and mutual funds.

** Other unallocable assets includes common property plant and equipments, land, cash and cash equivalents etc

*** Other unallocable liabilities includes deferred tax liability, other provisions and trade payables etc.

Information about major customer

During the year ended 31 March 2026 revenue of approximately 5.15% (31 March 2025: 4.79%) was derived from a single external customer in the polyester chips and film business and approximately 27.74% in 31 March 2026 (31 March 2025: 22.79%) was derived from a single external customer in the speciality polymer business.

Non-current assets

Non-current assets of the Group (property, plant and equipment, capital work-in-progress, intangible assets) are held in India.

The Company has identified its operating segments as below:

a) Polyester chips and film

b) Speciality polymers

Following an operational realignment during the year and a revised approach by the Chief Operating Decision Maker (CODM) for performance evaluation and resource allocation, the recycled Polyester Chips (rPET) business has been reclassified from the "Speciality Polymers" segment to the "Polyester Chips and Film" segment. In accordance with the requirements of Ind AS 108 Operating Segments, the segment information for prior periods has been restated to reflect this change, ensuring consistency and comparability across reporting period.

35. Capital management

The Group objectives when managing capital are to:

- To ensure Group ability to continue as a going concern, and
- To provide adequate return to shareholders

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The amounts managed as capital by the Group are summarised as follows:

Debt equity ratio (₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Total borrowings*	72,900.94	66,017.84
Total equity	78,273.00	77,251.97
Net debt to equity ratio	**93%**	**85%**

**Total borrowings include non-current borrowings, current borrowings and leases.*

36. Dividends

(₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Equity shares - Dividend Paid		
Final dividend for the year ended 31 March 2025 @ ₹0.60 per equity share (including tax)*	585.52	-
Final dividend for the year ended 31 March 2024	-	-

**Includes dividend amounts transferred to the Unpaid Dividend Account in accordance with applicable statutory requirements.*

The Board of Directors of the Holding Company at its meeting held on 13 May 2026, has recommended final dividend of ₹0.25 per equity share for the year ended 31 March 2026, subject to the approval of shareholders of the Holding Company in the forthcoming Annual General Meeting.

37. Related party transactions

In accordance with the requirements of Ind AS 24 the names of the related parties where control exists/able to exercise significant influence along with the aggregate transactions and year end balances with them as identified and certified by the management are given below:

i) Parties where control exists:	Nature of related party	
Name of the related parties	**For the year ended 31 March 2026**	**For the year ended 31 March 2025**
Goldring Investments Corporation	Ultimate Holding Company	Ultimate Holding Company
Wilemina Finance Corporation	Intermediate Holding Company	Intermediate Holding Company
Ester Loop Infinite Technologies (ELITe) Private Limited	Joint Venture (w.e.f. 12 Feb 2025)	Joint Venture (w.e.f. 12 Feb 2025)
Mr. Arvind Singhania	Chairman, Key Managerial Personnel w.e.f 27 March 2026	Chairman and Chief Executive Officer, Key Managerial Personnel
Mr. Pradeep Kumar Rustagi	Executive Director-Corporate Affairs, Key Managerial Personnel	Executive Director-Corporate Affairs, Key Managerial Personnel
Mr. Sourabh Agarwal (CFO)	Chief Financial Officer, Key Managerial Personnel	Chief Financial Officer, Key Managerial Personnel
Mr. Vaibhav Jha	Chief Executive Officer, Key Managerial Personnel (w.e.f. 27 March 2026)	Deputy Chief Executive Officer, Key Managerial Personnel (w.e.f. 16 Dec 2024)
Mr. Ayush Vardhan Singhania	Whole-time Director, Key Managerial Personnel	Whole-time Director, Key Managerial Personnel
Mr. Prashant Byce	Company Secretary, Key Managerial Personnel (till 13 May 2025)	Company Secretary, Key Managerial Personnel
Mr. Rahul Kumar	Company Secretary, Key Managerial Personnel (w.e.f 21 May 2025)	-
Mrs. Poornima Gupta	Company Secretary, Key Managerial Personnel	Company Secretary, Key Managerial Personnel
Mrs. Archana Singhania	Non Executive Director (Till 30th April 2025)	Non Executive Director
Mr. Sandeep Dinodia	-	Independent Director (Till 31 March 2025)
Ms. Sneha Singhania	Director (w.ef 16 March 2026)	-
Mrs. Padmaja Shailen Ruparel	Independent Director	Independent Director
Mr. Alok Dhir	Independent Director (till 26 August 2025)	Independent Director
Mr. Atul Aggarwal	Independent Director	Independent Director
Mr. Abhay Anant Gupte	Independent Director (w.e.f 6 May 2025)	-
Mrs. Uma Devi Singhania	Relatives of Key Managerial Personnel	Relatives of Key Managerial Personnel
Mr. Jai Vardhan Singhania	Relatives of Key Managerial Personnel	Relatives of Key Managerial Personnel
Mr. Arvind Kumar Goyal	Independent Director	Independent Director
Mr. Girish Behal	-	Director (till 27 August 2024)
Fenton Investments Private Limited	Enterprise over which Key Managerial Personnel exercise significant influence	Enterprise over which Key Managerial Personnel exercise significant influence
MOVI Limited	Enterprise over which Key Managerial Personnel exercise significant influence	Enterprise over which Key Managerial Personnel exercise significant influence
Modi Rubber Limited	Enterprise controlled by a immediate member of Key Managerial Personnel (others)	Enterprise controlled by a immediate member of Key Managerial Personnel (others)
Ester Industries Limited Employee's Provident Trust	Enterprise which is post-employment benefit plan for the benefit of employees (others)	Enterprise which is post-employment benefit plan for the benefit of employees (others)

(a) **Transactions with key managerial personnel and their relatives carried out in the ordinary course of business:**

(₹ in lacs)

Sr. No.	Particulars	Key managerial personnel		Joint venture in group/ Intermediate Holding Company		Enterprises over which directors exercise significant influence/ others		Total	Total
		For the year ended '31 March 2026	For the year ended '31 March 2025	For the year ended '31 March 2026	For the year ended '31 March 2025	For the year ended '31 March 2026	For the year ended '31 March 2025	For the year ended '31 March 2026	For the year ended '31 March 2025
1	**Managerial remuneration**								
	Arvind Singhania	522.72	288.72	-	-	-	-	522.72	288.72
	Pradeep Kumar Rustagi	169.43	132.17	-	-	-	-	169.43	132.17
	Ayush Vardhan Singhania	127.02	122.26	-	-	-	-	127.02	122.26
	Vaibhav Jha	188.90	72.96	-	-	-	-	188.90	72.96
	Sourabh Agarwal	125.08	95.52	-	-	-	-	125.08	95.52
	Poornima Gupta	20.79	16.44	-	-	-	-	20.79	16.44
	Prashant Byce	0.67	8.27	-	-	-	-	0.67	8.27
	Rahul Kumar	9.58	-	-	-	-	-	9.58	-
2	**Sitting Fees**								
	Archana Singhania	-	0.60	-	-	-	-	-	0.60
	Sandeep Dinodia	0.20	1.80	-	-	-	-	0.20	1.80
	Padmaja Shailen Ruparel	1.50	1.80	-	-	-	-	1.50	1.80
	Alok Dhir	0.10	0.60	-	-	-	-	0.10	0.60
	Atul Aggarwal	1.90	1.80	-	-	-	-	1.90	1.80
	Arvind Kumar Goyal	0.40	0.40	-	-	-	-	0.40	0.40
	Abhay Anant Gupta	1.40	-	-	-	-	-	1.40	-
3	**Transactions with Joint venture of Group**								
	Investment in Joint venture	-	-	850.00	1,700.00	-	-	850.00	1,700.00
	Expenses recovered	-	-	239.91	668.68	-	-	239.91	668.68
	Engineering Services/ R&D	-	-	216.67	-	-	-	216.67	-
4	**Dividend paid**								
	Wilemina Finance Corp	-	-	295.91	-	-	-	295.91	-
	Movi Limited	-	-	-	-	34.97	-	34.97	-
	Modi Rubber Limited	-	-	-	-	15.86	-	15.86	-
	Arvind Singhania	15.79	-	-	-	-	-	15.79	-
	Fenton Investments Private Limited	-	-	-	-	2.94	-	2.94	-
	Ayush Vardhan Singhania	1.07	-	-	-	-	-	1.07	-
	Jai Vardhan Singhania	0.75	-	-	-	-	-	0.75	-
	Pradeep Kumar Rustagi	-	-	-	-	-	-	-	-
	Uma Devi Singhania	-	-	-	-	-	-	-	-
5	**Corporate guarantees given by Intermediate Holding to lender banks**								
	Wilemina Finance Corporation	-	-	1,633.30	-	-	-	1,633.30	-

Sr. No.	Particulars	Key managerial personnel		Joint venture in group/ Intermediate Holding Company		Enterprises over which directors exercise significant influence/ others		Total	Total
		For the year ended '31 March 2026	For the year ended '31 March 2025	For the year ended '31 March 2026	For the year ended '31 March 2025	For the year ended '31 March 2026	For the year ended '31 March 2025	For the year ended '31 March 2026	For the year ended '31 March 2025
6	**Guarantees given by KMP to lender banks**								
	Arvind Singhania	3,382.86	-	-	-	-	-	3,382.86	-
7	**Company's contribution to provident fund trust:**								
	Ester Industries Limited Employee's Provident Trust	-	-	-	-	377.16	313.50	377.16	313.50

(b) Closing balance with key managerial personnel and their relatives in the ordinary course of business:

(₹ in lacs)

Corporate Guarantees given to Lender (banks) of -	As at	Amount
Arvind Singhania*	31 March 2026	51,892.49
	31 March 2025	48,509.63

(c) Closing balance with related parties in the ordinary course of business: (₹ in lacs)

Particulars	As at	Amount
Guarantees given against loans taken (jointly and severally) by the Company		
Wilemina Finance Corporation**	31 March 2026	15,674.51
	31 March 2025	14,041.21

(d) Closing balance with Joint venture of Group company in the ordinary course of business: (₹ in lacs)

Particulars	As at	Amount
Investment	31 March 2026	2,550.00
	31 March 2025	1,700.00
Receivable	31 March 2026	234.00
	31 March 2025	114.75

(e) Key managerial personnel compensation: (₹ in lacs)

Nature of transactions	For the year ended 31 March 2026	For the year ended 31 March 2025
Short-term employee benefits	1,163.52	736.34
Post-employment benefits	47.79	21.82
Other long-term benefits	13.86	3.50
	1,225.17	**761.66**

The related party transactions during the year ended 31 March 2026 and 31 March 2025 and outstanding balances as at 31 March 2026 and 31 March 2025 are at arm's length and in the ordinary course of business. Outstanding balances at the year-end are unsecured and gross amounts are settled in cash.

**The Company has received guarantees from Key managerial personnel and Intermediate Holding Company; for detailed terms and conditions, including the related loans and guarantee arrangements, refer to Note 18.

38. Contingent liabilities and commitments

(₹ in lacs)

	Particulars	As at '31 March 2026	As at '31 March 2025
1	**A. Contingent liabilities***		
2	Claims against the Group not acknowledged as debts^	22.50	109.00
3	Additional bonus for financial year 2014-15 due to Payment of Bonus (Amendment) Act, 2015 #	22.87	22.87
4	There is a contingent liability of:		
i)	Excise duty/custom duty/service tax demands not acknowledged as liability	1,185.71	1,182.58
ii)	Demand raised by Income Tax department, disputed by the Group and pending in appeal	27.20	33.88

* The amounts indicated as contingent liability or claims against the Group only reflect the basic value. Interest, penalty if any or legal costs, being indeterminable are not considered.

^ These claims represents various civil cases filed against the Group by various vendors and ex-employees of the Group.

In view of the amendment in The Payment of Bonus Act, 1965 notified on 1 January 2016, the Group has made a provision for incremental bonus for the financial year i.e. for 2015-16. Though the amendment was effective retrospectively from 1 April 2014, the Group on the legal advice has decided not to consider it on account of interim order of various Hon'ble High Courts allowing stay on the amendment with retrospective effect till the time its constitutional validity is established.

(₹ in lacs)

	B. Commitments	As at 31 March 2026	As at 31 March 2025
1	Estimated amount of contracts remaining to be executed on capital account and not provided for	1,658.22	4,370.66
2	Estimated amounts of contracts remaining to be executed on other than capital account and not provided for	8,183.13	7,739.38
3	Corporate Guarantees given to lender (banks) of Ester Filmtech Limited (Subsidiary) (refer note 37) *	50,095.59	49,052.92

39. Leases disclosure as lessee

Lease liabilities are presented in the statement of financial position as follows: **(₹ in lacs)**

Particulars	As at 31 March 2026	As at 31 March 2025
Current liabilities (amount due within one year)	-	-
Non current liabilities (amount due over one year)	1.25	1.25

The Group's leased asset consist of leases for land and building .With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security.

Right of use asset as at 31 March 2026 amounting to ₹ 55.33 lacs (as at 31 March 2025 amounting to ₹ 56.09 lacs) are for the lease of land and building.

A Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The Group does not have any liability to make variable lease payments for the right of use the underlying asset recognised in the financial statement.

The expense relating to payments not included in the measurement of the lease liability for short term leases for the year ended 31 March 2026 is ₹43.90 lacs (for the year ended 31 March 2025 amounting to ₹ 33.49 lacs).

B Total cash outflow for leases for the year ended 31 March 2026 was ₹ 0.15 lacs (year ended 31 March 2025 was ₹ 0.15 lacs).

C Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

(₹ in lacs)

Particulars	Minimum lease payments due as on 31 March 2026						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 Years	Total
Lease payments	0.15	0.15	0.15	0.15	0.15	10.2	**10.95**
Interest expense	(0.15)	(0.15)	(0.15)	(0.15)	(0.15)	(8.95)	**(9.70)**
Net present values	**-**	**-**	**-**	**-**	**-**	**1.25**	**1.25**

D Information about extension and termination options

Leases entered into	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Land for sitarganj manufacturing facility	1	73 years	73 years	-	None	-

E Expected future cash outflow on account of variable lease payments for the year ended 31 March 2026 is of ₹ Nil (for the year ended 31 March 2025 ₹ Nil).

F The total future cash outflows for the year ended 31 March 2026 for leases that had not yet commenced is of ₹ Nil (for the year ended 31 March 2025 ₹ Nil).

40. Employee benefits obligations

I Gratuity

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of continuous service gets a gratuity on departure at fifteen day salary (last drawn salary) for each completed year of service in terms of the provisions of the Payments of Gratuity Act, 1972. The Group provides for liability in its books of accounts based on actuarial valuation.

The following table summaries the components of net benefit expense recognised in statement of profit and loss and the amount recognised in the balance sheet for gratuity benefit:

(i) *Amounts recognised in the balance sheet* (₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Current liability	332.35	362.20
Non-current liability	914.15	780.30
Total	**1,246.50**	**1,142.50**

(ii) *Movement in the liability recognised in the balance sheet is as under:* (₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Present value of defined benefit obligation at the beginning of the year	1,142.50	1,083.78
Past Service Cost including curtailment gains/losses	201.69	-
Current service cost	111.78	89.99
Interest cost	77.80	77.49
Actuarial loss (net)	27.57	71.24
Benefits paid	(314.84)	(180.00)
Present value of defined benefit obligation at the end of the year	**1,246.50**	**1,142.50**

(iii) *Expenses recognised in statement of profit and loss* (₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current service cost	313.47	89.99
Interest cost	77.80	77.49
Cost recognised during the year	**391.27**	**167.48**

(iv) *Expenses recognised in other comprehensive income* (₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial loss net on account of:		
- Changes in financial assumptions	(55.21)	18.89
- Changes in experience adjustment	82.78	52.35
Cost recognised during the year	**27.57**	**71.24**

Particular	For the year ended 31 March 2026	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
- Changes in experience adjustment loss/ (gain)	82.78	52.35	88.89	(20.06)	46.27

(v) *Expected contribution for the next annual reporting period* (₹ in lacs)

Particulars	As at 31 March 2026	As at 31 March 2025
Service cost	121.21	89.94
Interest cost	94.11	77.80
Expected expense for the next annual reporting period	**215.32**	**167.74**

(vi(a)) *For determination of the liability of the Group the following actuarial assumptions were used:*

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Discount rate	7.55%	6.81%
Salary escalation rate	5.00%	5.00%
Normal retirement age (years)	58 Years*	58 Years*
Average past service (years)		
i) Holding Company	9.45 Years	11.10 Years
ii) Subsidiary Company	2.48 Years	1.96 Years
Average age		
i) Holding Company	39.95 Years	40.92 Years
ii) Subsidiary Company	32.74 Years	31.99 Years
Average remaining working life		
i) Holding Company	18.05 Years	17.15 Years
ii) Subsidiary Company	25.26 Years	26.01 Years
Weighted average duration		
i) Holding Company	14.52 Years	13.71 Years
ii) Subsidiary Company	19.34 Years	19.65 Years
Withdrawal rate		
Up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

Mortality rates inclusive of provision for disability -100% of IALM (2012 – 14)

*The Retirement age can vary from 58/60/61/62/63/64/67 years in case of holding company

(vi(b)) *Maturity profile of defined benefit obligation* **(₹ in lacs)**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Less than a year	332.35	362.19
Between one to two years	179.05	118.45
Between two to five years	235.23	234.80
Over five years	499.88	427.04

(vii) *Sensitivity analysis* **(₹ in lacs)**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
a) Impact of the change in discount rate		
Present value of obligation at the end of the year	**1,246.51**	**1,142.50**
Impact due to increase of 0.50%	(34.79)	(28.06)
Impact due to decrease of 0.50%	37.28	30.05
b) Impact of the change in salary increase		
Present value of obligation at the end of the year	**1,246.51**	**1,142.50**
Impact due to increase of 0.50%	38.03	30.43
Impact due to decrease of 0.50%	(35.77)	(28.66)

Sensitivities due to mortality and withdrawals are not material. Hence impact of change is not calculated.
Sensitivities as to rate of inflation and life expectancy are not applicable being a lump sum benefit on retirement.

Risk	
Salary increases	Actual salary increases will increase the defined benefit liability. Increase in salary increment rate assumption in future valuations will also increase the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the liability.
Mortality and disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact defined benefit liability.

II Provident fund

Provident fund for certain eligible employees is managed by Ester Industries Limited (Holding company) through trust "Ester Industries Limited Employee's Provident Trust" in line with the Provident Fund and Miscellaneous Provision Act, 1952. The plan guarantees interest at the rate as notified by the Provident Fund authority. The contribution by the employer and employee together with the interest thereon are payable to the employee at the time of separation from the Holding company or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the employee. In this regard, actuarial valuation as at 31 March 2026 was carried out by actuary to find out value of projected defined benefit obligation arising due to interest rate guarantee by the holding company towards provident fund. For the remaining employees of the Holding Company, contributions towards the Provident Fund are made directly to the Employees' Provident Fund Organisation (EPFO), in accordance with the applicable statutory provisions.

All eligible employees of Ester Filmtech Limited (Subsidiary Company) are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly to the Employees' Provident Fund Organisation (EPFO) . This plan is a defined contribution plan as the obligation of the employer is limited to the monthly contributions made to the fund. The contributions made to the fund are recognised as an expense in profit and loss under employee benefit expenses.

(₹ in lacs)

(i)

Projected benefit obligation	For the year ended 31 March 2026	For the year ended 31 March 2025
Projected benefit obligation at beginning of year	2,708.64	2,345.86
Current service cost	165.48	138.29
Interest cost	224.12	200.02
Contributions by plan participants/employees	204.91	171.05
Actuarial loss / (gain) due to interest guarantee	0.63	3.36
Benefits paid	(402.96)	(160.84)
Settlements/transfer In	48.20	10.90
Projected benefit obligation at end of year	2,949.02	2,708.64

(₹ in lacs)

(ii)

Reconciliation of plan assets	For the year ended 31 March 2026	For the year ended 31 March 2025
Fair value of plan asset at beginning of year	2,779.86	2,430.58
Actual return on plan asset	203.69	189.90
Employer contribution	165.48	138.29
Plan participants/employee contribution	204.91	171.05
Benefit paid	(402.96)	(160.84)
Settlements/transfer in	48.20	10.90
Fair value of plan asset at the end of the year	2,999.18	2,779.88

The principal assumptions used in determining liability towards shortfall in provident liability are shown below:

(iii)

Economic assumptions	For the year ended 31 March 2026	For the year ended 31 March 2025
i) Interest rate	8.25%	8.25%
ii) Discount rate	7.55%	6.81%
iii) Expected shortfall in Interest earning on the fund	0.05%	0.05%

(iv)

Demographic assumptions	For the year ended 31 March 2026	For the year ended 31 March 2025
i) Mortality	IALM (2012-14)	IALM (2012-14)
ii) Normal Retirement Age	58	58

(₹ in lacs)

(v)

Actuarial (Gain)/Loss on Obligation	For the year ended 31 March 2026	For the year ended 31 March 2025
i) Actuarial loss on arising from change in financial assumption	(1.28)	0.49
ii) Actuarial loss on arising from experience adjustment	1.91	2.87

(₹ in lacs)

Particular	For the year ended 31 March 2026	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
- Changes in experience adjustment loss/ (gain)	1.91	2.87	1.70	0.06

(vi)	Major categories of plan assets (as percentage of total plan assets)	As at 31 March 2026	As at 31 March 2025
	i) Central government bonds	9.81%	10.78%
	ii) State government bonds	49.60%	48.12%
	iii) Public sector bonds	32.40%	30.61%
	iv) Private sector bonds	6.41%	8.22%
	v) Equity/Mutual fund	1.78%	1.89%
	vi) RBI special deposit bonds	0.00%	0.38%
	Total	**100.00%**	**100.00%**

III The Group has made contribution to certain defined contribution plans as captured in the table below. The obligations of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(₹ in lacs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Employer's contribution to Ester Industries Limited Employee's Provident Trust (Refer note 40-II)	165.47	138.29
Employer's contribution to other Provident Fund	194.21	185.99
Employer's contribution to Superannuation Fund	31.47	35.94
Employer's contribution to labour welfare fund and employee state insurance	9.14	10.20

41 Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

(i) Identify the contracts with customer;

(ii) Identify separate performance obligations in the contract;

(iii) Determine the transaction price;

(iv) Allocate the transaction price to the performance obligations; and

(v) Recognise revenue when a performance obligation is satisfied.

(a) Disaggregation of revenue

The Group has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

For the year 31 March 2026 **(₹ in lacs)**

Revenue from operations	Sale of products (at a point of time)	Other operating revenue*	Total
Revenue by geography			
Domestic	87,984.72	414.24	88,398.96
Export	47,955.41	-	47,955.41
Total	**1,35,940.13**	**414.24**	**1,36,354.37**

For the year 31 March 2025 **(₹ in lacs)**

Revenue from operations	Sale of products (at a point of time)	Other operating revenue*	Total
Revenue by geography			
Domestic	78,834.87	501.13	79,336.00
Export	47,665.98	-	47,665.98
Total	**1,26,500.85**	**501.13**	**1,27,001.98**

*Other operating revenue amounting to ₹ 1,165.12 lacs (31 March 2025:₹ 1,212.22 lacs) in the nature of export incentives are not covered under the scope of Ind AS 115.

Refer note 34 Segment reporting for information about major customer

(b) **Assets and liabilities related to contracts with customers** **(₹ in lacs)**

Description	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Contract liabilities				
Revenue received in advance	-	363.81	-	173.21

(c) **Reconciliation of revenue recognised in Statement of Profit and Loss with Contract price** **(₹ in lacs)**

Description	As at 31 March 2026	As at 31 March 2025
Contract price	1,36,524.14	1,27,357.17
Less: Discount, rebates, credits etc.	169.77	355.19
Revenue from operations as per Statement of Profit and Loss	**1,36,354.37**	**1,27,001.98**

(d) **Revenue recognised in relation to contract liabilities**

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

(₹ in lacs)

Description	As at 31 March 2026	As at 31 March 2025
Opening balance	173.21	138.41
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	173.21	138.41
Contract liabilities arised during the year	363.81	173.21
Closing balance	**363.81**	**173.21**

Trade receivables	As at 31 March 2026	As at 31 March 2025
Opening balance	17,033.62	14,730.83
Closing balance	18,494.01	17,033.62

(e) In the normal course of business, the payment terms given to domestic customers ranges from 0 to 60 days and for export customers, it ranges from 0 to 105 days.

(f) All the contracts are for periods of one year or less or are billed based on time incurred. As per practical expedient given under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

42 A Share based payment-ESTER EMPLOYEES STOCK OPTION PLAN-2021

The Nomination and Remuneration Committee of the Holding Company had at its meeting held on 01 April 2021, approved grant of 2,48,179 (face value of₹ 5/- per share) to the eligible employees of the Holding Company under the of ESTER EMPLOYEES STOCK OPTION PLAN-2021, at an exercise price of ₹ 105 per option (being 10% less that the closing price at NSE on 31 March 2021 i.e. immediately preceding the grant date), each option being convertible in to one Equity Share of the Holding Company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the terms and conditions of the ESTER EMPLOYEES STOCK OPTION PLAN-2021.

The terms and conditions of the grant as per the Ester Employee Stock Option Plan-2021 are as under:

A. Vesting period

Vesting of the options shall take place as per the following schedule:

- 10% of options shall vest at the end of a period of 1 (one) year from date of grant
- 20% of options shall vest at the end of a period of 2 (two) years from date of grant
- 30% of options shall vest at the end of a period of 3 (three) years from date of grant
- 40% of options shall vest at the end of a period of 4 (four) years from date of grant

B. Exercise period

8 (Eight) years from the date of grant. The employee shall have a right to exercise all the option vested in him at one time or various points of time within the exercise period.

Particulars of Options outstanding as on 31 March 2026 is as follows:

Particulars	Grant 1			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Outstanding stock options (numbers) at the beginning of the year	10,171	20,343	30,514	40,685
Options (numbers) granted during the year	-	-	-	-
Options (numbers) exercised during the year	-	-	-	-
Outstanding options (numbers) at the end of the year	10,171	20,343	30,514	40,685
Weighted average exercise price (₹)	105.00	105.00	105.00	105.00
Vesting date	01 April 2022	01 April 2023	01 April 2024	01 April 2025

Weighted average remaining contractual life as on 31 March 2026 (3 years) and 31 March 2025 (4 years).

Particulars of Options outstanding as on 31 March 2025 is as follows:

Particulars	Grant 1			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Outstanding stock options (numbers) at the beginning of the year	24,818	49,636	74,454	99,272
Options (numbers) granted during the year	-	-	-	-
Options (numbers) exercised during the year	14,647	29,293	43,940	-
Options (numbers) Lapsed during the year	-	-	-	58,587
Outstanding options (numbers) at the end of the year	10,171	20,343	30,514	40,685
Weighted average exercise price (₹)	105.00	105.00	105.00	105.00
Vesting date	01 April 2022	01 April 2023	01 April 2024	01 April 2025

Weighted average remaining contractual life as on 31 March 2025 (4 years) and 31 March 2024 (5 years).

Fair value of Options granted during the previous financial year 2021-22, has been determined using Black-Scholes model with following inputs:

Particulars	Grant 1			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Date of Grant	01-Apr-21	01-Apr-21	01-Apr-21	01-Apr-21
Stock price on the grant date (₹)	116.75	116.75	116.75	116.75
Exercise price (₹)	105.00	105.00	105.00	105.00
Expected term (years)	8 years	8 years	8 years	8 years
Weighted average fair value as on grant date (₹)	57.97	60.08	64.91	67.29
Expected price volatility	55.72%	55.64%	60.05%	61.03%
Risk free interest rate	5.49%	5.64%	5.77%	5.90%
Expected dividend yield	1.79%	1.79%	1.79%	1.79%

Risk free return has been considered as Zero Coupon Bond Yield (continuous compound) for a term equal to the expected option life of the ESOP's, available on The Clearing Corporation of India Limited's (CCIL) website. Expected volatility calculation is based on historical daily closing stock prices of competitors using standard deviation of daily change in stock price. The minimum life of the stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which options cannot be exercised. The expected life has been considered based on average of maximum life and minimum life and may not necessarily be indicative of exercise patterns that may occur.

42 B Share based payment- Ester Industries Limited Employees Stock Option Plan 2024 ("ESOP 2024")

The Nomination and Remuneration Committee of the Holding Company had at its meeting held on 14 January 2025, approved grant of 1,43,742 (face value of ₹ 5/- per share) to the eligible employees of the Holding Company under the of "Ester Industries Limited Employees Stock Option Plan 2024 ("ESOP 2024"), at an exercise price of ₹ 114 per option (being 20% less that the closing price at NSE on 13 January 2025 i.e. immediately preceding the grant date), each option being convertible in to one Equity Share of the Holding Company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the terms and conditions of the "Ester Industries Limited Employees Stock Option Plan 2024 ("ESOP 2024").

The terms and conditions of the grant as per the "Ester Industries Limited Employees Stock Option Plan 2024 ("ESOP 2024") are as under:

A. Vesting period

Vesting of the options shall take place on the basis of time based Vesting condition or performance based vesting condition or a combination of both as per the following schedule:

Time based vesting for 50 % Options:

-12.5 % of the Options will vest on 14th January 2026 i.e. post completion of 1 (One) year from date of Grant

-12.5 % of the Options will vest on 14th January 2027 i.e. post completion of 2 (Two) years from date of Grant

-12.5 % of the Options will vest on 14th January 2028 i.e. post completion of 3 (Three) years from date of Grant

-12.5 % of the Options will vest on 14th January 2029 i.e. post completion of 4 (Four) years from date of Grant

Performance based Vesting for 50 % of Options*:

-Up to 12.5 % of the Options will vest on 14th January 2026 i.e. post completion of 1 (One) year from date of Grant

-Up to 12.5 % of the Options will vest on 14th January 2027 i.e. post completion of 2 (Two) years from date of Grant

-Up to 12.5 % of the Options will vest on 14th January 2028 i.e. post completion of 3 (Three) years from date of Grant

-Up to 12.5 % of the Options will vest on 14th January 2029 i.e. post completion of 4 (Four) years from date of Grant

B. Exercise period

Maximum 5 (five) years from the date of respective Vesting for the particular Option.

Particulars of options outstanding as on 31 March 26 is as follows:

Particulars	Grant 1			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Outstanding stock options (numbers) at the beginning of the year	35,936	35,936	35,935	35,935
Options (numbers) granted during the year	-	-	-	-
Options (numbers) exercised during the year	-	-	-	-
Outstanding options (numbers) at the end of the year	35,936	35,936	35,935	35,935
Weighted average exercise price (₹)	114.00	114.00	114.00	114.00
Vesting date	14 January 2026	14 January 2027	14 January 2028	14 January 2029

Particulars of options outstanding as on 31 March 26 is as follows:

Particulars	Grant 2			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Outstanding stock options (numbers) at the beginning of the year	-	-	-	-
Options (numbers) granted during the year	4,797	4,797	4,797	4,797
Options (numbers) exercised during the year	-	-	-	-
Outstanding options (numbers) at the end of the year	4,797	4,797	4,797	4,797
Weighted average exercise price (₹)	79.00	79.00	79.00	79.00
Vesting date	08 January 2027	08 January 2028	08 January 2029	08 January 2030

Particulars of options outstanding as on 31 March 25 is as follows:

Particulars	Grant 1			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Outstanding stock options (numbers) at the beginning of the year	-	-	-	-
Options (numbers) granted during the year	35,936	35,936	35,935	35,935
Options (numbers) exercised during the year	-	-	-	-
Outstanding options (numbers) at the end of the year	35,936	35,936	35,935	35,935
Weighted average exercise price (₹)	114.00	114.00	114.00	114.00
Vesting date	14 January 2026	14 January 2027	14 January 2028	14 January 2029

Fair value of options granted during the previous financial year 2024-25, has been determined using Black-Scholes model with following inputs:

Particulars	Grant 1			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Date of Grant	14 January 2025	14 January 2025	14 January 2025	14 January 2025
Stock price on the grant date (₹)	143.00	143.00	143.00	143.00
Exercise price (₹)	114.00	114.00	114.00	114.00
Expected term (years)	3.5 years	4.5 years	5.5 years	6.5 years
Weighted average fair value as on grant date (v)	71.00	79.00	87.00	92.00
Expected price volatility	47.07%	48.84%	51.06%	50.47%
Risk free interest rate	6.68%	6.68%	6.72%	6.73%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%

Fair value of options granted during the financial year 2025-26, has been determined using Black-Scholes model with following inputs:

Particulars	Grant 2			
	Vesting period-1	Vesting period-2	Vesting period-3	Vesting period-4
Date of Grant	08 January 2026	08 January 2026	08 January 2026	08 January 2026
Stock price on the grant date (₹)	98.89	98.89	98.89	98.89
Exercise price (₹)	79.00	79.00	79.00	79.00
Expected term (years)	3.5 years	4.5 years	5.5 years	6.5 years
Weighted average fair value as on grant date (₹)	47.00	51.00	56.00	61.00
Expected price volatility	48.03%	47.25%	48.86%	51.94%
Risk free interest rate	5.97%	6.27%	6.39%	6.49%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%

Risk Free return has been considered as Annual yield on Government Securities for a term equal to the expected option life of the ESOP's available on the Financial Benchmarks India Private Limited website. Expected volatility calculation is based on historical daily closing stock prices of competitors using standard deviation of daily change in stock price. The minimum life of the stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which options cannot be exercised. The expected life has been considered based on average of maximum life and minimum life and may not necessarily be indicative of exercise patterns that may occur.

Summary of the expenses recognised in the statement of profit and loss:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Share based payment expense	54.25	21.49

43A Ratios

The ratios for the year ended 31 March 2026 and 31 March 2025 are as follows:

Particulars	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	Variance (in %)	Remarks
Current ratio	Current assets	Current liabilities	1.44	1.52	(5%)	
Debt-Equity ratio	Total debt[1]	Shareholder's equity	0.93	0.85	10%	

Particulars	Numerator	Denominator	For the year ended 31 March 2026	For the year ended 31 March 2025	Variance (in %)	Remarks
Debt service coverage ratio	Earnings available for debt service[2]	Debt service[3]	0.64	0.55	16%	
Return on equity	Net profit after taxes	Average shareholder's equity	(3.53%)	1.84%	100%	*

Particulars	Numerator	Denominator	For the year ended 31 March 2026	For the year ended 31 March 2025	Variance (in %)	Remarks
Inventory turnover ratio	Cost of goods sold	Average inventory	4.78	5.19	(8%)	
Trade receivables turnover ratio	Net sales	Average accounts receivable	7.65	7.96	(4%)	
Trade payables turnover ratio	Net credit purchases[5]	Average trade payables	19.68	17.64	12%	
Net capital turnover ratio	Net sales	Closing working capital	7.34	7.29	1%	
Net profit ratio	Net profit after taxes	Net sales	(2.02%)	1.08%	(287%)	*
Return on capital employed (ROCE)	Earning before interest and taxes	Capital employed[4]	2.65%	6.53%	(59%)	*
Return on investment	Gain from investment[6]	Cost of investment[7]	3.75%	6.50%	(42%)	**

[1] Total debt represents short-term and long-term borrowings and total lease liabilities

[2] Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest on term loans and lease liabilities + other adjustments like loss on sale of Fixed assets etc

[3] Interest and Lease Payments during the year + Principal Repayments during the year

[4] Tangible net worth (Total equity - other intangible assets) + Total debt + Deferred tax liabilities

[5] Cost of material consumed + Consumption of stores and spares + Consumption of packing material + Power and fuel + (Closing inventories of raw materials and Store and spares - opening inventories of raw materials and Store and spares)

[6] Gain/ loss on sale and change in fair value of mutual funds and commercial papers are considered for the purpose of computing return on investment.

[7] Cost of investment does not include bank deposits

Reason where change more than 25%

* Due to decrease in profits during the current year as compared to last financial year

**Due to lower returns from equity-oriented mutual funds compared to the previous year.

43B Audit trail

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the current year, the audit trail (edit logs) feature for any direct changes made at the database level was not enabled for the accounting software SAP S/4 HANA used for maintenance of books of account by the Holding Company and its subsidiary. The management will evaluate the implementation of audit logs at database level for all the accounting software in the next financial year. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention from the date the audit trail was enabled for the accounting software.

The joint venture, in respect of financial year commencing on 1 April 2025, have used an accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility. However, the audit trail feature in the accounting software used for maintenance of accounting records was enabled with effect from 02 June 2025 and remained operational for all relevant transactions recorded in the software thereafter throughout the year. Further, the audit trail has been preserved by the Company as per the statutory requirements for record retention where the audit trail feature was enabled.

44 A Disclosure of additional regulatory information pertaining to the Parent Company, subsidiaries and joint ventures as per Schedule III of Companies Act, 2013

Name of the entity in the Group	Net assets, i.e., total assets minus total liabilities		Share in profit and loss after tax		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in lacs)	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount (₹ in lacs)	As % of consolidated total comprehensive income	Amount (₹ in lacs)
Parent- Ester industries limited								
For the year ended 31 March 2026	121.31%	94,950.82	(15.91%)	437.20	94.33%	44.38	(17.84%)	481.58
For the year ended 31 March 2025	117.54%	90,800.51	295.90%	4,053.29	101.09%	(364.91)	365.60%	3,688.38
Subsidiaries								
(i) Ester Filmtech Limited								
For the year ended 31 March 2026	38.42%	30,073.54	107.51%	(2,953.39)	5.67%	2.67	109.28%	(2,950.72)
For the year ended 31 March 2025	38.87%	30,031.16	(190.08%)	(2,603.77)	(1.09%)	3.94	(257.70%)	(2,599.83)
(ii) Ester Loop Infinite Technologies Private Limited (from 22 July 2024 to 11 February 2025)								
For the year ended 31 March 2026	-	-	-	-	-	-	-	-
For the year ended 31 March 2025	-	-	3.57%	(97.94)	-	-	(0.10)	(97.94)
Joint Venture (investment as per equity method)								
Ester Loop Infinite Technologies Private Limited								
For the year ended 31 March 2026*	3.04%	2,378.57	5.50%	(151.03)	-	-	5.59%	(151.03)
For the year ended 31 March 2025	2.17%	1,679.60	(1.49%)	(20.41)	-	-	(2.02%)	(20.41)
Inter Company elimination and consolidation adjustment								
For the year ended 31 March 2026	(62.77%)	(49,129.92)	2.91%	(79.88)	-	-	2.96%	(79.88)
For the year ended 31 March 2025	(58.59%)	(45,259.29)	2.82%	38.65	-	-	3.83%	38.65
Total								
For the year ended 31 March 2026	100.00%	78,273.00	100.00%	(2,747.10)	100.00%	47.05	100.00%	(2,700.05)
For the year ended 31 March 2025	100.00%	77,251.98	100.00%	1,369.82	100.00%	(360.97)	100.00%	1,008.85

* This represents the carrying value of investment in the joint venture in the consolidated financial statements as at 31 March 2026

44 B Summarised financial information for joint venture that is material to the Group:

Name of joint venture	Principal activity	Principal place of business	% holding as at 31 March 2026
Ester Loop Infinite Technologies Private Limited	Manufacture of polymers using recycled plastic waste	India	50%

Ester Loop Infinite Technologies Private Limited (ELITe) is a limited liability company, whose legal form confers separation between the parties to the joint arrangement. There is no contractual arrangement or any other facts and circumstances that indicate that the parties to the joint venture have rights to the assets and obligations for the liabilities of the joint arrangement. Accordingly, ELITe is classified as a joint venture. ELITe is not publicly listed. The following tables sets out the summarised financial information of ELITe after adjusting for material differences in accounting policies.

Ester Loop Infinite Technologies Private Limited: **(₹ in lacs)**

Summarised Balance Sheet	As at 31 March 2026	As at 31 March 2025
Non current assets	4,153.03	1,966.09
Current assets	1,334.88	1,468.30
(including cash and cash equivalents -31 March 2026: ₹ 882.16 Lakhs, 31 March 2025: ₹ 1364.73 Lakhs)		
Total assets	**5,487.91**	**3,434.39**
Non-current liabilities	0.51	-
Current liabilities	828.21	173.14

(₹ in lacs)

Summarised Balance Sheet	As at 31 March 2026	As at 31 March 2025
(including current financial liabilities excluding trade and other payables and provisions- 31 March 2026: ₹625.24 Lakhs ,31 March 2025: ₹114.75 Lakhs)		
Total liabilities	**828.72**	**173.14**
Net assets	**4,659.19**	**3,261.25**
Group's Share of net assets (50%)	2,329.60	1,630.63
Adjustment#	48.97	48.97
Carrying amount of invstements	**2,378.57**	**1,679.60**

Adjustment of ₹48.97 lacs above pertains to gain on loss of control and share in loss prior to loss of control.

Summarised statement of profit and loss	For the period ended 31 March 2026	*From 22 July 2024 till 31 March 2025
Revenue from operations	-	-
Interest income	7.64	-
Employee benefits expense	58.39	
Depreciation and amortization expense	0.20	-
Other expenses	251.11	138.75
Loss for the period / Total comprehensive loss	**(302.06)**	**(138.75)**

* The loss for the period includes a loss of ₹ 97.94 lacs incurred between 22 July 2024 (the date of incorporation), and 11 February 2025, during which Ester Loop Infinite Technologies Pvt. Ltd. (ELITe) was accounted as a subsidiary of Ester Industries Limited (Holding company) as holding company exercised control over ELITe. Thereafter, it has been accounted as a joint venture. (Refer note 7A for details.) Accordingly, loss amounting to ₹ 40.81 lacs (₹ 138.75 lacs - ₹ 97.94 lacs) pertains to the period beginning from 12 February 2025 to 31 March 2025.

There are no other material / immaterial joint ventures in the group.

45 Additional regulatory information not disclosed elsewhere in the consolidated financials statements

(a) No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(b) The Group does not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956, except for the parties mentioned below

(₹ in lacs)

Name of the struck off company	Nature of transactions with struck off company	31 March 2026		31 March 2025	
		Transactions during the year	Closing Balance	Transactions during the year	Closing Balance
Shakun & Company (Services) Pvt. Ltd.	Trade payable	-	-	0.08	0.08
Global Packaging	Trade receivable	-	-	-	-
Stic-on Papers Pvt. Ltd.	Trade receivable	-	-	20.87	-
A.M.P Polymers India Private Limited	Advance from customer	-	-	47.07	-
Yadav Constructions*	Trade Payable	7.37	-	8.59	3.24
Steer Engineering Pvt Ltd*	Trade Payable	-	-	2.95	-
Igus (India) Pvt. Ltd.*	Trade Payable	-	-	1.66	-
Shakun And Company Services Private Limited*	Trade Payable	-	-	0.08	-
Venlon Polyester Film Ltd*	Shareholder (dividend paid)	0.00	-	-	-
Rajdeep Automation Pvt. Ltd.*	Trade Payable	1.63	-	0.88	-
Tesa Tapes (India) Private Limited*	Trade Payable	0.85	-	0.53	-
Igus (India) Pvt. Ltd.*	Trade Payable	3.59	-	2.19	-
Blue Jay Infra*	Trade Payable	0.60	-	0.23	-
Yadav Constructions*	Trade Payable	12.12	1.36	23.38	-

The above information regarding struck off companies has been determined to the extent such parties have been identified on the basis of information available with the Group.

* These companies are struck off in the current year.

(c) The Group has not been declared willful defaulter by any bank or financial institution or other lender.

(d) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(e) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(f) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(g) No funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary company to or in any persons or entities, including foreign entities ('the 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 Holding Company, or any such subsidiary company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.

(h) No funds have been received by the Holding Company or its subsidiary company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary 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.

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

(j) The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(k) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

46 Effective November 21, 2025, the Government of India has consolidated multiple existing labour legislations into a unified framework comprising four labour Codes collectively referred to as the 'New Labour Codes'. Under Ind AS 19, changes to employee benefit plans arising from legislative amendments constitute a plan amendment, requiring recognition of past service cost immediately in the statement of profit and loss. The New Labour Codes have resulted in one time increase in provision for employee benefits. The estimated incremental impact of the same amounting to ₹267.14 Lacs on account of gratuity and leave encashment has been recognised in the Statements of Profit and Loss for the year ended March 2026. The Group continues to monitor the finalisation of Central/State Rules and any clarifications from the Government on other aspects of the New Labour Codes and would provide appropriate accounting effect in the relevant period on the basis of such developments as needed.

47 No subsequent event occurred post balance sheet date which requires adjustment in the consolidated financial statements for the year ended 31 March 2026.

For Walker Chandiok & Co LLP **Chartered Accountants** **Firm Registration No. 001076N/N500013**	**For and on behalf of the Board of Directors of** **Ester Industries Limited**				
Sd/- **Sandeep Mehta** **Partner**	**Sd/-** **Ayush Vardhan Singhania** **Whole Time Director**	**Sd/-** **Pradeep Kumar Rustagi** **Executive Director - Corporate Affairs**	**Sd/-** **Vaibhav Jha** **Chief Executive Officer**	**Sd/-** **Sourabh Agarwal** **Chief Financial Officer**	**Sd/-** **Poornima Gupta** **Company Secretary**
Membership No.099410	**DIN: 05176205**	**DIN: 00879345**			**Membership No.A49876**
Place: New Delhi **Date: 13 May 2026**	**Place: New Delhi** **Date: 13 May 2026**	**Place: New Delhi** **Date: 13 May 2026**	**Place: New Delhi** **Date: 13 May 2026**	**Place: New Delhi** **Date: 13 May 2026**	**Place: New Delhi** **Date: 13 May 2026**

FORM AOC-1

(for the financial year ended 31st March 2026)

Statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures

[Pursuant to first proviso of Sub-Section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014]

PART "A"- Subsidiaries **(₹ in Lacs)**

1.	Name of the Subsidiary	:	Ester Filmtech Limited
2.	Date of acquisition	:	21st July 2020
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	:	1st April 2025 - 31st March 2026
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	:	Not Applicable
5.	Share capital	:	46,500
6.	Reserves & Surplus	:	(16,426.46)
7.	Total Assets	:	76,161.04
8.	Total Liabilities	:	46,087.50
9.	Investments	:	-
10.	Turnover	:	45,104.54
11.	Profit / (Loss) before Taxation	:	(2,953.39)
12.	Provision for Taxation	:	-
13.	Profit / (Loss) after Taxation	:	(2,953.39)
14.	Proposed Dividend	:	-
15.	% of shareholding held by the Company	:	100

Notes:

1. Name of subsidiaries which are yet to commence operations- NIL
2. Names of Subsidiaries which have been liquidated or sold during the year-NIL

PART "B": Associates and Joint Ventures **(₹ in Lacs)**

1.	**Name of Joint Venture**	:	Ester Loop Infinite Technologies Private Limited
2.	**Latest audited Balance Sheet Date**	:	31st March 2026
3.	**Date on which the Associate or Joint Venture was associated or acquired**	:	12th February 2025
4.	**Shares of Associate or Joint Ventures held by the company**		
i.	Number	:	255
ii.	Amount of Investment in Associates or Joint Venture	:	2,550
iii.	Extent of Holding (in percentage)	:	50%
5.	**Description of how there is significant influence**	:	Joint Venture
6.	**Reason why the associate/Joint venture is not consolidated.**	:	NA
7.	**Net worth attributable to shareholding as per latest audited Balance Sheet**	:	2,550
8.	**Profit or Loss for the year**		
i.	Considered in Consolidation	:	-
ii.	Not Considered in Consolidation	:	(151.03)

Notes:

1. Name of associates/ joint venture which are yet to commence operations - NIL
2. Names of associates/ joint venture which have been liquidated or sold during the year - NIL

Further, there is no Associate during the year under review.

For and on behalf of the Board of Directors of
Ester Industries Limited

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
Ayush Vardhan Singhania	**Pradeep Kumar Rustagi**	**Vaibhav Jha**	**Sourabh Agarwal**	**Poornima Gupta**
Whole Time Director **DIN: 05176205**	**Executive Director - Corporate Affairs** **DIN: 00879345**	**Chief Executive Officer**	**Chief Financial Officer**	**Company Secretary** **Membership No. A49876**
Place: New Delhi **Date: 11th August 2026**	**Place: New Delhi** **Date: 11th August 2026**	**Place: New Delhi** **Date: 11th August 2026**	**Place: New Delhi** **Date: 11th August 2026**	**Place: New Delhi** **Date: 11th August 2026**

CIN: L24111UR1985PLC015063

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Corporate Office

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