

**CORPORATE OFFICE**

15th Flr., D Wing, Trade World Bldg., Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai 400013.  
Tel No. 022- 66343312 -16 / 022-24963304 - 07 / 022-66109036 - 40

**FACTORY ADDRESS**

Unit 1. Survey Plot No.187/4/1/2,250, 251 P 257/1, & 258/3, Vill. Surangi, Silvassa, Dadra and Nagar Haveli 396230.  
Unit 2. Survey Plot No.320/1/1/2/1/1,314/1,315&314/P, Vill. Surangi, Silvassa, Dadra and Nagar Haveli 396230.  
Tel. No. 91-9081179797 / 91-9714109659

**REGISTERED OFFICE**

SRV NO. 187/4/1/2, Near Surangi Bridge, Surangi Dadra & Nagar Haveli Silvassa Dadra & Nagar Haveli Dn 396230.

Email: [sales@sanathan.com](mailto:sales@sanathan.com)

**COMPANY IDENTIFICATION NO.** L17299DN2005PLC005690

Date: August 19, 2026

|                                                                                                                                                                          |                                                                                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| <p>To,</p> <p><b>National Stock Exchange of India Limited</b><br/>Exchange Plaza, Plot No. C/1, G Block,<br/>Bandra-Kurla Complex,<br/>Bandra (East), Mumbai-400051.</p> | <p><b>BSE Limited</b><br/>Phiroze Jeejeebhoy Towers,<br/>Dalal Street,<br/>Mumbai-400001.</p> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|

Trading Symbol: **SANATHAN**

Scrip Code: **544314**

Ref. No: - **2025-2026/Aug26/139**

Dear Sirs/Madam,

**Sub: Business Responsibility and Sustainability Report of Sanathan Textiles Limited ('the Company') for the Financial Year 2025-26**

We hereby submit, pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Business Responsibility and Sustainability Report ("BRSR") of the Company for the financial year 2025-26.

The said BRSR also forms an integral part of Annual Report of the Company and is also being uploaded on the Company's website at [www.sanathan.com](http://www.sanathan.com).

We request you to take the above information on record.

Thanking you,  
Yours faithfully,

**For Sanathan Textiles Limited**

Jude Dsouza

Digitally signed by Jude Dsouza  
DN: cn=Jude Dsouza, o=Sanathan Textiles, email=jdsouza@sanathan.com  
Reason: I am the author of this document  
Date: 2026.08.19 18:14:05.50

**Jude Patrick Dsouza**  
**Company Secretary and Compliance Officer**

Encl: As above.



# Business Responsibility and Sustainability Reporting (BRSR)

| Locations | Sales Offices |                                            |
|-----------|---------------|--------------------------------------------|
| Silvassa  | Ludhiana      | <b>17</b><br>States served in FY 25-26     |
| Punjab    | Panipat       |                                            |
|           | Surat         | <b>21</b><br>Countries Exports in FY 25-26 |
|           | Tirupur       |                                            |

|                  | Male | Female |
|------------------|------|--------|
| <b>Employees</b> | 1789 | 54     |
| <b>Workers</b>   | 5716 | 337    |




**Business Conduct and Sustainability Issues pertaining to Environmental and Social matters, identified by the Company:**



| Parameter                                 | FY 2024-25 | FY 2025-26 | Movement             |
|-------------------------------------------|------------|------------|----------------------|
| Energy intensity (GJ/tonne of production) | 5.20       | 5.03       | Reduction of 3.27% ↓ |
| Water intensity (KL/tonne)                | 0.82       | 0.77       | Reduction of 6.10% ↓ |

### Learning and Development :

## 40 Sessions

Training for Employees



Sanathan Textiles - Rewards and Recognition Program

## 35 Sessions

Training for Workers



Festivals celebrated at the Plant



Training to enhance Skills given across Facilities



Sanathan Textiles - Library to support growth and knowledge, apart from technical skills enhancement.

**No Fines or Penalties** Levied on Directors, KMPs or any Employees of the Company.

**No Complaints** from any employees or workers on Safety

**No safety related incidents** occurred at Silvassa, Punjab and Mumbai HO.

Numbers of days of accounts payable : **83 days (previous - 63 days)**

### Capex : ₹ 73 Crores, to support Environmental Impact:



Energy efficiency and equipment optimisation



Waste heat recovery



Water stewardship and Zero Liquid Discharge



Fuel transition and air emissions

### Measures of Well-being



Health Insurance



Accident Insurance



Maternity Benefit



Paternity Benefit



Day Care facilities (under factories Act)

100% For all employees

# Business Responsibility and Sustainability Reporting (BRSR)



## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

|                                                                                                                                                                                                                                                                       |                                                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Corporate Identity Number (CIN) of the Listed Entity                                                                                                                                                                                                               | L17299DN2005PLC005690                                                                                                                     |
| 2. Name of the Listed Entity                                                                                                                                                                                                                                          | Sanathan Textiles Limited                                                                                                                 |
| 3. Year of incorporation                                                                                                                                                                                                                                              | 2005                                                                                                                                      |
| 4. Registered office address                                                                                                                                                                                                                                          | SRV NO. 187/4/1/2, Near Surangi Bridge, Surangi, Silvassa, Dadra & Nagar Haveli - 396230, India                                           |
| 5. Corporate address                                                                                                                                                                                                                                                  | D-15, Trade World Building Kamala Mills Compound, Senapati Bapat Marg Lower Parel, Mumbai - 400013, Maharashtra, India                    |
| 6. E-mail                                                                                                                                                                                                                                                             | <a href="mailto:investors@sanathan.com">investors@sanathan.com</a>                                                                        |
| 7. Telephone                                                                                                                                                                                                                                                          | 022 6634 3312                                                                                                                             |
| 8. Website                                                                                                                                                                                                                                                            | <a href="http://www.sanathan.com">www.sanathan.com</a>                                                                                    |
| 9. Financial year for which reporting is being done                                                                                                                                                                                                                   | April 01, 2025 to March 31, 2026                                                                                                          |
| 10. Name of the Stock Exchange(s) where shares are listed                                                                                                                                                                                                             | National Stock Exchange of India Limited and BSE Limited                                                                                  |
| 11. Paid-up Capital                                                                                                                                                                                                                                                   | ₹ 84.40 Crores                                                                                                                            |
| 12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report                                                                                                                                  | Mr. Jude Dsouza,<br>Company Secretary and Compliance Officer<br>Email: <a href="mailto:investors@sanathan.com">investors@sanathan.com</a> |
| 13. Reporting boundary Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | Consolidated Basis                                                                                                                        |
| 14. Name of assurance provider                                                                                                                                                                                                                                        | Not Applicable                                                                                                                            |
| 15. Type of assurance obtained                                                                                                                                                                                                                                        | Not Applicable                                                                                                                            |

### II. Products/services

#### 16. Details of business activities (accounting for 90% of the turnover):

| S. No. | Description of main activity | Description of business activity                                                                                                                                                                                       | % of turnover of the entity |
|--------|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| 1.     | Yarn Manufacturing           | Sanathan Textiles Limited is one of India's leading integrated and diversified yarn manufacturers with operations across three yarn verticals: Polyester Filament Yarns, Cotton Yarns and Yarns for Technical Textiles | 100%                        |



**17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

| S. No. | Product/Service    | NIC Code  | % of total turnover contributed |
|--------|--------------------|-----------|---------------------------------|
| 1.     | Yarn Manufacturing | 1311/2030 | 100%                            |

**III. Operations**

**18. Number of locations where plants and/or operations/offices of the entity are situated:**

| Location      | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National      | 2                | 4                 | 6     |
| International | 0                | 0                 | 0     |

**19. Markets served by the entity:**

**a. Number of locations**

| Locations                        | Number             |
|----------------------------------|--------------------|
| National (No. of States/UTs)     | 17 (in FY 2025-26) |
| International (No. of Countries) | 21 (in FY 2025-26) |

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

~3%

**c. A brief on types of customers**

Sanathan Textiles Limited caters to a highly diversified customer base across both domestic and international markets. Its customers include leading apparel manufacturers, home textile producers, and players in the technical textiles space who rely on high-quality yarn solutions.

## IV. Employees

### 20. Details as at the end of Financial Year:

#### a. Employees and Workers (including differently abled):

| S.No. | Particulars                    | Total (A)    | Male         |            | Female     |           |
|-------|--------------------------------|--------------|--------------|------------|------------|-----------|
|       |                                |              | No. (B)      | % (B/A)    | No. (C)    | % (C/A)   |
|       |                                | EMPLOYEES    |              |            |            |           |
| 1.    | Permanent (D)                  | 1,843        | 1,789        | 97%        | 54         | 3%        |
| 2.    | Other than Permanent (E)       | 0            | 0            | 0          | 0          | 0         |
| 3.    | <b>Total employees (D + E)</b> | <b>1,843</b> | <b>1,789</b> | <b>97%</b> | <b>54</b>  | <b>3%</b> |
|       |                                | WORKERS      |              |            |            |           |
| 4.    | Permanent (F)                  | 0            | 0            | 0          | 0          | 0         |
| 5.    | Other than Permanent (G)       | 6,053        | 5,716        | 94%        | 337        | 6%        |
| 6.    | <b>Total workers (F + G)</b>   | <b>6,053</b> | <b>5,716</b> | <b>94%</b> | <b>337</b> | <b>6%</b> |



#### b. Differently abled Employees and Workers

| S.No.                       | Particulars                                      | Total (A) | Male     |          | Female   |          |
|-----------------------------|--------------------------------------------------|-----------|----------|----------|----------|----------|
|                             |                                                  |           | No. (B)  | % (B/A)  | No. (C)  | % (C/A)  |
| DIFFERENTLY ABLED EMPLOYEES |                                                  |           |          |          |          |          |
| 1.                          | Permanent (D)                                    | 0         | 0        | 0        | 0        | 0        |
| 2.                          | Other than Permanent (E)                         | 0         | 0        | 0        | 0        | 0        |
| 3.                          | <b>Total differently abled employees (D + E)</b> | <b>0</b>  | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> |
| DIFFERENTLY ABLED WORKERS   |                                                  |           |          |          |          |          |
| 4.                          | Permanent (F)                                    | 0         | 0        | 0        | 0        | 0        |
| 5.                          | Other than permanent (G)                         | 0         | 0        | 0        | 0        | 0        |
| 6.                          | <b>Total differently abled workers (F + G)</b>   | <b>0</b>  | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> |

Sanathan Textiles ensures that its facilities are progressively aligned with accessibility standards. However, due to the operations heavy nature of textile manufacturing and the specific physical demands of operating heavy machinery, the factory premises are currently not fully accessible. While employment at production sites is contingent upon medical examinations tailored to these operational safety requirements, the Company continues to evaluate infrastructure enhancements to improve inclusivity where operationally feasible.

**21. Participation/Inclusion/Representation of women**

|                             | Total (A) | No. and percentage of Females |        |
|-----------------------------|-----------|-------------------------------|--------|
|                             |           | No.(B)                        | %(B/A) |
| Board of Directors          | 8         | 1                             | 12.5%  |
| Key Management Personnel    | 2         | 0                             | 0      |
| Senior Managerial Personnel | 10        | 1                             | 10%    |

**22. Turnover rate for permanent employees and workers**

| Particulars         | FY 2025-26 |        |        | FY 2024-25 |        |       |
|---------------------|------------|--------|--------|------------|--------|-------|
|                     | Male       | Female | Total  | Male       | Female | Total |
| Permanent Employees | 14.11%     | 0.43%  | 14.54% | 17.42%     | 0.58%  | 18%   |
| Permanent Workers   | -          | -      | -      | -          | -      | -     |

**V. Holding, Subsidiary and Associate Companies (including joint ventures)****23. (a) Names of holding / subsidiary / associate companies / joint ventures**

| S.No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed Entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|-------|-----------------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| 1     | Sanathan Polycot Private Limited                                            | Subsidiary                                                     | 100%                              | Yes                                                                                                                          |
| 2     | Universal Texturisers Private Limited                                       | Subsidiary                                                     | 100%                              | Yes                                                                                                                          |

All entities over which Sanathan Textiles exercises control, as defined under the provisions of the Companies Act, have been disclosed above.

**VI. CSR Details -****24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes**

(ii) Turnover (in ₹) - ₹ 2,999 Cr (FY 24-25)

(iii) Net worth (in ₹) - ₹ 1,808 Cr (FY 24-25)

**VII. Transparency and Disclosures Compliances,****25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

| Stakeholder group from whom complaint is received | Grievance redressal mechanism in place (Yes/No) | FY 2025- 2026<br>Current Financial Year    |                                                              |         | FY 2024-2025<br>Previous Financial Year    |                                                              |         |
|---------------------------------------------------|-------------------------------------------------|--------------------------------------------|--------------------------------------------------------------|---------|--------------------------------------------|--------------------------------------------------------------|---------|
|                                                   |                                                 | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities                                       | Yes                                             | 0                                          | 0                                                            | Nil     | 0                                          | 0                                                            | Nil     |
| Investors (other than shareholders)               | Yes                                             | 0                                          | 0                                                            | Nil     | 0                                          | 0                                                            | Nil     |
| Shareholders                                      | Yes                                             | 0                                          | 0                                                            | Nil     | 0                                          | 0                                                            | Nil     |
| Employees and workers                             | Yes                                             | 0                                          | 0                                                            | Nil     | 0                                          | 0                                                            | Nil     |
| Customers                                         | Yes                                             | 0                                          | 0                                                            | Nil     | 0                                          | 0                                                            | Nil     |
| Value Chain Partners                              | Yes                                             | 0                                          | 0                                                            | Nil     | 0                                          | 0                                                            | Nil     |

## 26. Overview of the entity's material responsible business conduct issues -

| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Financial implications of the risk or opportunity (Indicate positive or negative implications)                                                                                                                                                                                                                                    |
|---------|---------------------------|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1       | Climate change            | Risk and Opportunity                       | <p><b>Risk:</b> The increasing frequency and severity of extreme weather events poses a direct operational risk to manufacturing continuity, supply chain stability, and the availability and quality of cotton, a climate-sensitive and substantially rain-fed crop. These factors may elevate compliance and operational costs for the textile value chain.</p> <p><b>Opportunity:</b> Proactive reduction of emissions through technology upgrades that enhance energy efficiency, wider adoption of renewable energy, the transition from fossil fuels to cleaner non-fossil sources for process heating, and diversification of raw material origin together present a significant opportunity to optimise operating costs, enhance operational resilience, and strengthen the Company's regulatory standing and brand reputation across both domestic and international markets.</p>                                                                                                                                                                                                                                                                                           | The company is actively pursuing technology upgrades to drive energy efficiency across its operations. It is also in advanced stages of expanding its renewable energy footprint through dedicated investments in generation capacity. At its new Punjab facility, biomass-fired heaters generate process heat from agricultural waste, and the company is evaluating opportunities to replicate this model across other sites. Further the Company's integrated presence across cotton, polyester and technical textiles provides a structural hedge against raw material procurement risks. On the cotton front, the company has a diversified procurement base, and deep supplier connects spanning Asia, South America, North America, and Australia, which ensures a steady supply of quality inputs. | These initiatives are expected to improve financial performance by lowering operating costs and insulating margins from volatility in fuel and electricity prices. The transition will require upfront capital investment in technology upgrades and renewable energy infrastructure, with returns realised over the medium term. |
| 2       | Water stewardship         | Risk and Opportunity                       | <p><b>Risk:</b> Manufacturing operations are water-intensive, and the company's downstream customers exhibit elevated water dependence in dyeing, printing, and processing. Growing climate change induced water stress in key operating geographies, coupled with tightening regulatory norms on industrial water use and effluent discharge, presents a material risk to operational continuity and licence to operate. The substantial majority of the water footprint embodied in a cotton yarn arises upstream in cultivation rather than within the Company's own operations.</p> <p><b>Opportunity:</b> Product innovation that reduces the water intensity of downstream operations represents a significant commercial opportunity. Sanathan Textiles' expertise in dope-dyed yarns where colour is integrated at the polymer stage materially reduces the water requirement at the customer's dyeing and processing stage, positioning the company favorably with brands pursuing water-stewardship commitments. Procurement of sustainably grown cotton through sourcing under the Better Cotton programme, which incorporates farm-level water stewardship criteria.</p> | Sanathan Textiles employs a multi-tiered adaptation strategy centred on Zero Liquid Discharge (ZLD) and resource circularity. Groundwater-depletion risk is further mitigated through rainwater harvesting systems and direct drawl of fresh water from alternative sources further reducing its reliance on ground water, across facilities.                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Investments in water-efficient technology and ZLD infrastructure entail upfront capital outlay but deliver long-term financial stability by reducing exposure to water-pricing volatility, regulatory penalties, and operational disruptions stemming from local water scarcity.                                                  |

| Sr. No. | Material issue identified      | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Financial implications of the risk or opportunity (Indicate positive or negative implications)                                                                                                                                                                                                                             |
|---------|--------------------------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3       | Waste Management               | Risk                                       | <p><b>Risk:</b> Improper handling of hazardous and non-hazardous waste streams presents threats to human health and the environment, with potential consequences including regulatory penalties, litigation, and reputational damage.</p> <p><b>Opportunity:</b> Implementing effective waste management practices directly reduces greenhouse gas emissions.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Sanathan Textiles mitigates environmental risk through a systematic framework focused on source segregation and resource recovery. By strictly categorizing hazardous, non-hazardous, and electronic waste, the company ensures that all materials are diverted from landfills and handled by authorized entities for recycling or co-processing. This integrated approach ensures full regulatory compliance and minimizes environmental impact by ensuring all by-products are processed through verified, sustainable channels. Cotton spinning operations generate cotton waste across identifiable streams substantially all of this is recovered and sold into value-added downstream applications. | Maintaining rigorous waste protocols involves high operational complexity, where any lapse in the chain of custody could lead to regulatory action, and reputational loss.                                                                                                                                                 |
| 4       | Occupational Health and Safety | Risk                                       | The company has a manpower strength of around 6000+ and its operations involve high-speed machinery, and elevated process temperatures. The nature of these operations carries inherent occupational health and safety exposures that, if not actively managed, can result in adverse outcomes for personnel and the business.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | The Company has implemented a robust Occupational Health and Safety (OHS) framework aligned with recognised safety standards, including ISO 45001 practices. The framework includes regular risk assessments, employee and contractor safety training, near-miss reporting systems, PPE protocols, and incident investigation mechanisms to promote a safe and resilient workplace.                                                                                                                                                                                                                                                                                                                       | Safety incidents can result in regulatory fines, operational disruptions, compensation liabilities, and reputational harm that may affect customer relationships and order volumes. Conversely, sustained investment in safety systems supports stable production throughput and protects long-term financial performance. |
| 5       | Value Chain Sustainability     | Risk and Opportunity                       | <p><b>Risk:</b> The polyester industry depends on a multi-stage, petrochemical-linked supply chain. This results in sustainability exposures arising both from the fossil-fuel intensity of upstream inputs and from the long-distance transportation, storage, and handling requirements that accompany dispersed manufacturing footprints. The size, diversity and fragmented nature of the raw cotton supply chain makes supply chain visibility and traceability challenging.</p> <p><b>Opportunity:</b> Strategic re-alignment of supply chains, including co-location of manufacturing with raw-material sources and end-use markets, reduces material handling and transportation risks, lowers logistics-related emissions, compresses inventory requirements, and shortens lead times to customers. Adoption of global supply chain certifications such as BCI fosters greater supply chain visibility throughout the value chain and a more sustainable approach to sourcing.</p> | The company has proactively invested in supply chain efficiency through its new polyester facility in Punjab, strategically located in proximity to both key raw material sources and core end-use markets. This positioning reduces logistics complexity and strengthens responsiveness to customer demand. Further, the Company's Silvassa manufacturing facility is also located in proximity to key raw material sources and ports and end-use markets.                                                                                                                                                                                                                                               | Supply chain re-alignment is expected to lower operating costs, reduce working capital tied up in inventory, and foster deeper vendor and customer relationships each of which contributes to durable financial performance.                                                                                               |

| Sr. No. | Material issue identified           | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Financial implications of the risk or opportunity (Indicate positive or negative implications)                                                                                                                                                                                                                                                                                                                                                                        |
|---------|-------------------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6       | Product Stewardship and Circularity | Risk and Opportunity                       | <p><b>Risk:</b> Polyester yarn is increasingly scrutinised for its end-of-life impact and microfibre shedding. International regulations are progressively raising the bar on recyclability, recycled-content disclosure, and traceability. Failure to align with these expectations risks loss of access to premium export markets and brand-customer accounts.</p> <p><b>Opportunity:</b> Rising demand from global apparel and home-textile brands for recycled polyester (rPET), traceable fibres, and lower-impact yarns presents a meaningful commercial opportunity. Companies that can credibly supply certified recycled-content products with full chain-of-custody documentation are positioned to command preferential supplier status and price premiums. Cotton yarn is biodegradable and does not contribute to persistent microplastic release, offering a distinct positioning alongside the Company's synthetic portfolio for customers building lower-impact product lines. Demand is growing for certified sustainable cotton — Better Cotton, organic and regenerative-programme fibre — and for recycled cotton blends, in each case supported by documentary chain of custody.</p> | The Company is focused on strengthening its product stewardship and circularity initiatives through the development and expansion of recycled polyester (rPET) and value-added sustainable yarn products. Efforts are being undertaken to enhance traceability and transparency across the supply chain through recognised certifications and chain-of-custody mechanisms. The Company also continues to engage with customers and suppliers to support responsible sourcing practices, improve recyclability, and align product offerings with evolving global sustainability and regulatory expectations. On the cotton front, process waste is almost completely harvested and sold for re-use across various value-added products. | Investments in sustainable product development, certification processes, traceability systems, and recycling-linked infrastructure may increase near-term operating and compliance costs. However, these initiatives are expected to support long-term revenue growth through improved access to premium export markets, stronger relationships with global brands, enhanced customer retention, and potential pricing advantages for certified sustainable products. |



## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

- P1: Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
- P2: Businesses should provide goods and service in a manner that is sustainable and safe
- P3: Businesses should respect and promote the well-being of all employees, including those in their value chains
- P4: Businesses should respect the interests of and be responsive to all its stakeholders
- P5: Businesses should respect and promote human rights
- P6: Businesses should respect and make efforts to protect and restore the environment
- P7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- P8: Businesses should promote inclusive growth and equitable development
- P9: Businesses should engage with and provide value to their consumers in a responsible manner

| Disclosure Questions                                                                                                                                                                                                           | P 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| <b>Policy and management processes</b>                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |     |     |     |     |     |     |     |     |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)                                                                                                                 | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| b. Has the policy been approved by the Board? (Yes/No)                                                                                                                                                                         | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| c. Web Link of the Policies, if available                                                                                                                                                                                      | All the listed policies of the Company are available on the website of the Company under Company Policies at <a href="https://www.sanathan.com/investor-relations">https://www.sanathan.com/investor-relations</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |     |     |     |     |     |     |     |     |
| 2. Whether the entity has translated the policy into procedures. (Yes/ No)                                                                                                                                                     | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No)                                                                                                                                                      | To the extent applicable, our policies extend to our value chain partners                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |     |     |     |     |     |     |     |     |
| 4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle. | <p>The Company is committed to complying with all applicable health, safety, and environmental regulations, along with other relevant statutory and operational requirements. It has implemented comprehensive policies and procedures designed to meet legislative obligations, conditions stipulated under licenses and approvals, and the standards prescribed under various certifications, while ensuring the safety and well-being of employees and all personnel working at or associated with its manufacturing facilities.</p> <p>The Company's facilities are certified under ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and are also accredited with Standard 100 by OEKO-TEX, reflecting adherence to globally recognized quality, environmental, and safety standards. Additionally, the Company's IT control framework incorporates robust technical and organizational measures aligned with established industry best practices.</p> |     |     |     |     |     |     |     |     |

| Disclosure Questions                                                                                                              | P 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.                                      | <p>The Leadership team at Sanathan Textiles ensures the integration of sustainable practices across functions. The Company is presently in the process of formalising its long-term sustainability roadmap, with an initial focus on reducing the resource intensity of its operations.</p> <p>As the roadmap is developed, the Company will identify Key Performance Indicators against which measurable commitments can be set in areas including energy consumption, greenhouse gas emissions and water usage. Accordingly, the Company has not established quantified targets with defined timelines during the reporting period. FY 2025-26, being the first year of structured sustainability disclosure, has been used to establish a reliable baseline of operational performance against which future commitments will be framed.</p> |     |     |     |     |     |     |     |     |
| 6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met. | <p>As disclosed in response to Question 5 above, the Company had not established specific quantified commitments, goals or targets with defined timelines during the reporting period. Accordingly, no performance is reported against formal targets for FY 2025-26, and the disclosure relating to reasons for non-achievement is not applicable for this cycle.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |     |     |     |     |     |     |     |     |

The Company has, however, tracked its principal environmental parameters through the year as part of establishing a measurement baseline. The directional performance recorded is set out below and is reported in full in Section C of this Report:

| Parameter                                 | FY 2024-25 | FY 2025-26 | Movement             |
|-------------------------------------------|------------|------------|----------------------|
| Energy intensity (GJ/tonne of production) | 5.20       | 5.03       | Reduction of 3.27% ↓ |
| Total water intensity (KL/tonne)          | 0.82       | 0.77       | Reduction of 6.10% ↓ |

These improvements arose from operational efficiency initiatives and process optimisation undertaken during the year rather than from performance against a pre-set target. They are reported here to establish the baseline against which future commitments will be measured.

During the year, the Company also commissioned and progressed initiatives that will support future target-setting, including the operation of Zero Liquid Discharge systems, and the use of biomass-fired heaters at the Punjab facility for process heat generated from agricultural residue.

The Company expects to define measurable targets, with associated timelines, in the areas of energy, emissions and water intensity as its sustainability roadmap is formalised, and to report performance against those targets from the cycle in which they are adopted.

#### Governance, leadership and oversight

|                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements | <p><b>Statement by the Director Responsible</b></p> <p>At Sanathan Textiles Limited, sustainability is not viewed as a standalone initiative but as an integral part of our business strategy and long-term value creation. As a diversified and integrated yarn manufacturer, we recognize our responsibility towards environmental stewardship, social well-being, and robust governance practices.</p> |
|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

#### ESG Challenges:

The textile industry continues to face evolving challenges, including increasing regulatory expectations with the need to reduce carbon and water footprints, responsible sourcing of raw materials, and managing supply chain transparency. Additionally, balancing rapid capacity expansion with sustainable manufacturing practices remains a key focus area.

| Disclosure Questions                                                                                                                                                        | P 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
|                                                                                                                                                                             | <b>ESG Targets:</b><br><p>The Company is committed to strengthening its sustainability framework through focused initiatives such as enhancing energy efficiency, increasing the share of renewable energy, promoting circular economy practices through recycled yarns, optimizing water usage, and ensuring responsible sourcing. On the social front, emphasis is placed on employee health and safety, skill development, and community engagement. From a governance perspective, the Company continues to uphold the highest standards of transparency, compliance, and ethical conduct.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |     |     |     |     |     |     |     |     |
|                                                                                                                                                                             | <b>ESG Achievements:</b><br><p>During the year, the Company has made significant progress on the ESG front. Key initiatives include advancing the adoption of renewable energy solutions, implementation of environmentally responsible manufacturing processes such as Zero Liquid Discharge (ZLD), and expansion of recycled product offerings. The Company has also strengthened its occupational health and safety framework and maintained compliance with globally recognized certifications. Furthermore, our strategic focus on establishing manufacturing capabilities closer to raw material sources and end markets supports both environmental efficiency and cost optimization.</p> <p>Going forward, Sanathan Textiles remains committed to embedding sustainability across its value chain and continuously enhancing its ESG performance in line with global best practices and stakeholder expectations.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |     |     |     |     |     |     |     |     |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies                                             | The highest authority responsible for the implementation and oversight of the Business Responsibility policies is the Chairman and Managing Director, Mr. Paresh Dattani                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |     |     |     |     |     |     |     |     |
| 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. | <p>Yes. The Company has constituted a Risk Management and Sustainability Committee at the Board level to oversee and guide decision-making on sustainability-related matters. The Committee is responsible for reviewing ESG risks, monitoring sustainability performance, and ensuring that environmental and social considerations are effectively integrated into the Company's overall risk management framework.</p> <div style="display: flex; align-items: flex-start; margin-top: 10px;"> <div style="flex: 1; text-align: center;">  <p><b>Mr. Vinay Aggarwal</b><br/>Chairman of Risk Management and Sustainability Committee</p> </div> <div style="flex: 1; text-align: center; margin-top: 10px;">  <p><b>Mr. Paresh Dattani</b><br/>Member of Risk Management and Sustainability Committee</p> </div> <div style="flex: 1; text-align: center; margin-top: 10px;">  <p><b>Mr. Ajaykumar Dattani</b><br/>Member of Risk Management and Sustainability Committee</p> </div> </div> <p>The Board of Directors retains ultimate oversight, while the Risk Management and Sustainability Committee provide focused direction and periodic review of sustainability initiatives. The implementation of these policies and initiatives is carried out by the Senior Management Personnel, ensuring alignment with the Company's ESG objectives and regulatory expectations.</p> |     |     |     |     |     |     |     |     |

**10. Details of Review of NGRBCs by the Company:**

| Subject for Review                                                                                              | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee |     |     |     |     |     |     |     |     | Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify) |     |     |     |     |     |     |     |     |
|-----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|--------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
|                                                                                                                 | P 1                                                                                              | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | P 1                                                                      | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
| Performance against above policies and follow up action                                                         |                                                                                                  |     |     |     |     |     |     |     |     |                                                                          |     |     |     |     |     |     |     |     |
| Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances |                                                                                                  |     |     |     |     |     |     |     |     |                                                                          |     |     |     |     |     |     |     |     |

All the policies are reviewed annually and on a needs basis. The Company complies with the regulations, extant, and principles as applicable.

| 11.                                                                                                                                                                                                                                                                                                                                  | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| <b>Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.</b>                                                                                                                                                             |     |     |     |     |     |     |     |     |     |
| The company's Environmental (ISO 14001), Quality (ISO 9001), and Occupational Health & Safety (ISO 45001) policies are independently audited by accredited global certifiers. Please find the certifications here: <a href="https://www.sanathan.com/our-setup/certifications">https://www.sanathan.com/our-setup/certifications</a> |     |     |     |     |     |     |     |     |     |

**12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:**

| Questions                                                                                                                       | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| The entity does not consider the principles material to its business (Yes/No)                                                   |     |     |     |     |     |     |     |     |     |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) |     |     |     |     |     |     |     |     |     |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No)                         |     |     |     |     |     |     |     |     |     |
| It is planned to be done in the next financial year (Yes/No)                                                                    |     |     |     |     |     |     |     |     |     |
| Any other reason (please specify)                                                                                               |     |     |     |     |     |     |     |     |     |



## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### Essential Indicators

#### 01 Principle

**Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable.**

#### 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

| Segment                           | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Percentages of persons in respective category covered by the awareness programmes |
|-----------------------------------|--------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Board of Directors (BoD)          | 5                                                      | <p>The Board is regularly apprised of industry developments, emerging trends, and external factors and indicators that may have a direct or indirect impact on the Company's business, including updates on regulatory changes, ESG developments, and evolving risk landscapes.</p> <p>These initiatives enhanced the Board's ability to provide strategic guidance and oversight on ESG matters, strengthened governance practices, ensured informed decision-making, and reinforced alignment with statutory and stakeholder expectations.</p> | 100%                                                                              |
| Key Managerial Personnel (KMPs)   | 5                                                      | Key Managerial Personnel regularly undergo training on evolving regulatory frameworks, financial and governance standards, ESG and sustainability reporting, and stakeholder engagement, strengthening compliance, oversight, and decision-making.                                                                                                                                                                                                                                                                                               | 100%                                                                              |
| Employees other than BoD and KMPs | 40                                                     | Employees (other than the Board of Directors and Key Managerial Personnel) are provided with training on safety and security, advanced data and analytics tools such as MS Excel, performance management through KRA and PMS frameworks, organizational development, company values, digital data protection, and IT awareness, thereby enhancing operational efficiency, data security, and alignment with organizational objectives.                                                                                                           | 100%                                                                              |

| Segment                      | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact                                                                                                                                                                                    | Percentages of persons in respective category covered by the awareness programmes |
|------------------------------|--------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Other than Permanent Workers | 35                                                     | Workers are provided with training on safety and security, discipline and workplace behavior, and production processes, thereby promoting a safe work environment, operational efficiency, and adherence to established standards and practices. | 100%                                                                              |



2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year:

| a. Monetary     |                 |                                                                     |                 |                   |                                        |
|-----------------|-----------------|---------------------------------------------------------------------|-----------------|-------------------|----------------------------------------|
|                 | NGRBC Principle | Name of the regulatory/ Enforcement agencies/ judicial institutions | Amount (In INR) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty/ Fine   | Nil             | Nil                                                                 | Nil             | Nil               | Nil                                    |
| Settlement      | Nil             | Nil                                                                 | Nil             | Nil               | Nil                                    |
| Compounding fee | Nil             | Nil                                                                 | Nil             | Nil               | Nil                                    |

  

| b. Non-monetary |                 |                                                                    |                   |                                        |
|-----------------|-----------------|--------------------------------------------------------------------|-------------------|----------------------------------------|
|                 | NGRBC Principle | Name of the regulatory/ enforcement agencies/judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Imprisonment    | Nil             | Nil                                                                | Nil               | Nil                                    |
| Punishment      | Nil             | Nil                                                                | Nil               | Nil                                    |
|                 | Nil             | Nil                                                                | Nil               | Nil                                    |

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the regulatory/ enforcement agencies/ judicial institutions |
|--------------|---------------------------------------------------------------------|
| Nil          | Nil                                                                 |

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes. The Company has institutionalized a comprehensive Anti-Corruption and Anti-Bribery Policy, serving as a cornerstone of its corporate governance and ethical conduct framework. This policy formalizes a zero-tolerance mandate against all forms of bribery, corruption, and facilitation payments, ensuring that business is conducted with the highest levels of integrity. The scope of the policy extends to all employees, directors, and business associates, providing clear directives on conflicts of interest, the exchange of gifts and hospitality, and ethical third-party engagements.

To ensure effective implementation, the Company maintains a robust Vigil/Whistle-blower Mechanism, providing a secure and confidential channel for stakeholders to report suspected ethical breaches without fear of retaliation. This framework is overseen by the Audit Committee, reinforcing accountability at the highest level. Detailed information regarding the Vigil Mechanism and its operational protocols is transparently disclosed and accessible through the Company's investor relations portal at: <https://www.sanathan.com/investor-relations>

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**

|           | FY 2025- 2026<br>Current Financial<br>Year | FY 2024-2025<br>Previous Financial<br>Year |
|-----------|--------------------------------------------|--------------------------------------------|
| Directors | Nil                                        | Nil                                        |
| KMPs      | Nil                                        | Nil                                        |
| Employees | Nil                                        | Nil                                        |
| Workers   | Nil                                        | Nil                                        |

**6. Details of complaints with regard to conflict of interest:**

| Particulars                                                                                  | FY 2025-2026<br>Current Financial Year |         | FY 2024- 2025<br>Previous Financial Year |         |
|----------------------------------------------------------------------------------------------|----------------------------------------|---------|------------------------------------------|---------|
|                                                                                              | Number                                 | Remarks | Number                                   | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil                                    | Nil     | Nil                                      | Nil     |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      | Nil                                    | Nil     | Nil                                      | Nil     |

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

**8. Number of days of accounts payables (Accounts payable \*365) / Cost of goods procured:**

|                                     | FY 2025- 2026<br>Current Financial<br>Year | FY 2024-2025<br>Previous Financial<br>Year |
|-------------------------------------|--------------------------------------------|--------------------------------------------|
| Number of days of accounts payables | 83                                         | 63                                         |

**9. Open-ness of business:**

**Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties:**

| Parameter                  | Metrics                                                                                  | FY 2025-2026<br>Current Financial Year | FY 2024- 2025<br>Previous Financial Year |
|----------------------------|------------------------------------------------------------------------------------------|----------------------------------------|------------------------------------------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases                                 | 20%                                    | 18%                                      |
|                            | b. Number of trading houses where purchases are made from                                | 53                                     | 44                                       |
|                            | c. Purchases from top 10 trading houses as % of total purchases from trading houses      | 92%                                    | 96%                                      |
| Concentration of Sales*    | a. Sales to dealers / distributors as % of total sales                                   | 51%                                    | 56%                                      |
|                            | b. Number of dealers / distributors to whom sales are made                               | 267                                    | 239                                      |
|                            | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributor   | 43%                                    | 41%                                      |
| Share of RPTs in           | a. Purchases (Purchases with related parties / Total Purchases)                          | -                                      | -                                        |
|                            | b. Sales (Sales to related parties / Total Sales)                                        | -                                      | -                                        |
|                            | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | -                                      | -                                        |
|                            | d. Investments (Investments in related parties / Total Investments made)                 | -                                      | -                                        |

**02****Principle**

**Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators**

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

|       | FY 2025- 2026<br>Current Financial Year | FY 2024- 2025<br>Previous Financial Year | Details of improvements in<br>environmental and social impacts |
|-------|-----------------------------------------|------------------------------------------|----------------------------------------------------------------|
| R&D   | -                                       | -                                        | -                                                              |
| Capex | ₹ 73 Crores                             | ₹ 6.89 Crores                            | Details mentioned below                                        |

During FY 2025-26, the Company invested ₹73.00 crores in technologies and infrastructure designed to improve the environmental performance of its manufacturing operations, as against ₹6.89 crores in FY 2024-25. The substantial step-up reflects the commissioning of the Punjab facility, where environmental systems were built into the plant design at the outset rather than retrofitted, and continued efficiency upgrades at the Silvassa facility.

The Capex investments fall broadly into four areas.

**Energy efficiency and equipment optimisation.**

At Silvassa, two centrifugal turbo compressors replaced a fleet of smaller, power-intensive screw compressors used for instrument air, suction gun air and nitrogen generation, delivering a significant reduction in energy requirement. Cooling water pumps were replaced with energy-efficient equivalents, reducing consumption from 5,340 units per day to 4,282 units per day. An automatic online condenser tube cleaning system was installed

across all four centrifugal water chillers, maintaining consistent condenser efficiency while eliminating manual cleaning and the associated water wastage.

#### Waste heat recovery.

At Punjab, vapour absorption machines have been deployed to recover and reuse process heat that would otherwise be lost. The heat in the Process-generated vapour is captured to utilize the heat for producing chilled water through Vapor absorption machines, functioning simultaneously as an environmental control and an energy recovery measure. Separately, flue gas from the husk-fired HTM heaters is routed to generate hot water instead of being discharged directly to atmosphere, reducing thermal pollution while improving overall plant energy efficiency.

#### Water stewardship and Zero Liquid Discharge.

Water-related investment forms the largest share of the year's spend. A Effluent Treatment Plant treats all plant effluent, with treated water reused within the Punjab facility and no wastewater discharged outside the plant boundary. Blowdown from the water treatment and cooling water systems is recovered through Reverse Osmosis and reject of Reverse Osmosis plant is taken into Mechanical Vapour Recompression Evaporator systems, enabling recovery and reuse of water and reducing freshwater intake. A demineralisation plant based on Electrodeionisation technology eliminates the chemical regeneration step required by conventional ion exchange, thereby removing chemical consumption from the demineralisation process and significantly reducing wastewater generation, chemical handling and effluent load. Together these systems support the Company's Zero Liquid Discharge commitment at Punjab.

At Silvassa, the Daman Ganga river water project comprising a dedicated water treatment plant, pump house and pipeline infrastructure enables the facility to source process water from the river, reducing reliance on groundwater and supporting local water-table recovery.

#### Fuel transition and air emissions.

Biomass-fired process heaters use rice husk as the primary fuel in place of conventional fossil fuels. Rice husk is a renewable fuel with lower net carbon emissions. The heaters are fitted with an Electrostatic Precipitator to control particulate matter in the boiler flue gas, significantly reducing dust emissions and supporting compliance with applicable air quality standards.

Taken together, these investments reduce the Company's energy intensity, freshwater dependence, effluent discharge and air emissions, and are

aligned with the Company's stated environmental commitments under Principles 2 and 6.

The environment-related assets pertaining to the Punjab facility were procured as part of the commissioning of the facility. In accordance with Ind AS 16 — Property, Plant and Equipment, these assets were carried as capital work-in-progress during the period of construction and installation, and were capitalised in FY 2025-26 upon the date on which they were ready for their intended use. The amounts disclosed for FY 2025-26 accordingly represent the year of capitalisation and not necessarily the year in which procurement was initiated.

### 2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. The Company has institutionalized formal procedures for sustainable sourcing, integrating environmental and social criteria into its procurement and supply chain management framework. These protocols prioritize traceability, quality, and strict adherence to statutory standards across the supplier base. A key facet of this strategy is the advancement of circular economy principles, exemplified by the procurement of rice husks and other renewable inputs to minimize the environmental footprint. Through structured due diligence, the Company ensures that all suppliers operate in full compliance with ethical mandates and applicable laws, fostering a responsible, transparent, and resilient value chain.

### b. If yes, what percentage of inputs were sourced sustainably?

Considering the nature of raw materials sourced, a specific percentage of inputs sourced sustainably cannot be quantified. However, the Company ensures procurement is aligned with sustainability principles, including sourcing from compliant suppliers and increasing the use of raw materials in line with circular economy initiatives.

### 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste

The Company has implemented structured processes for the safe handling, reclamation, recycling, and disposal of various categories of waste generated across its operations, in line with applicable environmental regulations and sustainability principles.

#### (a) Plastics (including packaging):

The Company promotes responsible use and recycling of plastic materials, including packaging waste. Segregation at source is implemented, and recyclable plastic waste

is disposed of through authorized recyclers. Wherever feasible, the Company encourages the use of recyclable and reusable packaging materials and complies with applicable Extended Producer Responsibility (EPR) requirements. Further, to reduce plastic usage, the Company has partnered with a service provider offering pallet-based solutions, wherein yarn is dispatched on reusable pallets that are returned and reused, thereby minimizing dependence on plastic packaging.

**(b) E-waste:**

E-waste generated from IT and electronic equipment is managed through certified e-waste recyclers in compliance with the E-Waste (Management) Rules. The Company ensures safe collection, storage, and disposal, with proper documentation and traceability to prevent environmental or data security risks.

**(c) Hazardous waste:**

Hazardous waste is handled strictly in accordance with the Hazardous and Other Wastes (Management and Transboundary Movement) Rules. The Company follows prescribed protocols for identification, segregation, storage, transportation, and disposal through Authorized Treatment, Storage, and Disposal Facilities (TSDFs), ensuring minimal environmental impact.

**(d) Other waste:**

Other waste streams, including non-hazardous industrial waste and general waste, are managed through segregation, reuse, and recycling practices. The Company emphasizes

waste minimization at source and partners with authorized agencies responsible for disposal. Initiatives such as process optimization and circular economy practices further support reduction in overall waste generation.

Through these measures, the Company aims to ensure environmentally responsible waste management while promoting resource efficiency and sustainability across its operations.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

**Yes.** The entity's waste collection and processing activities are fully aligned with the EPR plan submitted to the Central Pollution Control Board (CPCB). Sanathan Textiles maintains active compliance as a registered Brand Owner. For the 2024-25 reporting period, the entity successfully fulfilled its statutory obligations by meeting all plastic waste management targets.

- **Recycling Plastic (Category 2):** Met the target of 62 Tons.
- **End of Life Plastic (Category 2):** Met the target of 144 Tons.

To ensure ongoing compliance and environmental accountability, the entity had established and submitted the following targets for the 2025-26 financial year:

- **Recycling Target (Category 2):** 140 Tons
- **End-of-Life Processing Target (Category 2):** 224 Tons

The entity remains committed to scaling its waste management infrastructure in tandem with these increased regulatory benchmarks.

03

## Principle

Businesses should respect and promote the well-being of all employees, including those in their value chains

## Essential Indicators

## 1. a. Details of measures for the well-being of employees.

| Category | % of employees covered by |                  |         |                    |         |                    |         |                    |         |                     |         |
|----------|---------------------------|------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|---------------------|---------|
|          | Total                     | Health insurance |         | Accident insurance |         | Maternity benefits |         | Paternity Benefits |         | Day Care facilities |         |
|          | (A)                       | No. (B)          | % (B/A) | No. (C)            | % (C/A) | No. (D)            | % (D/A) | No. (E)            | % (E/A) | No. (F)             | % (F/A) |
|          | Permanent employees       |                  |         |                    |         |                    |         |                    |         |                     |         |
| Male     | 1,789                     | 1,789            | 100%    | 1789               | 100%    | 0                  | 0       | 0                  | 0%      | 0                   | 0%      |
| Female   | 54                        | 54               | 100%    | 54                 | 100%    | 54                 | 100%    | 0                  | 0%      | 54                  | 100%    |
| Total    | 1,843                     | 1,843            | 100%    | 1,843              | 100%    | 54                 | 100%    | 0                  | 0%      | 54                  | 100%    |

## b. Details of measures for the well-being of workers:

| Category                     | % of workers covered by |                  |         |                    |         |                    |         |                    |         |                     |         |
|------------------------------|-------------------------|------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|---------------------|---------|
|                              | Total<br>(A)            | Health insurance |         | Accident insurance |         | Maternity benefits |         | Paternity Benefits |         | Day Care facilities |         |
|                              |                         | No. (B)          | % (B/A) | No. (C)            | % (C/A) | No. (D)            | % (D/A) | No. (E)            | % (E/A) | No. (F)             | % (F/A) |
| Permanent workers            |                         |                  |         |                    |         |                    |         |                    |         |                     |         |
| Male                         | 0                       | 0                | 0%      | 0                  | 0%      | 0                  | 0%      | 0                  | 0%      | 0                   | 0%      |
| Female                       | 0                       | 0                | 0%      | 0                  | 0%      | 0                  | 0%      | 0                  | 0%      | 0                   | 0%      |
| Total                        | 0                       | 0                | 0%      | 0                  | 0%      | 0                  | 0%      | 0                  | 0%      | 0                   | 0%      |
| Other than Permanent workers |                         |                  |         |                    |         |                    |         |                    |         |                     |         |
| Male                         | 5,716                   | 0                | 0%      | 5,716              | 100%    | 0                  | 0%      | 0                  | 0%      | 0                   | 0%      |
| Female                       | 337                     | 0                | 0%      | 337                | 100%    | 0                  | 0%      | 0                  | 0%      | 0                   | 0%      |
| Total                        | 6,053                   | 0                | 0%      | 6,053              | 100%    | 0                  | 0%      | 0                  | 0%      | 0                   | 0%      |

## c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent)

|                                                                            | FY 2025- 2026<br>Current Financial<br>Year | FY 2024- 2025<br>Previous Financial<br>Year |
|----------------------------------------------------------------------------|--------------------------------------------|---------------------------------------------|
| Cost incurred on wellbeing measures as a % of total revenue of the company | 0.03%                                      | 0.01%                                       |

## 2. Details of retirement benefits.

| Benefits | FY 2025- 2026<br>Current Financial Year            |                                                |                                                      | FY 2024- 2025<br>Previous Financial Year           |                                                |                                                      |
|----------|----------------------------------------------------|------------------------------------------------|------------------------------------------------------|----------------------------------------------------|------------------------------------------------|------------------------------------------------------|
|          | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF       | 89%                                                | 100%                                           | Yes                                                  | 88%                                                | 100%                                           | Yes                                                  |
| Gratuity | 43%                                                | 18%                                            | Yes                                                  | 39%                                                | 20%                                            | Yes                                                  |
| ESI      | 3%                                                 | 85%                                            | Yes                                                  | 1%                                                 | 0%                                             | Yes                                                  |
| Other    | 0                                                  | 0                                              | N.A                                                  | 0                                                  | 0%                                             | 0                                                    |

### 3. Accessibility of workplaces

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Sanathan Textiles ensures that its facilities are progressively aligned with accessibility standards. The Corporate Head Office in Mumbai is fully accessible and equipped with the necessary infrastructure to accommodate differently abled individuals, in compliance with the Rights of Persons with Disabilities Act, 2016. However, due to the high-risk nature of textile manufacturing and the specific physical demands of operating heavy machinery, the factory premises are currently not fully accessible. While employment at production sites is contingent upon medical examinations tailored to these operational safety requirements, the Company continues to evaluate infrastructure enhancements to improve inclusivity where operationally feasible.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

While the Company maintains a commitment to providing equal opportunity to all individuals, including those with disabilities, it has not yet formalized these principles into a standalone written policy. Sanathan ensures an inclusive environment through its established recruitment and operational practices, adhering to the spirit of equitable treatment for all personnel.

### 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Benefits     | Permanent Employees |                | Permanent Workers   |                |
|--------------|---------------------|----------------|---------------------|----------------|
|              | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male         | NA                  | NA             | NA                  | NA             |
| Female       | 100%                | 100%           | NA                  | NA             |
| <b>Total</b> | <b>100%</b>         | <b>100%</b>    | <b>NA</b>           | <b>NA</b>      |

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

|                                                       | Yes/No<br>(If Yes, then give details of the mechanism in brief)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Permanent Workers<br>Other than Permanent Workers     | Yes, Sanathan Textiles has established a formal mechanism to address and resolve worker grievances. Under the company's Grievance Redressal Policy, employees and workers are provided with a structured platform to raise and settle any concerns related to their employment or working conditions. Sanathan Textiles employs a tiered redressal structure where general grievances are managed by Departmental Heads and the Plant Head, while critical or ethical concerns are escalated to the Audit Committee with a provision for direct access to its Chairman to ensure independent oversight. The mechanism ensures strict confidentiality and protection against victimization. |
| Permanent Employees<br>Other than Permanent Employees |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

### 7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

| Category                         | FY 2025-2026<br>Current Financial Year               |                                                                                                |         | FY 2024-2025<br>Previous Financial Year              |                                                                                                |         |
|----------------------------------|------------------------------------------------------|------------------------------------------------------------------------------------------------|---------|------------------------------------------------------|------------------------------------------------------------------------------------------------|---------|
|                                  | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who are part of association(s) or Union (B) | % (B/A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who are part of association(s) or Union (D) | % (D/C) |
| <b>Total Permanent Employees</b> |                                                      |                                                                                                |         |                                                      |                                                                                                |         |
| Male                             |                                                      |                                                                                                |         |                                                      |                                                                                                |         |
| Female                           |                                                      |                                                                                                |         |                                                      |                                                                                                |         |
| <b>Total Permanent Workers</b>   |                                                      |                                                                                                |         |                                                      |                                                                                                |         |
| Male                             |                                                      |                                                                                                |         |                                                      |                                                                                                |         |
| Female                           |                                                      |                                                                                                |         |                                                      |                                                                                                |         |

There are no membership of employees and worker in association or unions recognized.

**8. Details of training given to employees and workers:**

|                     | FY 2025-2026<br>Current Financial Year |                                  |         |                         |         | FY 2024-2025<br>Previous Financial Year |                                  |         |                         |         |
|---------------------|----------------------------------------|----------------------------------|---------|-------------------------|---------|-----------------------------------------|----------------------------------|---------|-------------------------|---------|
|                     | Total<br>(A)                           | On Health and<br>safety measures |         | On Skill<br>upgradation |         | Total<br>(D)                            | On Health and<br>safety measures |         | On Skill<br>upgradation |         |
|                     |                                        | No. (B)                          | % (B/A) | No. (C)                 | % (C/A) |                                         | No. (E)                          | % (E/D) | No. (F)                 | % (F/D) |
|                     |                                        |                                  |         |                         |         |                                         |                                  |         |                         |         |
| Permanent Employees |                                        |                                  |         |                         |         |                                         |                                  |         |                         |         |
| Male                | 1,789                                  | 1,789                            | 100%    | 1,789                   | 100%    | 1,474                                   | 1,474                            | 100%    | 1,474                   | 100%    |
| Female              | 54                                     | 54                               | 100%    | 54                      | 100%    | 46                                      | 46                               | 100%    | 46                      | 100%    |
| Total               | 1,843                                  | 1,843                            | 100%    | 1,843                   | 100%    | 1,520                                   | 1,520                            | 100%    | 1,520                   | 100%    |
| Permanent Workers   |                                        |                                  |         |                         |         |                                         |                                  |         |                         |         |
| Male                | -                                      | -                                | -       | -                       | -       | -                                       | -                                | -       | -                       | -       |
| Female              | -                                      | -                                | -       | -                       | -       | -                                       | -                                | -       | -                       | -       |
| Total               | -                                      | -                                | -       | -                       | -       | -                                       | -                                | -       | -                       | -       |

**9. Details of performance and career development reviews of employees and worker**

| Category                   | FY 2025-2026<br>Current Financial Year |              |             | FY 2024-2025<br>Previous Financial Year |              |             |
|----------------------------|----------------------------------------|--------------|-------------|-----------------------------------------|--------------|-------------|
|                            | Total (A)                              | No. (B)      | % (B / A)   | Total (C)                               | No. (D)      | % (D / C)   |
| <b>Permanent Employees</b> |                                        |              |             |                                         |              |             |
| Male                       | 1,789                                  | 1,789        | 100%        | 1,474                                   | 1,474        | 100%        |
| Female                     | 54                                     | 54           | 100%        | 46                                      | 46           | 100%        |
| <b>Total</b>               | <b>1,843</b>                           | <b>1,843</b> | <b>100%</b> | <b>1,520</b>                            | <b>1,520</b> | <b>100%</b> |
| <b>Permanent Workers</b>   |                                        |              |             |                                         |              |             |
| Male                       | -                                      | -            | -           | -                                       | -            | -           |
| Female                     | -                                      | -            | -           | -                                       | -            | -           |
| <b>Total</b>               | <b>-</b>                               | <b>-</b>     | <b>-</b>    | <b>-</b>                                | <b>-</b>     | <b>-</b>    |

**10. Health and safety management system:**

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).

The Company has implemented a comprehensive Occupational Health and Safety Management System aligned with statutory requirements and industry best practices. The system covers 100% of employees and workers, contractors and service providers including all operational areas, utilities, warehouses, and administrative functions.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

To maintain a high standard of workplace safety and operational excellence, Sanathan Textiles operates under an integrated management system aligned with ISO 9001 and ISO 45001:2018 standards. To ensure continuous improvement and emergency readiness, the system incorporates Root Cause Analysis (RCA) for incident reporting, regular mock drills, and active employee feedback via safety committees. Finally, the health of the workforce is prioritized through a rigorous medical surveillance program, including pre-employment screenings and routine follow-up checkups.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

The Company fosters a proactive safety culture by empowering workers to identify and report hazards through formalized near-miss and hazard reporting systems, direct communication with supervisors, and dedicated safety suggestion schemes. This safety-first environment is reinforced by a clear Stop Work Authority, which allows employees to remove themselves from unsafe situations without fear of retaliation, ensuring that immediate corrective actions are triggered through the management system. Safety awareness is maintained daily through routine morning toolbox talks and the consistent provision of necessary Personal Protective Equipment. Furthermore, worker engagement is solidified through a multi-channeled feedback loop that includes physical suggestion boxes, regular safety meetings, and quarterly reviews conducted by the HR-led Works Committee to ensure all concerns are addressed at a systemic level.

**d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services?**

The organization maintains a high standard of medical preparedness through a full-fledged on-site occupational health center staffed by qualified medical personnel, providing both routine OPD services and weekly visits from specialist doctors. Immediate emergency response is supported by a network of first aid facilities distributed across the plant, a dedicated on-site ambulance, and established tie-ups with referral hospitals in the region for specialized treatment. To ensure long-term workforce wellbeing, the facility conducts periodic health check-ups and implements comprehensive health awareness programs and wellness initiatives. This robust infrastructure ensures that employees have continuous access to both preventive care and rapid emergency medical intervention.

**11. Details of safety related incidents, in the following format:**

| Safety Incident/Number                                                        | Category  | FY 2025-2026           | FY 2024-2025            |
|-------------------------------------------------------------------------------|-----------|------------------------|-------------------------|
|                                                                               |           | Current Financial Year | Previous Financial Year |
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0                      | 0                       |
|                                                                               | Workers   | 0                      | 0                       |
| Total recordable work-related injuries                                        | Employees | 0                      | 0                       |
|                                                                               | Workers   | 0                      | 0                       |
| No. of fatalities                                                             | Employees | 0                      | 0                       |
|                                                                               | Workers   | 0                      | 0                       |
| High consequence work-related injury or ill-health (excluding fatalities)     | Employees | 0                      | 0                       |
|                                                                               | Workers   | 0                      | 0                       |

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

Sanathan Textiles ensures a safe and healthy workplace through an ISO 45001:2018 aligned management system that covers 100% of its workforce. Operational safety is supported by comprehensive training programs on machinery handling and hazardous substances, alongside the mandatory provision and training for Personal Protective Equipment (PPE) such as helmets, safety shoes, and ear protection. To maintain a vigilant safety culture, the Company utilizes extensive visual safety aids, monthly leadership safety walks, and a robust medical infrastructure featuring an on-site Occupational Health Center and 24/7 ambulance services. This holistic approach ensures regulatory compliance while prioritizing the immediate safety and long-term health of all personnel.

**13. Number of complaints on the following made by employees and workers**

| Type               | FY 2025-2026           |                                       |         | FY 2024-2025            |                                       |         |
|--------------------|------------------------|---------------------------------------|---------|-------------------------|---------------------------------------|---------|
|                    | Current Financial Year |                                       |         | Previous Financial Year |                                       |         |
|                    | Filed during the year  | Pending resolution at the end of year | Remarks | Filed during the year   | Pending resolution at the end of year | Remarks |
| Working Conditions | 0                      | 0                                     | NA      | 0                       | 0                                     | NA      |
| Health & Safety    | 0                      | 0                                     | NA      | 0                       | 0                                     | NA      |

**14. Assessments for the year**

|                             | % of your plants and offices that were assessed<br>(by entity or statutory authorities or third parties) |
|-----------------------------|----------------------------------------------------------------------------------------------------------|
| Health and safety practices | 100%                                                                                                     |
| Working Conditions          | 100%                                                                                                     |

All plants and offices were assessed through a combination of internal audits, statutory inspections, and periodic management reviews, ensuring full compliance with applicable health, safety, and workplace standards.

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

The Company has implemented a structured corrective and preventive action framework to address safety-related risks and incidents identified through health and safety assessments.

## 04 Principle

Businesses should respect the interests of and be responsive to all its stakeholders

### Essential Indicators

#### 1. Describe the processes for identifying key stakeholder groups of the entity.

The Company is dedicated to prioritizing stakeholder needs and concerns to ensure sustainable value creation across its entire operational footprint. The organization identifies and engages with both internal and external stakeholders, including employees, shareholders and investors, government regulators, local communities, customers, and suppliers. To ensure a comprehensive understanding of those with a vested interest in or affected by its activities, engagement is facilitated through transparent communication through multiple channels.

#### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group        | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------|----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Shareholders & Investors | No                                                             | Email, Newspaper and Media, Company website, Stock Exchange Filings, AGM/EGM, Investor Calls                                  | Quarterly                                                                            | <p><b>Purpose and Scope of Engagement:</b></p> <p>To ensure transparent, timely, and accurate dissemination of financial and strategic information, enable informed decision-making, and provide a platform for investor queries and feedback.</p> <p><b>Key Topics / Concerns Raised:</b></p> <p>Financial performance and profitability Capacity expansion and capital allocation Dividend policy and returns ESG initiatives and sustainability performance Corporate governance and regulatory compliance Market outlook and growth strategy</p> |
| Customers                | No                                                             | Email, Direct Interactions, Website, Product Catalogues, Trade Exhibitions                                                    | On Need basis                                                                        | <p><b>Purpose and Scope of Engagement:</b></p> <p>To understand customer requirements, long-term market trends, and communicating company values. Ensure product quality and consistency, provide technical support, and build long-term relationships.</p> <p><b>Key Topics / Concerns Raised:</b></p> <p>Product quality and consistency<br/>Pricing and delivery timelines<br/>Product innovation and customization<br/>Sustainability of products (e.g., recycled yarns)<br/>After-sales support and service</p>                                 |

| Stakeholder Group    | Whether identified as Vulnerable & Marginalized Group (Yes/ No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Employees            | No                                                              | Email, Notice Board, Intranet, Townhalls, Training Programmes, direct communication with peers and leadership                 | On Need Basis                                                                        | <b>Purpose and Scope of Engagement:</b><br>To ensure effective communication of policies, align employees with organizational goals, enhance skills, and promote a safe and inclusive work environment.<br><br><b>Key Topics / Concerns Raised:</b><br>Health, safety, and workplace conditions<br>Training and career development<br>Compensation and benefits<br>Work culture and employee engagement<br>Organizational updates and performance                  |
| Communities          | Yes                                                             | Community Meetings, CSR Activities, Awareness Campaigns                                                                       | On Need Basis                                                                        | <b>Purpose and Scope of Engagement:</b><br>To build positive relationships with local communities, address social and environmental impacts, and contribute to community development.<br><br><b>Key Topics / Concerns Raised:</b><br>Employment opportunities and local development<br>Environmental impact of operations<br>Health and safety of surrounding areas<br>CSR initiatives (education, healthcare, livelihood)<br>Infrastructure and community support |
| Value Chain Partners | No                                                              | Email, Meetings, Contracts, Audits, Industry Platforms                                                                        | On Need Basis                                                                        | <b>Purpose and Scope of Engagement:</b><br>To ensure reliable sourcing, maintain quality standards, promote ethical practices, and build resilient and sustainable supply chains.<br><br><b>Key Topics / Concerns Raised:</b><br>Quality standards and specifications<br>Pricing and payment terms<br>Timely delivery and logistics<br>Compliance with ESG and regulatory requirements<br>Long-term partnerships and business continuity                           |

**05**
**Principle**

**Businesses should respect and promote human rights**

**Essential Indicators**

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:**

| Category               | FY 2025-2026 |                                        |             | FY 2024-2025 |                                        |             |
|------------------------|--------------|----------------------------------------|-------------|--------------|----------------------------------------|-------------|
|                        | Total (A)    | No. of employees / workers covered (B) | % (B / A)   | Total (C)    | No. of employees / workers covered (D) | % (D / C)   |
| <b>Employees</b>       |              |                                        |             |              |                                        |             |
| Permanent              | 1,843        | 1,843                                  | 100%        | 1,520        | 1,520                                  | 100%        |
| Other than permanent   | 0            | 0                                      | 0%          | 0            | 0                                      | 0%          |
| <b>Total employees</b> | <b>1,843</b> | <b>1,843</b>                           | <b>100%</b> | <b>1,520</b> | <b>1,520</b>                           | <b>100%</b> |

| Category             | FY 2025-2026 |                                        |            | FY 2024-2025 |                                        |             |
|----------------------|--------------|----------------------------------------|------------|--------------|----------------------------------------|-------------|
|                      | Total (A)    | No. of employees / workers covered (B) | % (B / A)  | Total (C)    | No. of employees / workers covered (D) | % (D / C)   |
| <b>Workers</b>       |              |                                        |            |              |                                        |             |
| Permanent            | 0            | 0                                      | 0%         | 0            | 0                                      | 0%          |
| Other than permanent | 6,053        | 5,716                                  | 94%        | 3,003        | 3,003                                  | 100%        |
| <b>Total workers</b> | <b>6,053</b> | <b>5,716</b>                           | <b>94%</b> | <b>3,003</b> | <b>3,003</b>                           | <b>100%</b> |

## 2. Details of minimum wages paid to employees and workers:

| Category             | FY 2025-2026<br>Current Financial Year |                          |         |                           |         | FY 2024-25<br>Previous Financial Year |                          |         |                           |         |
|----------------------|----------------------------------------|--------------------------|---------|---------------------------|---------|---------------------------------------|--------------------------|---------|---------------------------|---------|
|                      | Total<br>(A)                           | Equal to<br>Minimum Wage |         | More than<br>Minimum Wage |         | Total<br>(D)                          | Equal to<br>Minimum Wage |         | More than<br>Minimum Wage |         |
|                      |                                        | No. (B)                  | % (B/A) | No. (C)                   | % (C/A) |                                       | No. (E)*                 | % (E/D) | No. (F)                   | % (F/D) |
| Employees            |                                        |                          |         |                           |         |                                       |                          |         |                           |         |
| Permanent            |                                        |                          |         |                           |         |                                       |                          |         |                           |         |
| Male                 | 1,789                                  | 729                      | 41%     | 1,059                     | 59%     | 1,474                                 | 639                      | 43%     | 835                       | 57%     |
| Female               | 54                                     | 14                       | 26%     | 40                        | 76%     | 46                                    | 13                       | 28%     | 33                        | 72%     |
| Other than Permanent |                                        |                          |         |                           |         |                                       |                          |         |                           |         |
| Male                 | 0                                      | 0                        | 0%      | 0                         | 0%      | 0                                     | 0                        | 0%      | 0                         | 0%      |
| Female               | 0                                      | 0                        | 0%      | 0                         | 0%      | 0                                     | 0                        | 0%      | 0                         | 0%      |
| Workers              |                                        |                          |         |                           |         |                                       |                          |         |                           |         |
| Permanent            |                                        |                          |         |                           |         |                                       |                          |         |                           |         |
| Male                 | 0                                      | 0                        | 0%      | 0                         | 0%      | 0                                     | 0                        | 0%      | 0                         | 0%      |
| Female               | 0                                      | 0                        | 0%      | 0                         | 0%      | 0                                     | 0                        | 0%      | 0                         | 0%      |
| Other than Permanent |                                        |                          |         |                           |         |                                       |                          |         |                           |         |
| Male                 | 5,716                                  | 5,716                    | 94%     | 0                         | 0%      | 2,691                                 | 2,691                    | 90%     | 0                         | 0%      |
| Female               | 337                                    | 337                      | 6%      | 0                         | 0%      | 312                                   | 312                      | 10%     | 0                         | 0%      |

## 3. Details of remuneration/salary/wages:

### a. Median remuneration / wages:

|                                  | Gender | Total Number | Median remuneration/salary/wages of respective category (₹ in Crores) |
|----------------------------------|--------|--------------|-----------------------------------------------------------------------|
| Board of Directors (BoD)         | Male   | 4            | 4 Crores                                                              |
|                                  | Female | 0            | -                                                                     |
| Key Managerial Personnel         | Male   | 2            | 0.37 Crores                                                           |
|                                  | Female | 0            | -                                                                     |
| Employees other than BoD and KMP | Male   | 1,783        | 0.04 Crores                                                           |
|                                  | Female | 54           | 0.04 Crores                                                           |
| Workers                          | Male   | -            | -                                                                     |
|                                  | Female | -            | -                                                                     |

#### Notes:

1. Remuneration to Directors comprises remuneration paid to Executive Directors only.
2. The category "Employees other than BoD and KMP" includes permanent employees on the rolls of the Company. Workers, being persons engaged as defined under the applicable labour codes, have been disclosed separately. Median remuneration for male and female employees other than BoD and KMP is identical at ₹0.04 crores, reflecting the Company's remuneration framework, which is based on role, skill, qualification and experience and is applied without reference to gender.
3. The figures disclosed above are consistent with the disclosures made under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forming part of the Board's Report.

**b. Gross wages paid to females as % of total wages paid by the entity:**

|                                                 | <b>FY 2025-26</b><br><b>Current financial</b><br><b>Year</b> | <b>FY 2024-25</b><br><b>Previous Financial</b><br><b>Year</b> |
|-------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------|
| Gross wages paid to females as % of total wages | 6.02%                                                        | 6.03%                                                         |

**4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes. The Board of Directors, supported by the Risk Management and Sustainability Committee, oversees human rights-related matters as part of the Company's ESG framework. At the operational level, functions such as Human Resources and the POSH Committee act as focal points for addressing specific concerns, supported by a whistle-blower mechanism for reporting issues.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company has institutionalized formal mechanisms to address human rights grievances through its Human Resources function, POSH Committee, and Vigil/Whistle-blower framework. These channels ensure secure reporting of concerns regarding discrimination, harassment, or unethical conduct, with strict protocols for confidentiality and non-retaliation. To ensure inclusive access, multilingual grievance boxes are available across corporate and manufacturing locations in Mumbai, Silvassa, and Punjab, allowing for direct or representative submissions. All complaints undergo prompt, transparent investigation, with corrective actions implemented in strict accordance with internal policies and statutory laws.

**6. Number of Complaints on the following made by employees and workers:**

| <b>Particulars</b>                | <b>FY 2025-26</b><br><b>Current Financial Year</b> |                                              |                | <b>FY 2024-25</b><br><b>Previous Financial Year</b> |                                              |                |
|-----------------------------------|----------------------------------------------------|----------------------------------------------|----------------|-----------------------------------------------------|----------------------------------------------|----------------|
|                                   | <b>Filed during the year</b>                       | <b>Pending resolution at the end of year</b> | <b>Remarks</b> | <b>Filed during the year</b>                        | <b>Pending resolution at the end of year</b> | <b>Remarks</b> |
| Sexual Harassment                 | Nil                                                | Nil                                          | Nil            | Nil                                                 | Nil                                          | Nil            |
| Discrimination at workplace       | Nil                                                | Nil                                          | Nil            | Nil                                                 | Nil                                          | Nil            |
| Child Labour                      | Nil                                                | Nil                                          | Nil            | Nil                                                 | Nil                                          | Nil            |
| Forced Labour/ Involuntary Labour | Nil                                                | Nil                                          | Nil            | Nil                                                 | Nil                                          | Nil            |
| Wages                             | Nil                                                | Nil                                          | Nil            | Nil                                                 | Nil                                          | Nil            |
| Other human rights related issues | Nil                                                | Nil                                          | Nil            | Nil                                                 | Nil                                          | Nil            |

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

|                                                                                                                                     | <b>FY 2025- 2026</b><br><b>Current financial</b><br><b>Year</b> | <b>FY 2024-2025</b><br><b>Previous Financial</b><br><b>Year</b> |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | Nil                                                             | Nil                                                             |
| Complaints on POSH as a % of female employees / workers                                                                             | NA                                                              | NA                                                              |
| Complaints on POSH upheld                                                                                                           | Nil                                                             | Nil                                                             |

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company has institutionalized robust safeguards to protect complainants and witnesses in discrimination and harassment cases from any form of retaliation or victimization. These protections are operationalized through confidential reporting channels, including the POSH Committee and the Vigil/Whistle-blower framework, which strictly adhere to anonymity and data privacy protocols. Guided by a zero-tolerance mandate toward retaliation, the Company subjects any act of discrimination against a complainant to stringent disciplinary action. Furthermore, the investigation framework is designed to be unbiased and sensitive, ensuring the safety, dignity, and procedural fairness for all parties involved in accordance with statutory requirements.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes. Human rights requirements are embedded in the Company's business agreements and contracts, including clauses relating to compliance with applicable labour laws, prohibition of child and forced labour, non-discrimination, and adherence to ethical business practices.

**10. Assessments of the year**

|                             | % of your plants and offices that were assessed<br>(by entity or statutory authorities or third parties) |
|-----------------------------|----------------------------------------------------------------------------------------------------------|
| Child labour                | 100%                                                                                                     |
| Forced/involuntary labour   | 100%                                                                                                     |
| Sexual harassment           | 100%                                                                                                     |
| Discrimination at workplace | 100%                                                                                                     |
| Wages                       | 100%                                                                                                     |

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Nil

**06 Principle**

Businesses should respect and make efforts to protect and restore the environment

**Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity:**

| Parameter                                                                                | Unit of measurement         | FY 2025- 2026<br>Current Financial Year | FY 2024- 2025<br>Previous Financial Year |
|------------------------------------------------------------------------------------------|-----------------------------|-----------------------------------------|------------------------------------------|
| <b>From renewable sources</b>                                                            |                             |                                         |                                          |
| Total electricity consumption (A)                                                        | GJ                          | 8,931                                   | 10,099                                   |
| Total fuel consumption (B)                                                               | GJ                          | 2,42,731                                | -                                        |
| Energy consumption through other sources (C)                                             | GJ                          | -                                       | -                                        |
| <b>Total energy consumed from renewable sources (A+B+C)</b>                              | GJ                          | <b>2,51,662</b>                         | <b>10,099</b>                            |
| <b>From non-renewable sources</b>                                                        |                             |                                         |                                          |
| Total electricity consumption (D)                                                        | GJ                          | 15,49,390                               | 12,14,638                                |
| Total fuel consumption (E)                                                               | GJ                          | 6,79,701                                | 5,63,139                                 |
| Energy consumption through other sources (F)                                             | GJ                          | -                                       | -                                        |
| <b>Total energy consumed from non-renewable sources (D+E+F)</b>                          | GJ                          | <b>22,29,092</b>                        | <b>17,77,777</b>                         |
| <b>Total energy consumed (A+B+C+D+E+F)</b>                                               | GJ                          | <b>24,80,754</b>                        | <b>17,87,876</b>                         |
| Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) | GJ/Rupee turnover in Crores | 650                                     | 596                                      |

| Parameter                                                                                                                                            | Unit of measurement     | FY 2025- 2026<br>Current Financial Year | FY 2024- 2025<br>Previous Financial Year |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-----------------------------------------|------------------------------------------|
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) | GJ/Million USD Turnover | 1,307.04                                | 1,197.24                                 |
| Energy intensity in terms of physical output Specific Power Consumption                                                                              | GJ/tonnes               | 5.03                                    | 5.20                                     |
| Energy intensity (optional) - the relevant metric may be selected by the entity                                                                      | -                       |                                         |                                          |

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India?**

Yes, Sanathan Textiles is a registered Designated Consumer (DC) under Performance, Achieve and Trade (PAT). To meet these regulatory requirements, the Company is increasingly investing in energy-efficient technologies and transitioning to renewable power sources. These strategic measures ensure that Sanathan Textiles consistently reduces its emission of intensity while upholding its commitment to national energy conservation standards.

**3. Provide details of the following disclosures related to water:**

| Parameter                                                                                                                                                                           | FY 2025- 2026<br>Current Financial Year | FY 2024- 2025<br>Previous Financial Year |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|------------------------------------------|
| <b>Water withdrawal by source (in kilolitres)</b>                                                                                                                                   |                                         |                                          |
| 4(i) Surface water                                                                                                                                                                  | 1,05,331                                | 0                                        |
| (ii) Groundwater                                                                                                                                                                    | 2,75,682                                | 2,80,605                                 |
| (iii) Third party water (Municipal water supplies)                                                                                                                                  | -                                       | -                                        |
| (iv) Seawater / desalinated water                                                                                                                                                   | -                                       | -                                        |
| (v) Others (Rainwater storage)                                                                                                                                                      | -                                       | -                                        |
| <b>Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)</b>                                                                                                     | <b>3,81,013</b>                         | <b>2,80,605</b>                          |
| <b>Total volume of water consumption (in kiloliters) *</b>                                                                                                                          | <b>3,81,013</b>                         | <b>2,80,605</b>                          |
| <b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations) in crores                                                                          | 99.97                                   | 93.58                                    |
| <b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP) kiloliters/Million USD | 200.74                                  | 187.91                                   |
| <b>Water intensity in terms of physical output</b>                                                                                                                                  | 0.77                                    | 0.82                                     |
| <b>Water intensity (optional)</b> - the relevant metric may be selected by the entity                                                                                               |                                         |                                          |

**4. Provide the following details related to water discharged:**

| Parameter                                                                     | FY 2025- 2026<br>Current Financial Year | FY 2024- 2025<br>Previous Financial Year |
|-------------------------------------------------------------------------------|-----------------------------------------|------------------------------------------|
| <b>Water discharge by destination and level of treatment (in kilo liters)</b> |                                         |                                          |
| (i) To Surface water                                                          | Nil                                     | Nil                                      |
| - No treatment                                                                |                                         |                                          |
| - With treatment - please specify level of treatment                          |                                         |                                          |
| (ii) To Groundwater                                                           | Nil                                     | Nil                                      |
| - No treatment                                                                |                                         |                                          |
| - With treatment - please specify level of treatment                          |                                         |                                          |
| (iii) To Seawater                                                             | Nil                                     | Nil                                      |
| - No treatment                                                                |                                         |                                          |
| - With treatment - please specify level of treatment                          |                                         |                                          |
| (iv) Sent to third parties                                                    | Nil                                     | Nil                                      |
| - No treatment                                                                |                                         |                                          |

| Parameter                                                                           | FY 2025- 2026<br>Current Financial<br>Year | FY 2024- 2025<br>Previous Financial<br>Year |
|-------------------------------------------------------------------------------------|--------------------------------------------|---------------------------------------------|
| - With treatment – please specify level of treatment (send to CETP after treatment) |                                            |                                             |
| (v) Others                                                                          | Nil                                        | Nil                                         |
| - No treatment                                                                      |                                            |                                             |
| - With treatment – Tertiary treatment                                               |                                            |                                             |
| <b>Total water discharged (in kilo liters)</b>                                      | <b>Nil</b>                                 | <b>Nil</b>                                  |

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes. The Silvassa units and Punjab unit operate as a Zero Liquid Discharge mechanism site with 100% implementation. The wastewater goes through Primary, Secondary, Tertiary, Reverse Osmosis and MEE at Silvassa unit and MVRE at Punjab unit which make it fit for reuse in the process. Water recovered is reutilized in production and waste components are sent to MEE/ MVRE and discarded as sludge to registered entities.

**6. Please provide details of air emissions (other than GHG emissions) by the entity:**

| Parameter                           | Please<br>specify unit | FY 2025- 2026<br>Current Financial<br>Year | FY 2024- 2025<br>Previous Financial<br>Year |
|-------------------------------------|------------------------|--------------------------------------------|---------------------------------------------|
| NOx                                 | Kg                     | 10,471.81                                  | 5,078.62                                    |
| SOx                                 | Kg                     | 4,430.91                                   | 2,068.01                                    |
| Particulate matter (PM2.5)          | Kg                     | 19,036.52                                  | 5,202.63                                    |
| Particulate matter (PM10)           | Kg                     | -                                          | -                                           |
| Persistent organic pollutants (POP) | Kg                     | -                                          | -                                           |
| Volatile organic compounds (VOC)    | Kg                     | -                                          | -                                           |
| Hazardous air pollutants (HAP)      | Kg                     | -                                          | -                                           |

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:**

| Parameter                                                                                                                                                                                                 | Unit                                                          | FY 2025- 2026<br>Current Financial<br>Year | FY 2024- 2025<br>Previous Financial<br>Year |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------|---------------------------------------------|
| <b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                              | Metric tons of CO <sub>2</sub> equivalent                     | 39,164                                     | 30,296                                      |
| <b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                              | Metric tons of CO <sub>2</sub> equivalent                     | 3,05,574                                   | 2,39,553                                    |
| Total Scope 1 and Scope 2 emissions                                                                                                                                                                       | Metric tons of CO equivalent                                  | 3,44,738                                   | 2,69,849                                    |
| <b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)                                                             | Metric tons of CO <sub>2</sub> equivalent/ turnover in crores | 90.45                                      | 89.99                                       |
| <b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | Metric tons of CO <sub>2</sub> equivalent/ turnover in USD    | 181.63                                     | 180.70                                      |
| <b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>                                                                                                                           | Metric tons of CO <sub>2</sub> equivalent/ tonne              | 0.70                                       | 0.79                                        |
| <b>This Total Scope 1 and Scope 2 emission intensity (optional)</b> – the relevant metric may be selected by the entity                                                                                   | -                                                             | -                                          | -                                           |

**8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Sanathan Textiles has implemented a multi-faceted GHG emission reduction strategy centered on transitioning to low-carbon energy sources across its operations. At its Silvassa manufacturing hub, the company has successfully commissioned 2.35 MW of rooftop solar capacity, directly offset grid-based emissions and reducing the carbon footprint of its operations. Furthermore, to power its new facility at Punjab, the company (via its subsidiary Sanathan Polycot Private Limited) has committed to a 32 MW Hybrid Solar-Wind project for procuring Round-The-Clock power. These renewable energy projects are complemented using rice husk biomass for thermal requirements and Zero Liquid Discharge (ZLD) systems, collectively driving the entity toward its long-term decarbonization goals and improving energy intensity metrics.

**9. Provide details related to waste management by the entity:**

| Parameter                                                                                                                                                                 | FY 2025- 2026<br>Current Financial<br>Year | FY 2024- 2025<br>Previous Financial<br>Year |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------------------------------------|
| <b>Total Waste generated (in metric tons)</b>                                                                                                                             |                                            |                                             |
| Plastic waste <b>(A)</b>                                                                                                                                                  | 16.82                                      | 7.73                                        |
| E- waste <b>(B)</b>                                                                                                                                                       | 3.5                                        | 4.1                                         |
| Bio-medical waste <b>(C)</b>                                                                                                                                              | 10.8                                       | 13.71                                       |
| Construction and demolition waste <b>(D)</b>                                                                                                                              | -                                          | -                                           |
| Battery waste <b>(E)</b>                                                                                                                                                  | Under buy back                             | Under buy back                              |
| Radioactive waste <b>(F)</b>                                                                                                                                              | -                                          | -                                           |
| Other Hazardous waste -excluding e-waste and biomedical waste <b>(G)</b>                                                                                                  | 165.61                                     | 162.45                                      |
| Other Non-hazardous waste generated <b>(H)</b> - excluding plastic waste                                                                                                  | 1.93                                       | 0.98                                        |
| <b>Total (A+B + C + D + E + F + G + H)</b>                                                                                                                                | <b>198.66</b>                              | <b>188.97</b>                               |
| <b>Waste intensity per rupee of Turnover</b>                                                                                                                              | 52.13                                      | 63.03                                       |
| (Total waste generated / Revenue from operations) in crores                                                                                                               |                                            |                                             |
| <b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP) kg/Million USD | 104.7                                      | 126.6                                       |
| <b>Waste intensity in terms of physical output</b>                                                                                                                        | -                                          | -                                           |
| <b>Waste intensity (optional)</b> - the relevant metric may be selected by the entity                                                                                     | -                                          | -                                           |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)</b>                              |                                            |                                             |
| <b>Category of waste</b>                                                                                                                                                  |                                            |                                             |
| (i) Recycled                                                                                                                                                              | 10.220                                     | 20.560                                      |
| (ii) Re-used                                                                                                                                                              |                                            |                                             |
| (iii) Other recovery operations                                                                                                                                           |                                            |                                             |
| <b>Total</b>                                                                                                                                                              | <b>10.220</b>                              | <b>20.560</b>                               |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)</b>                                                           |                                            |                                             |
| <b>Category of waste</b>                                                                                                                                                  |                                            |                                             |
| (i) Incineration                                                                                                                                                          | 0.090                                      | 0.500                                       |
| (ii) Landfilling                                                                                                                                                          | 155.30                                     | 141.39                                      |
| (iii) Landfilling after incineration                                                                                                                                      |                                            |                                             |
| <b>Total</b>                                                                                                                                                              | <b>155.39</b>                              | <b>141.89</b>                               |

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Sanathan Textiles has implemented a systematic waste management framework integrated into its manufacturing ecosystem. The establishment's practices are focused on waste segregation at the source and the maximum recovery of resources to minimize environmental impact. All various categories of waste generated, including hazardous, non-hazardous, and electronic waste, are strictly segregated. To ensure full regulatory compliance and environmental safety, all categories of waste are sold or handed over to authorized entities for recycling, co-processing, or safe disposal.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required:**

| S. No. | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any. |
|--------|--------------------------------|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
|--------|--------------------------------|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|

Sanathan Textiles' manufacturing facilities in Silvassa and Punjab are both situated within government-designated industrial zones and are not located within any Eco-Sensitive Zones (ESZ).

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|------|-------------------------------------------------------------|--------------------------------------------------|-------------------|
| Not Applicable                    |                      |      |                                                             |                                                  |                   |

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N):**

The Company maintains comprehensive compliance with the prevailing Indian environmental regulatory framework, adhering to the provisions of the Environment (Protection) Act, 1986, the Water (Prevention and Control of Pollution) Act, 1974, the Water (Prevention and Control of Pollution) Cess Act, 1977, the Air (Prevention and Control of Pollution) Act, 1981, the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules and the E-Waste (Management) Rules. Operational integrity is ensured through the valid maintenance of all requisite Consents to Operate (CTO) and the rigorous monitoring of emissions and effluent discharge against prescribed statutory standards.

| S. No.         | Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|----------------|-----------------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------|
| Not applicable |                                                                       |                                       |                                                                                                           |                                 |

## 07 Principle

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

### Essential Indicators

1. a. Number of affiliations with and industry chambers/ associations: 7
- b. List the trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ associations   | Reach of trade and industry chambers/ associations (State/National) |
|--------|---------------------------------------------------------|---------------------------------------------------------------------|
| 1      | Polyester Textile Apparel Industry                      | National                                                            |
| 2      | Bombay Chamber of Commerce and Industry                 | National                                                            |
| 3      | The Cotton Textiles Export Promotion Council            | National                                                            |
| 4      | The Synthetic & Rayon Textiles Export Promotion Council | National                                                            |
| 5      | Federation of Indian Export Organizations               | National                                                            |
| 6      | Confederation of Indian Industry                        | National                                                            |
| 7      | Silvassa Industries Association                         | State/UT                                                            |

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Nil

## 08 Principle

Businesses should promote inclusive growth and equitable development

### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

| Name and brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|----------------------|-------------------------------------------------------------|--------------------------------------------------|-------------------|
| Not applicable                    |                      |                      |                                                             |                                                  |                   |

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

| S. No.         | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In INR) |
|----------------|------------------------------------------|-------|----------|-----------------------------------------|--------------------------|-----------------------------------------|
| Not applicable |                                          |       |          |                                         |                          |                                         |

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has institutionalized a formal grievance redressal mechanism to identify and mitigate community-related concerns across its manufacturing locations. This framework is operationalized through a multi-channel intake system, including dedicated CSR teams, site-level administrative desks, and institutionalized stakeholder outreach programs. All grievances are systematically logged and subjected to a structured review process to ensure time-bound resolution and the implementation of measurable corrective actions. In alignment with transparency and accountability standards, the Company maintains proactive engagement with local stakeholders to pre-emptively address social and environmental risks, ensuring a responsive and inclusive community relations interface.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

| Parameter                                   | FY 2025- 2026<br>Current Financial<br>Year | FY 2024- 2025<br>Previous Financial<br>Year |
|---------------------------------------------|--------------------------------------------|---------------------------------------------|
| Directly sourced from MSMEs/small producers | 4%                                         | 3%                                          |
| Directly from within India                  | 67%                                        | 71%                                         |

**5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:**

| Location     | FY 2025- 2026<br>Current Financial<br>Year | FY 2024- 2025<br>Previous Financial<br>Year |
|--------------|--------------------------------------------|---------------------------------------------|
| Rural        | 88%                                        | 79%                                         |
| Semi-urban   | 0                                          | 0                                           |
| Urban        | 0                                          | 0                                           |
| Metropolitan | 12%                                        | 21%                                         |

**09 Principle**

Businesses should engage with and provide value to their consumers in a responsible manner

**Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company has institutionalized a multi-channel framework to systematically receive and resolve consumer complaints and feedback. Technical grievances regarding yarn quality and B2B specifications are managed by the Product Innovation and Development team, with customers able to engage directly through account managers or a dedicated technical resolution portal ([nk@sanathan.com](mailto:nk@sanathan.com)). General inquiries and feedback are funneled through the corporate interface ([info@sanathan.com](mailto:info@sanathan.com)) and the official website's stakeholder engagement section. All submissions are subjected to a structured review process to ensure time-bound resolution and the implementation of corrective actions, driving continuous improvement in product quality and customer satisfaction.

**2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

|                                                             | Reasons for Recall |
|-------------------------------------------------------------|--------------------|
| Environmental and social parameters relevant to the product | 100%               |
| Safe and responsible usage                                  | 100%               |
| Recycling and / or safe disposal                            | 100%               |

**3. Number of consumer complaints in respect of the following:**

| Particulars    | FY 2025- 2026<br>(Current Financial Year) |                                      | Remarks | FY 2024- 2025<br>(Previous Financial Year) |                                      | Remarks |
|----------------|-------------------------------------------|--------------------------------------|---------|--------------------------------------------|--------------------------------------|---------|
|                | Received<br>during the year               | Pending resolution<br>at end of year |         | Received<br>during the year                | Pending resolution<br>at end of year |         |
| Data privacy   | Nil                                       | Nil                                  | -       | Nil                                        | Nil                                  | -       |
| Advertising    | Nil                                       | Nil                                  | -       | Nil                                        | Nil                                  | -       |
| Cyber-security | Nil                                       | Nil                                  | -       | Nil                                        | Nil                                  | -       |

| Particulars                    | FY 2025- 2026<br>(Current Financial Year) |                                   | Remarks | FY 2024- 2025<br>(Previous Financial Year) |                                   | Remarks |
|--------------------------------|-------------------------------------------|-----------------------------------|---------|--------------------------------------------|-----------------------------------|---------|
|                                | Received during the year                  | Pending resolution at end of year |         | Received during the year                   | Pending resolution at end of year |         |
| Delivery of essential Services | Nil                                       | Nil                               | -       | Nil                                        | Nil                               | -       |
| Restrictive Trade Practices    | Nil                                       | Nil                               | -       | Nil                                        | Nil                               | -       |
| Unfair Trade Practices         | Nil                                       | Nil                               | -       | Nil                                        | Nil                               | -       |
| Other                          | Nil                                       | Nil                               | -       | Nil                                        | Nil                               | -       |

**4. Details of instances of product recalls on account of safety issues:**

|                   | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | Nil    | Nil                |
| Forced recalls    | Nil    | Nil                |

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes. The Company has an established framework on cyber security and data privacy, supported by an Information Security Policy aligned with ISO 27001 standards, which is subject to periodic review under Board oversight. The framework includes implementation of advanced security controls, regular audits, vulnerability assessments, and employee awareness programmes to mitigate cyber risks and protect data privacy.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Not applicable

**7. Provide the following information relating to data breaches:**
**a. Number of instances of data breaches**

Nil

**b. Percentage of data breaches involving personally identifiable information of customers**

Nil

**c. Impact, if any, of the data breaches**

Nil