

Date: April 22, 2026

To,
The Manager,
Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400051
Symbol: SARLAPOLY

Corporate Services Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai – 400001
Security Code: 526885

Sub: Outcome of Board Meeting held on Wednesday, April 22, 2026, in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), this is to inform you that the Board of Directors of Sarla Performance Fibers Limited (“**Company**”) at its meeting held on Wednesday, April 22, 2026, has *inter alia* considered and approved the following:

1. Approval of Audited Financial Results for the quarter and financial year ended March 31, 2026 (Standalone and Consolidated)

The Board considered and approved the Audited Financial Results (Standalone and Consolidated) for the quarter and financial year ended March 31, 2026, along with the Statement of Assets and Liabilities, Cash Flow Statements, and the Auditor’s Reports thereon, pursuant to Regulation 33 of the Listing Regulations.

2. Approval of Audited Financial Statements for March 31, 2026 (Standalone & Consolidated)

The Board considered and approved the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2026, including the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statements, together with the notes and annexures thereto, pursuant to Section 134 of the Companies Act, 2013 and Regulation 33 of the Listing Regulations.

- The Board took note that the Statutory Auditors, C N K & Associates LLP, have issued a qualified audit opinion on the standalone audited financial statements of the Company for the financial year ended March 31, 2026. The qualification relates to the sale by the Company of 11 Non-Cumulative Redeemable Preference Shares held in its wholly owned subsidiary, Sarla Flex Inc. (United States of America), for a consideration of USD 1,21,000, resulting in a loss of ₹5,433.16 lakhs which has been fully recognised as an Exceptional Item in the financial statements for the year ended March 31, 2026. The Company has applied to the Regulators for the necessary approvals in respect of the said sale, write-off of investment, and credit of the sale proceeds to the Company's account, which approvals are pending as on date. The Board has noted the said qualification and the management's view that there is no uncertainty regarding the receipt of the said approvals. Accordingly, as required under Regulation 33(3)(d) of the Listing Regulations, the Company has enclosed the “Statement on Impact of Audit Qualifications” in the prescribed format along with the Audited Financial Results as **Annexure I**.
- The Board took note that the Statutory Auditors, C N K & Associates LLP, have issued a qualified audit opinion on the consolidated audited financial statements of the Company for the financial year ended March 31, 2026. The qualification relates to the sale by the Company of 11 Non-Cumulative Redeemable Preference Shares held in its wholly owned subsidiary, Sarla Flex Inc. (United States of America), for a consideration of USD 1,21,000, resulting in a loss of ₹7,713.26 lakhs which has been fully recognised as an Exceptional Item in the financial statements for the year ended March 31, 2026. The Company has applied to the Regulators for the necessary approvals in respect of the said sale, write-off of investment,

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Survey No. 59/1/4,
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Estate, Silvassa-396 230,
U.T. Dadra & Nagar Havelli

Works 2:
Survey No.
64/2/3/4,61/1,61/2,62/5,63/5,63/7,
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Silvassa-396 230,
U.T. Dadra & Nagar Havelli

Works 3:
Survey No. 213/P,
Plot No. 11 & 12,
Dadra-396 191,
U.T. Dadra & Nagar Havelli

Vapi Works:
Shed No. A1/48,
100 Sheds Area,
GIDC, Vapi-396 195
(Gujarat)

and credit of the sale proceeds to the Company's account, which approvals are pending as on date. The Board has noted the said qualification and the management's view that there is no uncertainty regarding the receipt of the said approvals. Accordingly, as required under Regulation 33(3)(d) of the Listing Regulations, the Company has enclosed the "Statement on Impact of Audit Qualifications" in the prescribed format along with the Audited Financial Results as **Annexure I**.

3. Recommendation of Dividend, subject to Members' approval, and approval of record date

The Board recommended a final dividend of ₹2/- per equity share of ₹1/- each for the financial year ended March 31, 2026, subject to approval of the shareholders at the forthcoming Annual General Meeting ("AGM").

The Promoters and the promoter group have expressed that they will be waiving their rights to receive the dividend.

The dividend, if approved, will be paid within the statutory timelines to those members whose names appear in the Register of Members as on the **record date to be fixed for this purpose**.

The specific date will be intimated to the Stock Exchanges in due course, in compliance with Regulation 42 of the SEBI (LODR) Regulations, 2015.

4. Re-appointment of Internal Auditor

The Board approved the re-appointment of Ms. Pooja Dharewa (Membership No. 135998) of KD Practice Consulting Private Limited, as the Internal Auditor of the Company for the financial year 2026-27, in accordance with Section 138 of the Companies Act, 2013 and the applicable rules made thereunder.

5. Re-appointment of Cost Auditor

The Board approved the re-appointment of M/s. Kasina & Associates (Firm Registration Number: 104088), Cost Accountants, as the Cost Auditor of the Company for the financial year 2026-27, subject to ratification of remuneration of Rs. 95,000/- p.a. by the shareholders, as per Section 148 of the Companies Act, 2013.

6. Date and Time of AGM

The 33rd Annual General Meeting of the Company will be held on **Wednesday, July 29, 2026**, at 11:00 Hours (IST) through Video Conferencing (VC)/Other Audio Visual Means (OAVM).

7. E-Voting Facility and Appointment of Agency

In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company will provide its members the facility to cast their votes electronically on all resolutions set forth in the AGM Notice through remote e-voting.

The remote e-voting period will commence on **Friday, 24 July 2026**, at 09:00 a.m. (IST), and end on **Tuesday, 28 July 2026**, at 05:00 p.m. (IST). The e-voting module shall be disabled thereafter.

The Board has approved the appointment of MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) as the agency for providing the e-voting platform for the AGM. MUFG's e-voting system enables shareholders to vote electronically in a secure and convenient manner, in accordance with the guidelines issued by the Ministry of Corporate Affairs and SEBI.

8. Cut-off Date

This Notice of the Annual General Meeting will be sent to all Members whose names appear in the Register of Members / Register of Beneficial Owners furnished by the Depositories as on **Friday, June 26, 2026**, being the benchmark date fixed by the Board for identifying Members entitled to receive this Notice.

The Board has further fixed **Wednesday, July 22, 2026** as the **Cut-off Date under Rule 20(4)(vii) of the Companies (Management and Administration) Rules, 2014** for determining the eligibility of Members to cast their votes by remote e-voting and at the AGM. Only Members whose names appear in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on **Wednesday, July 22, 2026**, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Once a vote on a resolution is cast by a Member through remote e-voting, such Member shall not be permitted to change it subsequently, nor to cast the vote again at the AGM.

Any person who acquires shares of the Company and becomes a Member after the dispatch of this Notice, but holds shares as on the Cut-off Date of 22 July 2026, may obtain the login ID and password for remote e-voting by writing to MUFG Intime India Private Limited or to the Company at its registered email ID.

9. Book Closure Dates

Pursuant to Regulation 42 of SEBI (LODR) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, July 23, 2026, to Wednesday, July 29, 2026 (both days inclusive)**, for the purpose of the AGM and to determine the entitlement of members to dividend, if declared at the AGM.

10. Dispatch of AGM Notice and Annual Report

The Notice of the AGM along with the Annual Report for the financial year ended March 31, 2026, will be sent electronically to those shareholders whose email addresses are registered with the Company/Depository Participant(s)/Registrar and Transfer Agent, and physical copies shall be dispatched to such other shareholders, as may be required under the applicable laws.

11. Scrutinizer's Appointment and Report:

The Board has appointed CS Vyoma Desai, Partner at Abbas Lakdawalla & Associates LLP, Practicing Company Secretaries, as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company, and submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, not later than 48 hours from the conclusion of the AGM.

12. Declaration of Results

The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of the e-voting agency immediately after the declaration of results by the Chairman or a person authorized by him and shall also be communicated to the Stock Exchanges where the Company's shares are listed.

13. Proposal for Buyback of Equity Shares:

The Board deliberated on the proposal for buyback of equity shares of the Company and, after due consideration, decided to defer the matter for further evaluation. The same will be considered by the Board at its upcoming Board Meeting to be scheduled for May 11, 2026.

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GIDC, Vapi-396 195
(Gujarat)

Further, in accordance with the Company's Code of Conduct for prevention of insider trading, the trading window for dealing in securities of the Company shall continue to remain closed until further communication.

Details required under Regulation 30 of the Listing Regulations, read with SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, in respect of the re-appointment of the Internal Auditor and the Cost Auditor are enclosed as **Annexure II**.

In terms of Regulation 33 of the Listing Regulations, enclosed are the signed Audited Financial Results (Standalone and Consolidated) for the quarter and financial year ended March 31, 2026, along with the Statutory Auditors' Reports thereon and the Statement on Impact of Audit Qualifications, and the same will be available on the website of the Company at <https://www.sarlafibers.com>.

The extract of the Audited Financial Results shall be published in the newspapers in the format prescribed under Regulation 47 of the (Listing Obligations and Disclosure Requirements) Listing Regulations.

Meeting Times: The meeting of the Board of Directors commenced at 05:38 P.M. and concluded at 10:19 P.M.

The above information is also available on the Company's website at www.sarlafibers.com.

We request you to take the same on record.

For Sarla Performance Fibers Limited

Mustafa Yusuf Manasawala
Company Secretary & Compliance Officer
M. No. A76344

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CNK & Associates LLP

Chartered Accountants

Independent Auditor's Report on the Quarterly and Year to Date Audited Consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
SARLA PERFORMANCE FIBERS LIMITED

Report on Audit of Consolidated Financial Results

Qualified Opinion

We have audited the accompanying statement of quarterly and year to date Consolidated Financial Results of **Sarla Performance Fibers Limited** (the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the quarter and year ended 31st March, 2026 (the "Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Security and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements/financial results/financial information of the subsidiaries, the Statement:

- i. Includes the financial results of the entities as mentioned in Annexure;
- ii. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii. Except for the matters stated in the Basis for Qualified Opinion, gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the consolidated net loss and other comprehensive loss and other financial information of the Group for the quarter and year ended 31st March, 2026.

Basis for Qualified Opinion

We draw attention to Note No. 4 on Exceptional Items wherein the Holding Company has recognized loss of Rs. 7,713.26 lakhs on sale of 1% Non-Cumulative Redeemable Preference Shares held in its wholly owned subsidiary, Sarla Flex Inc.

For the sale and write off of the loss for the above transaction and subsequent receipt of the sales proceeds, the Holding company has applied for the necessary approvals from the regulators and the same is still awaited as on date of our report.

Mistry Bhavan, 3rd Floor, Dinshaw Vachha Road, Churchgate, Mumbai 400 020. Tel: +91 22 6623 0600
501-502, Narain Chambers, M.G. Road, Vile Parle (E), Mumbai 400 057. Tel: +91 22 6250 7600
Website: www.cnkindia.com

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We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Results” section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in “Other Matters” paragraph below is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matters

- a) As reported in the component auditor’s report of Sarlaflex Inc., a subsidiary, the Financial results of the subsidiary company is prepared on ‘Going Concern’ basis in spite of suspension of manufacturing operations since December 2017 and net worth becoming negative;
- b) As reported in the component auditor’s report of Sarla Overseas Holding Limited (SOHL), the investment made by SOHL in three Joint Ventures are not consolidated on account of non-resolution of disputes, or non-receipt of financial statements for the year ended 31st March, 2026. Though these investments have been tested for impairment and necessary provisions have been made in FY 2017-18 on transition to Ind AS, we are unable to comment about impact of the same on the Consolidated financial results;

Our opinion is not modified in respect of these matters.

Management’s Responsibilities for the Consolidated Financial Results

The statement, which is the responsibility of the Holding Company’s Management and Board of Director’s, has been prepared on the basis of the Consolidated financial statements. The Holding Company’s Management and Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group, in accordance with recognition and measurement principles laid down in the applicable Indian accounting standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Holding Company’s Management and Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. The respective Management and Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used



for the purpose of preparation of these consolidated financial results by the management and the board of directors of the holding company, as aforesaid.

In preparing the Statement, the respective Management and Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls as applicable;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Statement made by the Management and Board of Directors;
- Conclude on the appropriateness of the respective Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of



the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial results/financial statements/financial information of the entities within the Group, to express an opinion on the Statement. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated 29th March 2019 issued by the Securities Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matters

- a) We did not audit the financial statements of two subsidiaries included in the statement, whose financial statements reflect total assets of Rs. 3065.22 lakhs, total liabilities of Rs. 10194.70 lakhs as at 31st March, 2026; total revenue of Rs. 1264.21 lakhs and total comprehensive income (before consolidation adjustments) of Rs 2335.70 lakhs for the year ended 31st March, 2026 as considered in the Consolidated Financial Results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors, and such other procedures performed by us as stated in the preceding paragraph above.



These subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. The conversion adjustments made by holding company's management has been audited by other auditors. Our opinion, in so far as it relates to the balances and affairs of such subsidiaries is based on the report of other auditors and conversion adjustments prepared by the Management of the Holding Company and audited by other auditors;

Our opinion is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

- b) The Statement includes the results for the quarter ended 31st March 2026 being the balancing figures between the audited figures in respect of the full financial year ended 31st March, 2026 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subject to a limited review by us, as required under the Listing Regulations.

Our opinion is not modified in respect of the above matter.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W100036

S. S. Agaskar

Suresh Agaskar

Partner

Membership No. 110321

UDIN: 26110321UDQAKO3244

Place: Mumbai

Date: 22nd April 2026



Annexure to our Independent Auditor's Report on the Quarterly and Year to Date Audited Consolidated Financial Results:

Subsidiaries (held directly)

- a. Sarla Overseas Holding Limited
- b. Sarlaflex Inc

Subsidiaries (held indirectly)

- a. Sarla Europe, Lda
- b. Sarlaflex LLC
- c. Sarla Estate LLC
- d. Sarla Leverage Lender LLC



STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2026

(Rs. in lakhs except EPS)

PARTICULARS	STANDALONE				CONSOLIDATED			
	Quarter Ended		Year Ended		Quarter Ended		Year Ended	
	31-Mar-26 AUDITED	31-Mar-25 AUDITED	31-Mar-26 AUDITED	31-Mar-25 AUDITED	31-Dec-25 UNAUDITED	31-Mar-25 AUDITED	31-Mar-26 AUDITED	31-Mar-25 AUDITED
Income								
1 Revenue From Operations	9,850.18	9,931.16	39,634.33	42,366.67	8,919.87	10,033.06	40,123.22	42,710.09
2 Other Income	1,233.40	201.71	5,745.21	2,439.45	1,232.99	258.28	5,664.60	2,518.92
3 Total Income (1+2)	10,977.08	10,132.87	45,379.54	44,806.12	10,152.86	10,291.34	45,787.82	45,229.01
Expenses:								
a) Cost of raw material consumed	4,036.64	4,225.12	16,807.45	20,092.22	4,158.71	4,025.31	17,353.42	20,082.27
b) Changes in inventories of finished goods and work in progress	134.91	(196.07)	(198.25)	(991.98)	821.99	(195.63)	720.67	(1,015.68)
c) Employee benefit expenses	610.73	450.30	2,264.39	1,988.77	625.38	491.13	2,446.12	2,128.54
d) Finance costs	179.25	401.96	823.90	1,064.42	222.57	401.96	823.90	1,064.42
e) Depreciation and amortisation expenses	594.94	593.93	2,448.49	2,431.86	581.16	611.94	2,523.15	2,502.16
f) Impairment Expenses	453.40	-	453.40	-	-	-	453.40	-
g) Other expenses	4,212.68	4,094.56	14,936.11	13,149.50	3,054.78	3,543.22	15,294.79	12,581.43
Total expenses (a to f)	10,222.55	9,993.13	37,535.49	37,734.79	9,464.59	8,877.93	39,615.45	37,343.14
5 Profit/(loss) before Exceptional item and tax (3-4)	754.53	2,103.38	7,844.05	7,071.33	688.26	1,413.41	6,172.37	7,885.87
6 Exceptional Items	(5,433.16)	-	(5,433.16)	(440.00)	-	-	(7,713.26)	-
7 Profit before Tax (5-6)	(4,678.64)	763.07	2,410.88	6,631.33	688.26	1,413.41	(1,540.89)	7,885.87
8 Tax Expenses	(1,199.02)	185.78	141.85	(214.13)	185.78	151.26	(209.26)	1,649.95
9 Profit after tax (7-8)	(3,479.60)	1,917.59	2,625.01	4,984.30	502.48	1,262.15	(1,331.63)	6,235.92
10 Other Comprehensive Income								
a) (i) Items that will not be reclassified to profit or loss	30.37	(0.48)	28.92	(1.94)	(0.48)	(34.64)	28.92	(1.94)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(7.64)	8.72	(7.28)	0.49	(7.64)	8.72	(7.28)	0.49
b) (i) Items that will be reclassified to profit or loss	(2,063.33)	(1,072.69)	(4,292.44)	-	(1,046.35)	(106.40)	(4,044.55)	(79.64)
(ii) Income tax relating to items that will be reclassified to profit or loss	519.30	269.97	1,080.32	-	269.97	-	1,080.32	-
Total Other Comprehensive Income	(1,521.30)	(803.08)	(3,190.48)	(1.45)	(776.74)	(132.32)	(2,942.59)	(81.09)
Total Comprehensive Income (9+10)	(5,000.92)	1,114.52	(565.47)	4,982.85	(274.26)	1,129.83	(4,274.21)	6,154.83
12 Profit attributable to:								
Owners of the company	(3,479.60)	1,917.59	2,625.01	4,984.30	512.58	1,269.01	(1,313.46)	6,235.74
Non controlling Interest	-	-	-	-	(7.87)	(10.10)	(6.86)	(18.18)
Other Comprehensive Income attributable to								
Owners of the company	(1,521.30)	(803.08)	(3,190.48)	(1.45)	(774.60)	(132.68)	(2,942.67)	(81.24)
Non controlling Interest	-	-	-	-	(2.22)	(2.14)	0.36	0.16
Total Comprehensive Income attributable to								
Owners of the company	(5,000.91)	1,114.52	(565.47)	4,982.85	(262.02)	1,136.33	(4,256.12)	6,154.50
Non controlling Interest	-	-	-	-	(6.74)	(6.50)	(18.10)	0.34
15 Paid-Up Equity Share Capital	-	-	-	-	-	-	-	-
(Face Value Of Share - Re.1/-Each)	835.03	835.03	835.03	835.03	835.03	835.03	835.03	835.03
16 Reserves excluding Revaluation Reserves (as per balance sheet)	49,347.74	50,993.01	49,347.74	50,993.01	-	48,151.91	47,814.74	48,151.91
17 Earnings Per Share (EPS)								
Basic and Diluted earning per share- Before Exceptional Item (in Rs)	2.34	2.30	9.65	6.50	0.61	1.52	7.66	7.47
Basic and Diluted earning per share-After Exceptional Item (in Rs)	(4.17)	2.30	3.14	5.97	(7.14)	1.52	(1.57)	7.47



NOTES :

- 1 The Audit Committee has reviewed these results and the Board of Directors have approved the above results at their meeting held on 22nd April, 2026.
- 2 Figures of three months ended March 31, 2026 and the corresponding quarter ended in the previous year as reported in these results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year. Also the figures upto the end of third quarter had only been reviewed and not subjected to audit
- 3 The Board of Directors have recommended a dividend of INR. 2/- per equity share of face value of INR 1/-, subject to approval of shareholders. The Promoters and the promoter group have expressed that they will be waiving of their rights to receive the dividend.
- 4 During the quarter, the Company sold 11.1% Non-Cumulative Redeemable Preference Shares held in its wholly owned subsidiary, Sarla Flex Inc., having a face value of USD 10,00,000 each, for consideration of USD 11,000 per share. (a) In the standalone Financials, Based on the carrying amount of the said Preference Shares of Rs. 7,824.85 lakhs (gross of impairment of Rs. 2,280.10 Lakhs carried out in earlier years), the sale transaction has resulted in a loss amounting to Rs. 5,433.16 lakhs, which has been recognized as an Exceptional Item in the statement of Profit and Loss for the quarter and year ending 31st March 2026. For the sale and write off of the loss for the above transaction and subsequent receipt of the sales proceeds, the company has applied for the necessary approvals from the regulators and the same is still awaited as on date. The management believes that there is no uncertainty regarding the approvals and the receipt of the aforesaid consideration. (b) In the Consolidated Financials, the sale transaction has resulted in a loss amounting to Rs 7,713.26 Lakhs (since Provision for Impairment of Rs 2,280.10 Lakhs recorded in the earlier years in the standalone financials statements were eliminated due to consolidation adjustments) which has been recognized as an Exceptional Item in the statement of Profit and Loss for the quarter and year ending 31st March 2026. 5 The Company has performed an impairment assessment of its Windmill asset in accordance with Ind AS 36 – Impairment of Assets. The recoverable amount of the asset was determined using the Discounted Cash Flow (DCF) method. As the recoverable amount was lower than the carrying amount, an impairment loss of ₹ 453.40 lakhs has been recognized in the Statement of Profit and Loss for the quarter and year ended 31st March 2026. 6 During the quarter, the Company has recognised an exchange loss of ₹198.24 lakhs in relation to foreign currency exposures - working capital loans, debtors and creditors. Exchange losses recognised in previous quarters specifically, for the quarter ended December 31, 2025, and the corresponding quarter ended March 31, 2025 amounted to ₹ 156.19 lakhs and ₹ 386.33 lakhs, respectively. 7 Pursuant to the new labour code provisions the Company had assessed and recognised the impact of enhanced gratuity liability of Rs 18.37 Lakhs in December 2025, resulting in an increase in employee benefit expenses 8 During the quarter ended December 31, 2025, upon review of the inventory of SarlaFlex LLC, which forms part of the consolidated financial statements, it has been noted that inventory was damaged. Accordingly, the company made a one time provision for an amount of Rs 1,439.18 Lakhs in the books of accounts. 9 The company's business activity falls under two business segment- Yarn and Wind Power is as under:

Particulars	STANDALONE				CONSOLIDATED			
	Quarter Ended		Year Ended		Quarter Ended		Year Ended	
	31-Mar-26	31-Dec-25	31-Mar-25	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25	31-Mar-26
1. Segment Revenues (Net)								
(a). YARN	9,777.72	8,800.38	9,846.01	39,229.60	41,840.76	10,180.78	8,857.14	9,947.91
(b). WIND POWER	97.53	89.80	118.05	543.91	651.02	89.80	118.05	643.91
Less: Intersegment	25.06	27.07	32.90	139.17	125.12	25.06	27.07	32.90
Net Sales/Income From Operations	9,850.18	8,863.11	9,931.16	39,634.33	42,366.67	10,253.24	8,919.87	10,033.06
2. Segment Results								
(a). YARN*	2,839.92	2,981.93	1,840.05	12,409.20	10,039.42	2,632.70	1,566.81	2,490.38
(b). WIND POWER	(502.26)	(60.60)	(24.05)	(196.84)	19.02	(502.26)	(60.60)	(24.05)
Less : Finance cost (Unallocable)	179.25	222.57	401.96	323.90	1,064.42	179.25	222.57	401.96
Less : Admin cost (Unallocable)	1,403.88	595.38	650.96	3,544.41	1,922.69	1,403.88	595.38	650.96
Less : Exceptional Items	5,433.16	-	-	5,433.16	440.00	7,713.26	-	7,713.26
Total Profit Before Tax after Exceptional Items	(4,678.64)	2,103.38	763.08	2,410.88	6,631.33	(7,165.95)	686.26	1,413.41
3. Segment Assets								
(a). YARN	39,539.67	44,107.60	43,915.68	39,339.67	43,915.67	41,810.05	40,292.91	41,502.31
(b). WIND POWER	4,225.20	4,792.62	5,124.82	4,125.20	5,124.82	4,225.20	4,792.62	5,124.82
(c). UNALLOCATED	37,058.71	33,786.53	28,639.31	37,058.71	28,639.31	37,058.71	33,786.53	28,639.31
Total	80,823.58	82,686.75	77,679.81	80,323.58	77,679.80	83,093.96	78,872.06	75,266.44
4. Segment Liabilities								
(a). YARN	14,091.24	9,687.56	8,572.88	14,291.24	8,572.88	15,080.98	10,013.54	8,993.74
(b). WIND POWER	11.08	62.68	155.79	11.08	155.79	11.08	62.68	155.79
(c). UNALLOCATED	16,538.47	17,752.93	17,123.11	16,538.47	17,123.11	16,538.47	17,752.93	16,538.47
Total	30,640.79	27,503.17	25,851.78	30,640.79	25,851.78	31,630.52	27,829.15	26,772.64
5. Capital Employed								
(a). YARN	25,448.43	34,420.04	35,342.80	25,448.43	35,342.80	26,729.06	30,279.35	32,508.57
(b). WIND POWER	4,214.12	4,729.94	4,969.03	4,214.12	4,969.03	4,214.12	4,729.94	4,969.03
(c). UNALLOCATED	20,520.24	16,033.59	11,516.20	20,520.24	11,516.20	20,520.24	16,033.59	11,516.20
Total	50,182.79	55,183.58	51,828.03	50,182.79	51,828.03	51,463.42	51,042.88	48,993.80

* including other income for the respective period.

10 Figures relating to corresponding period of the previous year have been regrouped wherever necessary.



For Sarla Performance Fibers Limited

Krishna

Krishna Jhunjhunwala
Managing Director (DIN: 00097175)
Place: Mumbai

Dated: April 22, 2026

Sarla Performance Fibers Limited
Consolidated statement of Assets and Liabilities as at March 31, 2026

(Rs in lakhs)

	Particulars	As at	As at
		March 31, 2026	March 31, 2025
		Audited	Audited
I	ASSETS		
(1)	Non-current assets		
	(a) Property, Plant and Equipment	21,749.01	23,866.45
	(b) Capital Work in progress	443.40	(0.00)
	(c) Other Intangible assets	21.28	30.62
	(d) Financial Assets		
	(i) Investments accounted for using equity method	-	-
	(ii) Other Investments	28,407.86	23,625.44
	(iii) Loans	30.08	8.35
	(iv) Other financial assets	66.20	82.93
	(e) Non current Tax Assets (Net)	226.22	44.32
	(h) Deferred Tax Assets (Net)	1.52	-
	(f) Other non-current assets	578.17	412.33
	Total non-current assets	51,523.75	48,070.43
(2)	Current assets		
	(a) Inventories	7,736.42	9,992.12
	(b) Financial Assets		
	(i) Investments	8,386.28	4,934.25
	(ii) Trade receivables	11,469.88	9,444.71
	(iii) Cash and cash equivalents	269.32	248.24
	(iv) Bank balances other than (iii) above	38.35	35.30
	(v) Loans	23.69	14.81
	(vi) Other financial assets	2,316.82	1,223.72
	(c) Other current assets	1,329.45	1,302.87
	Total current assets	31,570.20	27,196.01
	Total Assets	83,093.95	75,266.44
II	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	835.03	835.03
	(b) Preference Share Capital	7,824.85	-
	(b) Other Equity	42,814.74	48,151.91
	Equity attributable to equity share holders	51,474.62	48,986.94
	Non-controlling interests	(11.24)	6.86
	Total equity	51,463.38	48,993.80
	Liabilities		
(1)	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	3,525.64	1,775.42
	(ia) Lease Liabilities	450.38	679.97
	(b) Provisions	160.57	112.50
	(c) Deferred tax liabilities (Net)	1,586.42	1,883.99
	Total non-current liabilities	5,723.02	4,451.87
(2)	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	15,576.30	15,469.21
	(ia) Lease Liabilities	226.13	148.32
	(ii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises	176.33	143.95
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	3,437.91	3,078.84
	(iii) Other financial liabilities	5,400.77	2,014.37
	(b) Other current liabilities	964.18	446.91
	(c) Provisions	55.34	51.26
	(d) Current Tax Liabilities (Net)	70.56	467.86
	Total current liabilities	25,907.51	21,820.73
	Total Liabilities	31,630.52	26,272.60
	Total Equity and Liabilities	83,093.95	75,266.44

For Sarla Performance Fibers Limited


Krishna M. Jhunjhunwala
Managing Director (DIN: 00097175)



Place : Mumbai.
Date: April 22, 2026



Sarla Performance Fibers Limited
Consolidated Statement of cash flows for the year ended March 31, 2026

(Rs in lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2026	March 31, 2025
	Audited	Audited
A Cash flows from operating activities		
Profit before tax	(1,540.87)	7,885.88
Adjustments for:		
Finance costs	735.16	1,020.74
Depreciation and amortisation expenses	2,523.15	2,502.16
Impairment Expenses	453.40	-
Interest income	(329.46)	(320.49)
Gain on disposal of property, plant and equipment	165.60	182.91
Gain on disposal of investments	(1,419.54)	(922.59)
Gain on fair value of investments	-	(33.46)
Dividend Income	(73.21)	(58.01)
Provision for Impairment & Doubtful Advances	-	505.60
Loss on Sale of Preference Shares	7,713.26	-
Unrealised exchange (gain) / loss on foreign currency	(621.68)	80.96
Sundry Balances written off / (written back)	125.67	(9.08)
Operating profit before working capital changes	7,731.49	10,834.63
Changes in Assets and Liabilities:		
Adjustments for (increase)/decrease in:		
Inventories	(341.25)	(1,519.24)
Trade receivables	334.29	(329.65)
Loans and Advances	(10.41)	19.05
Other assets	(1,200.38)	(590.24)
Trade payables	426.76	(677.68)
Other current financial liabilities	1,156.63	268.70
Cash generated from operations	8,097.15	8,005.57
Direct taxes paid (net)	(676.31)	(1,765.35)
Net cash generated from operating activities (A)	7,420.84	6,240.22
B Cash flows from investing activities		
Bank balances other than Cash & Cash equivalents	(6.44)	878.21
Purchase of Property, Plant and Equipment	(1,341.44)	(2,055.12)
Purchase of Intangible Assets	(7.13)	(2.89)
Advance for Capital Work in Progress	(443.40)	-
Proceeds from disposals of property, plant and equipment	31.96	1.37
Proceeds from Investments	111.59	-
Purchase/Proceeds of investments	(6,814.91)	(8,200.17)
Loans to Subsidiaries	-	-
Loans given	(4.54)	(1.10)
Interest received	329.46	320.49
Dividend Income on Current investments	73.21	58.01
Net cash (used in) investing activities (B)	(8,071.63)	(9,016.20)
C Cash flows from financing activities		
Proceeds from non current borrowings	3,350.94	(40.07)
Repayment of non current borrowings	(766.67)	(10.56)
Proceeds/(repayment) from current borrowings	191.29	3,922.22
Payments for the principal portion of lease liability	(148.06)	(133.18)
Payments for the interest portion of lease liability	(51.91)	(53.20)
Interest paid	(823.90)	(1,029.92)
Dividend paid	(1,079.82)	-
Net cash generated from financing activities (C)	671.88	2,655.30
NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	21.09	(120.68)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		
Balances with banks in current accounts and deposit accounts	239.64	359.96
Effect of exchange rate changes on cash and cash equivalents	0.33	0.64
Cash on hand	8.27	8.32
CASH AND CASH EQUIVALENTS	248.24	368.92
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		
Balances with banks in current accounts and deposit accounts	265.18	239.64
Effect of exchange rate changes on cash and cash equivalents	-	0.33
Cash on hand	4.14	8.27
CASH AND CASH EQUIVALENTS	269.32	248.24










For Sarla Performance Fibers Limited

KM

Krishna M. Jhunjhunwala
Managing Director (DIN: 00097175)
Place: Mumbai
Date: April 22, 2026



STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION) SUBMITTED ALONG-WITH ANNUAL AUDITED CONSOLIDATED FINANCIAL RESULTS
(Pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015)

I.	Sl.No	Particulars	Audited Figures	Audited Figures								
			(as reported before adjusting for qualifications)	(as reported before adjusting for qualifications)								
	1	Turnover/ Total Income	45,787.82	45,787.82								
	2	Total Expenditure	47,328.71	47,328.71								
	3	Net Profit/ (Loss)	-1,331.63	-1,331.63								
	4	Earnings Per Share	-1.57	-1.57								
	5	Total Assets	83,096.96	83,096.96								
	6	Total Liabilities	31,630.52	31,630.52								
	7	Net Worth	51,463.42	51,463.42								
	8	Any other financial item(s) (as felt appropriate by the management)	-	-								
II.	<p>Audit Qualification (each audit qualification seperately):</p> <p>a. Details of Audit Qualification:</p> <p>We draw attention to Note No. 4 to the financial results on Exceptional Items wherein the Company has recognized loss of Rs. 7,713.26 lakhs on sale of 1% Non-Cumulative Redeemable Preference Shares held in its wholly owned subsidiary, Sarfa Flex Inc.</p> <p>For the sale and write off of the loss for the above transaction and subsequent receipt of the sales proceeds the company has applied for the necessary approvals from the regulators and the same is still awaited as on date of our audit report.</p> <p>Note No.4 to the financial Results:</p> <p>During the quarter, the Company sold 11,1% Non-Cumulative Redeemable Preference Shares held in its wholly owned subsidiary, Sarfa Flex Inc., having a face value of USD 10,00,000 each, for consideration of USD 11,000 per share.</p> <p>In the Consolidated Financials, the sale transaction has resulted in a loss amounting to Rs 7,713.26 Lakhs (since Provision for Impairment of Rs 2,280.10 Lakhs recorded in the earlier years in the standalone financials statements were eliminated due to consolidation adjustments) which has been recognized as an Exceptional Item in the statement of Profit and Loss for the quarter and year ending 31st March 2026.</p> <p>For the sale and write off of the loss for the above transaction and subsequent receipt of the sales proceeds, the company has applied for the necessary approvals from the regulators and the same is still awaited as on date.</p> <p>The management believes that there is no uncertainty regarding the approvals and the receipt of the aforesaid consideration.</p> <p>b. Type of Audit Qualification: Qualified Opinion</p> <p>c. Frequency of Qualification: First time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management Views: Not Applicable</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimate on the impact of audit qualification: Not Applicable</p> <p>(ii) If Management is unable to estimate the impact, reasons for the same: Auditor have qualified the opinion as the approvals from the regulators is still awaited but the Management, based on its assessment of the facts and circumstances, believes that such approvals are procedural in nature and do not cast any uncertainty on the transaction</p> <p>(iii) Auditors comment on (i) or (ii) above: This being a regulatory non-compliance we are unable to quantify the amount of penalty that may be imposed by the regulator to regularize this transaction pending clearance</p>											
III.	<p>Signatories:</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%; text-align: center;">CEO/Managing Director</td> <td align="center"></td> </tr> <tr> <td style="text-align: center;">Chief Financial Officer</td> <td align="center"></td> </tr> <tr> <td style="text-align: center;">Audit Committee Chairman</td> <td align="center"></td> </tr> <tr> <td style="text-align: center;">Statutory Auditor</td> <td align="center"></td> </tr> </table>				CEO/Managing Director		Chief Financial Officer		Audit Committee Chairman		Statutory Auditor	
CEO/Managing Director												
Chief Financial Officer												
Audit Committee Chairman												
Statutory Auditor												
Place: Mumbai												
Date: 22nd April, 2026												

CNK & Associates LLP

Chartered Accountants

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
SARLA PERFORMANCE FIBERS LIMITED

Report on Audit of Standalone Financial Results

Qualified Opinion

We have audited the accompanying statement of quarterly and year to date Standalone Financial Results of **Sarla Performance Fibers Limited** (the "Company") for the quarter and year ended 31st March, 2026 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. Except for the matters stated in the Basis for Qualified Opinion, gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standards specified under Section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the net profit, other comprehensive loss and other financial information of the company for the quarter and year ended 31st March, 2026.

Basis for Qualified Opinion

We draw attention to Note No. 4 on Exceptional Items wherein the Company has recognized loss of Rs. 5,433.16 (net of reversal of impairment provision of Rs. 2,280.10 lakhs carried out in earlier years) on sale of 1% Non-Cumulative Redeemable Preference Shares held in its wholly owned subsidiary, Sarla Flex Inc.

For the sale and write off of the loss for the above transaction and subsequent receipt of the sales proceeds the company has applied for the necessary approvals from the regulators and the same is still awaited as on date of our audit report.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.

Mistry Bhavan, 3rd Floor, Dinshaw Vachha Road, Churchgate, Mumbai 400 020. Tel: +91 22 6623 0600
501-502, Narain Chambers, M.G. Road, Vile Parle (E), Mumbai 400 057. Tel: +91 22 6250 7600
Website: www.cnkindia.com



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Management's Responsibilities for the Standalone Financial Results

The Statement, which is the responsibility of the Company's Management and Board of Director's, has been prepared on the basis of the Standalone annual Financial Statements. The Management and Board of Directors of the Company are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls;



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and the Board of Directors in terms of the requirement specified under Regulation 33 of the Listing Regulations;
- Conclude on the appropriateness of the Management and the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial results of the company to express an opinion on the financial results

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

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

Other Matter

The Statement includes the results for the quarter ended 31st March, 2026 being the balancing figure between the audited figures in respect of the full financial year ended 31st March, 2026 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us, as required under the Listing Regulations.

Our opinion is not modified in respect of the above matter.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W100036

S.S. Agaskar

Suresh Agaskar

Partner

Membership No. 110321

UDIN: 26110321ZDETPD8392

Place: Mumbai

Date: 22nd April, 2026



Sarla Performance Fibers Limited
Standalone Statement of Assets and Liabilities as at March 31, 2026

(Rs in lakhs)

	Particulars	As at March 31, 2026 Audited	As at March 31, 2025 Audited
I	ASSETS		
(1)	Non-current assets		
	(a) Property, Plant and Equipment	19,908.40	22,136.48
	(b) Capital Work in progress	443.40	-
	(c) Other Intangible assets	21.28	30.62
	(d) Financial Assets		
	(i) Investments in Subsidiaries	183.22	5,727.98
	(ii) Other Investments	28,407.86	23,625.44
	(iii) Loans	30.08	8.35
	(iv) Other financial assets	66.20	82.93
	(e) Non current Tax Assets (Net)	226.22	44.32
	(f) Other non-current assets	578.17	412.33
	Total non-current assets	49,864.85	52,068.44
(2)	Current assets		
	(a) Inventories	7,736.42	8,555.65
	(b) Financial Assets		
	(i) Investments	8,386.28	4,934.25
	(ii) Trade receivables	10,923.41	9,382.95
	(iii) Cash and cash equivalents	206.34	170.70
	(iv) Bank balances other than (iii) above	38.35	35.30
	(v) Loans	23.69	14.81
	(vi) Other financial assets	2,316.82	1,223.72
	(c) Other current assets	1,327.43	1,294.00
	Total current assets	30,958.73	25,611.37
	Total Assets	80,823.57	77,679.81
II	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	835.03	835.03
	(b) Other Equity	49,347.74	50,993.00
	Total equity	50,182.77	51,828.03
	Liabilities		
(1)	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	3,266.67	1,533.33
	(ia) Lease Liabilities	450.38	679.97
	(b) Provisions	160.57	112.50
	(c) Deferred tax liabilities (Net)	1,586.42	1,883.99
	Total non-current liabilities	5,464.04	4,209.78
(2)	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	15,576.30	15,469.21
	(ia) Lease Liabilities	226.13	148.32
	(ii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises	176.33	143.95
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	3,436.53	3,076.89
	(iii) Other financial liabilities	5,400.77	2,014.37
	(b) Other current liabilities	234.80	270.11
	(c) Provisions	55.34	51.26
	(d) Current Tax Liabilities (Net)	70.56	467.86
	Total current liabilities	25,176.75	21,641.98
	Total Liabilities	30,640.79	25,851.76
	Total Equity and Liabilities	80,823.57	77,679.81

For Sarla Performance Fibers Limited



Krishna M. Jhunjunwala
Managing Director
(DIN: 00097175)
Place : Mumbai.
Dated : April 22, 2026



Sarla Performance Fibers Limited
Standalone Statement of cash flows for the year ended March 31,2026







	Particulars	For the year ended	For the year ended
		March 31, 2026	March 31, 2025
		Audited	Audited
A	Cash flows from operating activities		
	Profit before tax	2,410.91	6,631.34
	Adjustments for:		
	Finance costs	735.16	1,020.74
	Depreciation and amortisation expenses	2,448.49	2,431.86
	Impairment Expenses	453.40	-
	Interest income	(329.46)	(320.49)
	(Gain)/ Loss on disposal of property, plant and equipment	165.60	182.91
	Gain on disposal of investments	(1,419.54)	(922.59)
	Gain on fair value of investments	-	(33.46)
	Dividend Income	(73.21)	(58.01)
	Loss on sale of Preference Shares	5,433.16	945.60
	Unrealised exchange (gain) / loss on foreign currency translations	45.09	251.70
	Sundry Balances written off / (written back)	125.67	(9.08)
	Operating profit before working capital changes	9,995.28	10,120.53
	Changes in Assets and Liabilities:		
	Adjustments for (increase)/decrease in:		
	Trade receivables	(1,666.12)	(244.33)
	Inventories	819.00	(1,482.18)
	Loans and Advances	(10.41)	19.05
	Other assets	(1,317.60)	(383.31)
	Adjustments for increase/(decrease) in:		
	Trade payables	392.02	(662.35)
	Other current financial liabilities	557.33	833.57
	Cash generated from operations	8,769.48	8,200.97
	Direct taxes paid (net)	(669.92)	(1,762.41)
	Net cash generated from operating activities (A)	8,099.56	6,438.56
B	Cash flows from investing activities		
	Bank balances other than Cash & Cash equivalents	(6.44)	878.21
	Purchase of property, plant and equipment	(1,163.74)	(2,013.57)
	Purchase of Intangible Assets	(7.13)	(2.89)
	Advance for Capital Work in Progress	(443.40)	-
	Proceeds from disposals of property, plant and equipment	31.96	4.70
	Proceeds from Sale of Preference Shares	111.59	-
	(Purchase) / Proceeds of investments	(6,814.91)	(8,200.17)
	Advance for Pending Allotment	-	(15.00)
	Interest received	329.46	320.49
	Dividend received	73.21	58.01
	Net cash (used in) investing activities (B)	(7,889.40)	(8,970.22)
C	Cash flows from financing activities		
	Proceeds from non current borrowings	2,500.00	-
	Repayment of non current borrowings	(766.67)	(10.56)
	Proceeds/(repayment) from current borrowings	195.83	3,709.59
	Payments for the principal portion of lease liability	(148.06)	(133.18)
	Payments for the interest portion of lease liability	(51.91)	(53.20)
	Interest paid	(823.90)	(1,029.92)
	Dividend paid	(1,079.82)	-
	Net cash (generated in) financing activities (C)	(174.52)	2,482.73
D	NET INCREASE IN CASH AND CASH EQUIVALENTS ((A) + (B) + (C))	35.63	(48.93)
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	Balances with banks in current accounts and deposit accounts	164.38	212.88
	Effect of exchange rate changes on cash and cash equivalents	0.33	0.64
	Cash on hand	5.98	6.10
	CASH AND CASH EQUIVALENTS	170.70	219.63
	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		
	Balances with banks in current accounts and deposit accounts	204.71	164.38
	Effect of exchange rate changes on cash and cash equivalents	-	0.33
	Cash on hand	1.63	5.98
	CASH AND CASH EQUIVALENTS	206.33	170.70

For Sarla Performance Fibers Limited


Krishna M. Jhunjhunwala
Managing Director
(DIN: 00097175)
Place : Mumbai
Dated : April 22, 2026



**STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION) SUBMITTED ALONG-WITH ANNUAL AUDITED
STANDALONE FINANCIAL RESULTS
(Pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015)**

I.	Sl.No	Particulars	Audited Figures	Audited Figures								
			(as reported before adjusting for qualifications)	(as reported before adjusting for qualifications)								
	1	Turnover/ Total Income	45,379.54	45,379.54								
	2	Total Expenditure	42,968.66	42,968.66								
	3	Net Profit/ (Loss)	2,025.01	2,025.01								
	4	Earnings Per Share	3.14	3.14								
	5	Total Assets	80,823.57	80,823.57								
	6	Total Liabilities	30,640.79	30,640.79								
	7	Net Worth	50,182.77	50,182.77								
	8	Any other financial item(s) (as felt appropriate by the management)	-	-								
II.	<p>Audit Qualification (each audit qualification separately):</p> <p>a. Details of Audit Qualification:</p> <p>We draw attention to Note No. 4 to the financial results on Exceptional Items wherein the Company has recognized loss of Rs. 5,433.16 lakhs (net of reversal of impairment provision of Rs. 2,280.10 lakhs carried out in earlier years) on sale of 1% Non-Cumulative Redeemable Preference Shares held in its wholly owned subsidiary, Sarla Flex Inc.</p> <p>For the sale and write off of the loss for the above transaction and subsequent receipt of the sales proceeds the company has applied for the necessary approvals from the regulators and the same is still awaited as on date of our audit report.</p> <p>Note No.4 to the financial Results:</p> <p>During the quarter, the Company sold 11,1% Non-Cumulative Redeemable Preference Shares held in its wholly owned subsidiary, Sarla Flex Inc., having a face value of USD 10,00,000 each, for consideration of USD 11,000 per share.</p> <p>In the standalone Financials, Based on the carrying amount of the said Preference Shares of Rs. 7,824.85 lakhs (gross of impairment of Rs. 2,280.10 Lakhs carried out in earlier years), the sale transaction has resulted in a loss amounting to Rs. 5,433.16 lakhs, which has been recognized as an Exceptional Item in the statement of Profit and Loss for the quarter and year ending 31st March 2026.</p> <p>For the sale and write off of the loss for the above transaction and subsequent receipt of the sales proceeds, the company has applied for the necessary approvals from the regulators and the same is still awaited as on date.</p> <p>The management believes that there is no uncertainty regarding the approvals and the receipt of the aforesaid consideration.</p> <p>b. Type of Audit Qualification: Qualified Opinion</p> <p>c. Frequency of Qualification: First time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management Views: Not Applicable</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimate on the impact of audit qualification: Not Applicable</p> <p>(ii) If Management is unable to estimate the impact, reasons for the same: Auditor have qualified the opinion as the approvals from the regulators is still awaited but the Management, based on its assessment of the facts and circumstances, believes that such approvals are procedural in nature and do not cast any uncertainty on the transaction</p> <p>(iii) Auditors comment on (i) or (ii) above: This being a regulatory non-compliance we are unable to quantify the amount of penalty that may be imposed by the regulator to regularize this transaction pending clearance</p>											
III.	<p>Signatories:</p> <table border="0" style="width:100%"> <tr> <td style="text-align:center">CEO/Managing Director</td> <td align="right"></td> </tr> <tr> <td style="text-align:center">Chief Financial Officer</td> <td align="right"></td> </tr> <tr> <td style="text-align:center">Audit Committee Chairman</td> <td align="right"></td> </tr> <tr> <td style="text-align:center">Statutory Auditor</td> <td align="right"></td> </tr> </table>				CEO/Managing Director		Chief Financial Officer		Audit Committee Chairman		Statutory Auditor	
CEO/Managing Director												
Chief Financial Officer												
Audit Committee Chairman												
Statutory Auditor												
	<p>Place: Mumbai</p> <p>Date: 22nd April, 2026</p>											

Annexure II

Name - M/s. KD Practice Consulting Private Limited

Sr. No.	Particulars	Internal Auditor
1	Name	M/s. KD Practice Consulting Private Limited
2	Reason for change viz. appointment, re-appointment, resignation, removal, death or otherwise	Re-appointment
3	Date of appointment/ re-appointment/ cessation (as applicable)	April 22, 2026 - For the Financial Year 2026-27
4	Brief profile (in case of appointment)	<p>KD Practice Consulting Private Limited ("KDPC"), a Company incorporated under the provisions of the Companies Act, 2013 and having its registered office at G-6, Padmavati Tower CHS Ltd, Balaji Nagar, Station Road, Bhayandar (West), Thane - 401101, Maharashtra, India.</p> <p>KDPC is a Management Consulting Firm engaged in providing professional services with respect to Operations, processes, SOPs, ERP Support, Costing & MIS Support and compliance management. KDPC is providing various auditing services and has a huge clientele including listed and unlisted entities.</p> <p>Ms. Pooja Dharewa, Director of KDPC is a qualified Chartered Accountant having Membership No. 135998 and has an experience of 17 years in the field of providing operations consulting, financial analysis and auditing services. She has helped several companies in improving their business operations & processes. She is deft in drafting SOPs and audit reports. She will be handling the entire internal audit process of our Company.</p>
5	Disclosure of relationships between directors (in case of appointment of a director)	Not Applicable

Name: M/s. Kasina & Associates, Cost Accountants

Sr. No.	Particulars	Cost Auditor
1	Name	M/s. Kasina & Associates, Cost Accountants
2	Reason for change viz. appointment, re-appointment, resignation, removal, death or otherwise	Re-Appointment
3	Date of appointment/ re-appointment/ cessation (as applicable)	April 22, 2026 - For the Financial Year 2026-27
4	Brief profile (in case of appointment)	<p>M/s. Kasina & Associates is a proprietary firm of Qualified Cost Accountant – FCMA Chandrahas Kasina, having commenced its Practice since 2012.</p> <p>Their expertise includes Financial Advisory Services, Strategies and Business Development for small and medium enterprises providing cost management systems and MIS Systems for large number of Units. The firm is also involved in corporate strategic management including developing business models, valuation of companies and advising clients on future plans related to fund raising and business development.</p> <p>They handle various assignments like Cost Audit, Due-Diligence, Project Finance Consultancy, Profitability Analysis, etc., for new and existing businesses.</p>
5	Disclosure of relationships between directors (in case of appointment of a director)	Not Applicable